



Advanced
Soltech

Year-end report

October – December
2021



Advanced Soltech listed on First North Growth Market

Electricity production for the quarter increased by 21% and connected solar energy plants amounted to 206.5 MW at the end of the quarter

On October 29, the company's share was listed on the Nasdaq First North Growth Market. In connection with the listing, the company received an issue payment, before issue costs, of SEK 198 million. During the quarter, demand from Chinese customers remained high and new orders corresponding to 28.9 MW were signed. During the quarter, Advanced Soltech's 145 solar energy plants produced a total of 39 (32) million kilowatt hours, through which we reduced CO2 emissions by 24,000 (20,000) tonnes. After the listing, we have continued to build new capacity in China and at the end of the period the total installed capacity amounted to 206.5 MW.

The quarter, in short

October 1st – December 31st

- On October 29, 2021, trading began with Advanced Soltech Sweden AB's share on the Nasdaq First North Growth Market. In connection with the IPO, the company received issue proceeds, before issue costs, of SEK 198 million.
- The company installed a total of 14.0 (33.3) MW of roof-based solar energy plants and had 206.5 (176.6) MW installed and revenue-generating capacity at the end of the quarter.
- 39 (32) million kWh were produced, an increase of 21%, which reduced China's CO2-related emissions by approximately 24,000 (20,000) tonnes.
- At the end of the quarter, the company had 54 (38) MW in subscribed orders, as well as projects in progress of 125 (135) MW.
- The company signed 17 contracts amounting to a total installed capacity of 28.9 MW.
- Price increases for electricity of approx. 15% in Advanced Soltech's most important province, Zhejiang.

The quarter, in numbers

October 1st – December 31st

- Revenues (sales of electricity and subsidies) amounted to SEK 33.8 (35.5) million, a decrease of 5 percent compared with the previous year.
- Net sales (sales of electricity) have increased with 13 percent from SEK 23.9 million to SEK 26.9 million, which is due to the company's portfolio of solar energy plants growing.
- Other operating income (subsidies) has decreased from SEK 11.6 million to SEK 6.9 million.
- Operating expenses amounted to SEK 25.1 (19.3) million, an increase of 30 percent. The largest items to the increase are that costs for depreciation according to plan and maintenance of solar energy plants have increased.
- Operating profit for the quarter amounted to SEK 8.7 (16.2) million, a decrease of 47 percent compared with the previous year.
- Profit for the year after financial items and tax amounted to SEK 4.3 (-53.6) million and is affected by a non-cash flow-affecting currency effect of SEK 34.1 (-32.8) million. Adjusted

for this item, profit for the year amounted to SEK -29.9 (-20.8) million.

- Total cash flow for the quarter amounted to SEK 102.9 (54.0) million. The positive cash flow is due to issue proceeds from the IPO. The company has thus been able to invest in solar energy plants compared to previous quarters during the year.
- The number of employees at the end of the period was 14 (16).
- According to the company's estimate, the effects of the Corona pandemic affected the company by SEK -0.9 (-1.0) million during the quarter, due to declining revenues due to a general price reduction of electricity tariffs.

Full year, in numbers

January 1st – December 31st

- 172 (122) million kWh were produced, an increase of 41%.
- Revenues amounted to SEK 153.5 (138.8) million, an increase of 11 percent compared with the previous year.
- Net sales (sales of electricity) have increased with 36 percent from SEK 86.4 million to SEK 117.4 million, which is due to the company's portfolio of solar energy plants growing.
- Other operating income (subsidies) has decreased from SEK 52.4 million to SEK 36.2 million.
- Operating expenses amounted to SEK 92.9 (62.6) million, an increase of 48 percent. The largest items to the increase are that costs for depreciation according to plan and maintenance of solar energy plants, roof rentals and strengthened within the management, have increased.
- Operating profit amounted to SEK 60.7 (76.2) million, a decrease of 20 percent compared with the previous year.
- Profit after financial items and tax amounted to SEK 16.2 (-97.0) million and is affected by a non-cash flow-affecting currency effect of SEK 92.8 (-41.3) million. Adjusted for this item, the result amounted to SEK -76.6 (-55.7) million.
- Total cash flow amounted to SEK 78.4 (25.7) million. The positive cash flow is due to issue proceeds from both preference shares and in connection with the IPO. The company has thus been able to invest in solar energy plants during the year.
- According to the company's estimate, the effects of the Corona pandemic affected the company by SEK -4.2 (-13.5) million, due to declining revenues due to a general price reduction. The first quarter of 2020 was affected in larger extent of the Corona pandemic.

Significant events after the end of the period

- The company signed one contract amounting to an installed capacity of 2.1 MW.
- The company was awarded the prize in China as "The most influential solar investment company 2021" for the second year in a row.
- By the time of the report, additional eight MW has been installed and connected. Total installed capacity is 214 MW.



The world's largest solar energy market continues its expansion

The rising demand for electricity and the green conversion is strong drivers for solar energy in China



The most important event during the fourth quarter of the year was ASAB's successful listing on the Nasdaq First North Growth Market on October 29. In connection with the listing, new shares of SEK 198 million were issued. The purpose of the listing was to, through a better capital structure, create good conditions for strong growth. The funds we have now received will be used for our continued expansion in China. At the end of the quarter, we had a total of 206 MW of connected capacity and at the time of writing we have installed another eight MW, and thus have a total of 214 MW in producing facilities. During the fourth quarter, we signed contracts for 17 new plants with a total capacity of 29 MW, which gives ASAB a very strong order book.

The listing process has been completed and we now have a company that is well equipped to embark on a powerful growth journey in the coming years. All preference shares are converted into ordinary shares with the same voting value. Following the listing, our main owner Soltech Energy has an ownership share of 29.35 percent and Advanced Solar Power 28.24 percent. In connection with the listing, the Brandberg family and The World We Want Foundation became the third and fourth largest owners, respectively. Both are reputable investors with an ambition to invest in companies with a positive climate footprint. I see their commitment as proof of the climate benefit we deliver.

Our strategic work now focuses on creating a scalable capital structure with lower costs that enables us to grow quickly and with good profitability. We see great interest, from both Chinese and international players, in participating in and financing our operations. We are currently engaged in several processes and our assessment is that in the future we can significantly improve our financing terms.

The Chinese market has largely recovered from the pandemic, although cluster infestations occur from time to time with local shutdowns as a result. There have also been bottlenecks in the economy when growth has picked up again. Many industries have had limited access to semiconductors, and during the autumn there has been a repeated shortage of electricity in the industrially developed parts of China. This

has led to rationing, which in turn has limited the production of goods. The bottlenecks during the fourth quarter led to delays in our expansion of new capacity, something we will recover in the spring.

The electricity shortage in China can be remedied with new capacity and changed electricity prices that create incentives for the industry to use electricity more efficiently. A move towards more efficient resource utilization is achieved through higher prices when electricity use is at its greatest, which for most industries mean mid-day. This coincides with when our production is at its largest and will benefit us in that we can get better paid for the electricity we sell to our customers. In mid-October, electricity prices for industrial customers in Zhejiang Province changed. The change means in practice an increase in our electricity prices to customers corresponding to fifteen percent. Our assessment is that there is a continued upward pressure on electricity prices for both industries and commercial customers.

ASABs green electricity production, offsets huge volumes of carbon emissions. During 2021, we have been part of reducing emissions in China by 107,000 tonnes of carbon dioxide equivalents. To achieve the corresponding climate benefit in Sweden, the capacity must be expanded by 14,200 MW, which corresponds to 13 times the capacity that was installed in Sweden at the end of 2020.

Within the EU, a standardized assessment of the climate and environmental impact of different industries is now being carried out. Our judgement is that our business will be 100 percent compatible with the so-called taxonomy in terms of sales level.

With a strong team and a solid platform, we will continue the work in 2022 with focus on delivering value for the climate, our customers, and our shareholders.

February 2022

Max Metelius, CEO

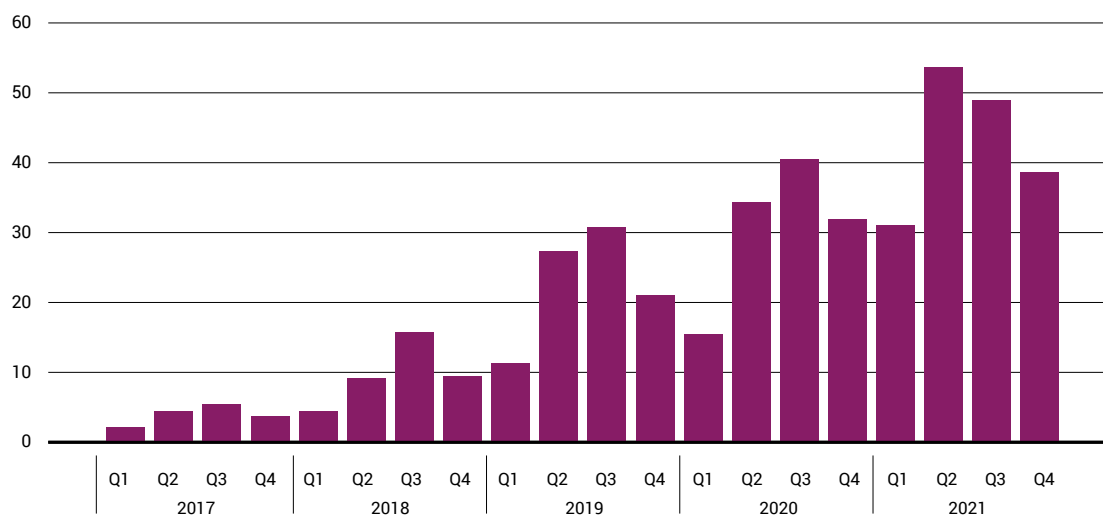
Key performance measures

Financial Key performance measures	211001-211231	201001-201231	210101-211231	200101-201231
Net revenue share of total revenue	80%	67%	76%	62%
EBIT	8,686	16,243	60,674	76,179
EBIT%	26%	46%	40%	55%
EBITDA	22,235	25,357	110,759	115,251
EBITDA%	66%	71%	72%	83%
Amortization of capitalised borrowing costs	6,720	3,671	26,800	22,945
Interest expenses	22,275	20,978	87,085	85,656
Earnings per share for the period before dilution, SEK	0.15	-2.52	0.67	-4.97
Earnings per share for the period after dilution, SEK	0.14	-2.52	0.66	-4.97
Operational Key performance measures (*)				
Produced electricity, millions of kWh	39	32	172	122
Reduction of China's CO2-related emissions, tonnes	24,000	20,000	107,000	76,000

Financial Key performance measures	2021-12-31	2020-12-31
Interest-bearing debt	1,031,130	977,322
Net interest-bearing debt	870,406	903,997
Equity ratio	28%	16%
Operational Key performance measures		
Installed capacity, MW	206.5	176.6
Average remaining contract time, years	17.9	17.8
Signed orders, MW	54	38

(*)Definitions of Key Performance Measures, see note 3

Produced electricity in millions of kWh



Business model, market and customers

Advanced Soltech Sweden AB (publ) (“ASAB”) has a clear cut business model and access to a very large market with many potential customers, both among private companies and state-owned businesses.

Vision

ASAB was founded with the goal of accelerating the transition to renewable energy in China by offering electricity generated from solar energy as a service. The vision is to become a driving force in sustainable energy production to secure a better future for the planet and future generations.

Business model

ASAB is a green energy producer that finances, owns and operates roof-mounted solar energy plants in China. The customer does not pay for the solar power plant or maintenance, in exchange for the customer buying the electricity that the plant produces at a pre-agreed price during a contract period of 20 years. Electricity purchased from ASAB is priced at a discount of approximately 10–15 percent compared with the price the customer pays for electricity from the electricity grid. The electricity that the customer does not buy is sold to the electricity grid, which ensures almost 100 percent uptake of the electricity generated by ASAB’s projects. ASAB normally has a gross return on its new facilities of 12–15 percent.

After the end of the 20-year contract period, the contract is automatically extended by five years, unless the customer chooses to terminate the contract and requests eviction. The customer can also buy the facility at a pre-agreed price.

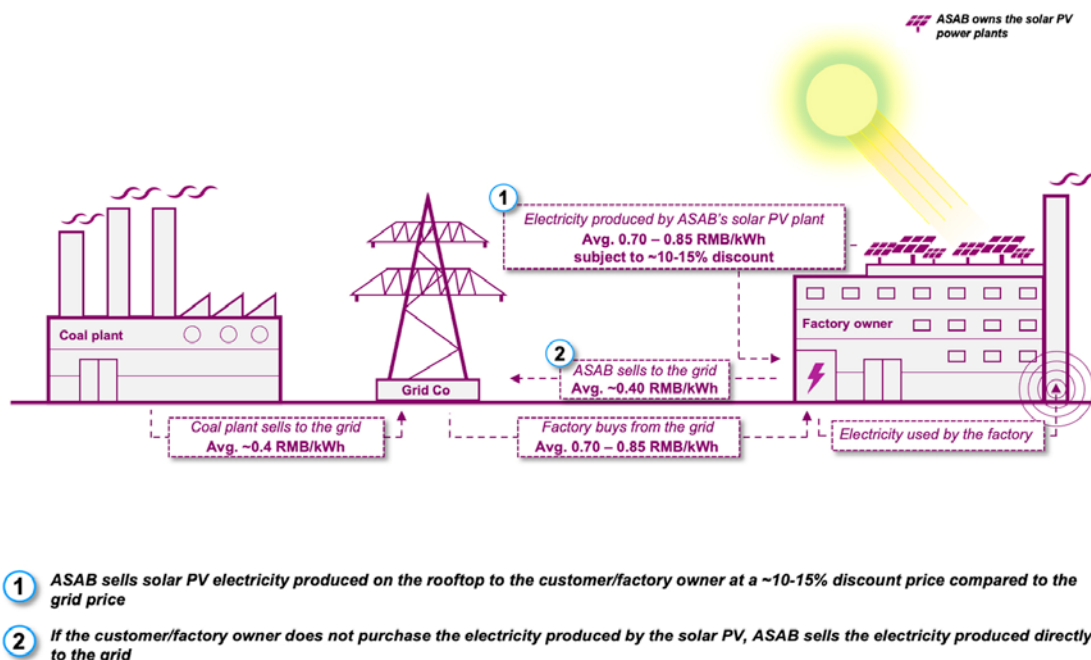
If a property is sold during the contract period, the customer must either buy the facility from ASAB or, after ASAB’s approval, ensure that the new property owner takes over the contract.

Subsidies

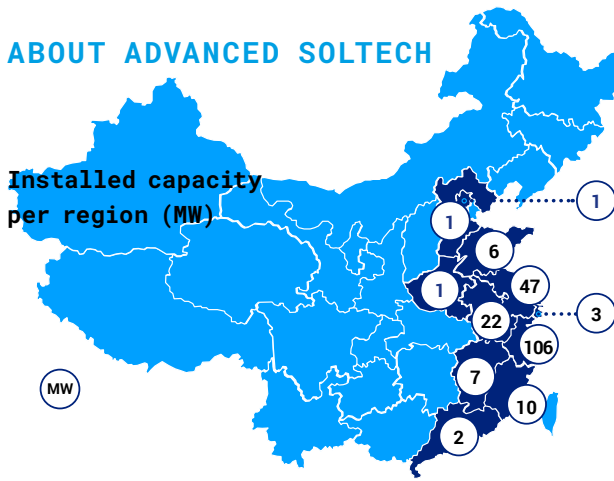
Although ASAB’s business model is commercially feasible, subsidies are another source of income.

The subsidy amount for a specific project is determined before the construction of the solar energy plant begins, when the local grid operator evaluates the design of the project. The commitment of the authorities to pay subsidies includes both an interest rate, the CNY amount per kWh generated and a duration, the number of years that the state unit undertakes to pay subsidies. The duration of the subsidies varies between two and 20 years, depending on whether the subsidies come from the district and city level or from the state or regional level.

In April 2021, new rules were introduced which mean that no new facilities receive subsidies. This was an expected development, as the facilities currently show a good return without subsidies. Already approved subsidies, however, remain in place for the lifetime of the contract.



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Market

When ASAB evaluates which regions the company wants to be present in, there are three main factors to take into consideration, solar irradiation, the local electricity price and the accessible customer base. All of these factors are important for ASAB to achieve long-term profitability in its operations. ASAB's market consists entirely of China, primarily the country's eastern regions, which are also the most industrialized and economically developed. This region provides an ideal mix of customer base, electricity prices and solar irradiation.

China's political leadership has over time made several decisions aimed at reducing the country's dependence on coal, a resource that today supplies more than 60 percent of the electricity production. The so-called 30-60 target means that carbon dioxide emissions will begin to decrease from 2030 and that the country will be completely climate-neutral by 2060.

An important part of the transition to carbon neutral economy will be based on solar energy, and in June 2021 a directive was issued stating that a large part of the suitable roof surfaces that are available will be covered with solar panels. The directive, issued by the Chinese Energy Agency, sets a goal that at least 50 percent of the available roof area of buildings that house government operations should be covered with solar panels. For public buildings, such as schools and hospitals, the corresponding target is at least 40 percent and for commercial and industrial buildings at least 30 percent. Although ASAB does not yet know the details of how this will be put into practice, the general perception in the market is that the directive is very positive for the solar energy sector.

ASAB also sees that both foreign and Chinese investors are now beginning to take an interest in the business model with roof-based solar energy that the company offers.

Although this will in the long run mean increased competition, ASAB sees it primarily as a confirmation that the company is working according to the right strategy. ASAB also has an advantage in the form of an established and functioning organization with great trust among customers, something that takes time to build.

Customers

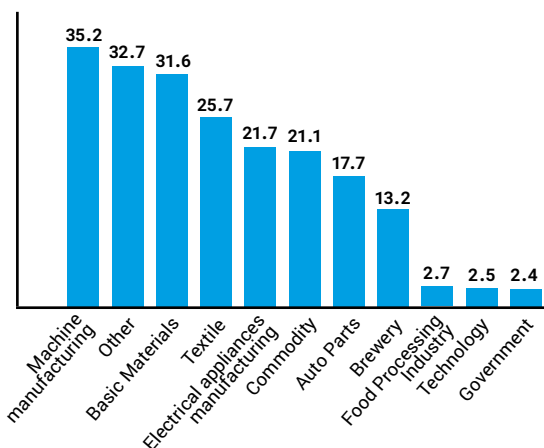
ASAB's customers are active in a wide range of areas, from the automotive and textile industries to brewing operations, but also in government operations. In total, just over 80 percent of customers are active in the private sector. What the customers have in common is that they are extensive organizations with a large number of employees. A customer base with mainly large customers, also spread across different industries, gives ASAB's operations long-term stability. A prerequisite for ASAB, however, is that customers have access to large free roof areas, as a photovoltaic system on average takes up approximately 15,000 square meters. Those of ASAB's customers who today have the largest installed capacity are found in machine manufacturing and the basic industry and are in the range of 100 to 500 employees (for more detailed information, see the tables below).

The reason why customers choose Advanced Soltech is that they get access to green electricity in an easy way and at a lower price than the electricity they can buy from the grid. ASAB carries out a thorough assessment of its customers' creditworthiness. Today, the company has 137 customers, which means that the counterparty risk is very diversified, something that distinguishes ASAB from similar companies which sell to the public electricity grid and thus has a weaker negotiating position and only one off-taker.

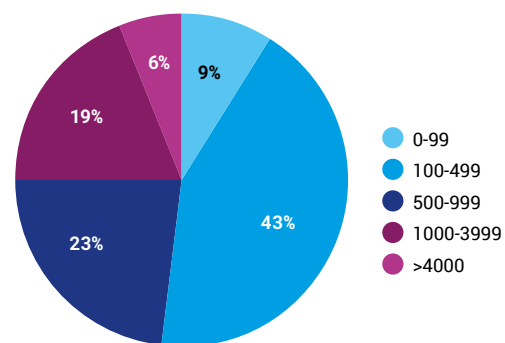
The rapid growth and conversion to alternative energy sources gives ASAB, which has proven experience in identifying suitable solar energy projects, coupled with efficient installation methods, good opportunities for continued profitable development. The risks that exist in the market are mainly associated with the fact that the infrastructure, including electricity production, is strongly regulated and dependent on permits and ultimately political decisions.

Another driving force is environmental benefits. Through its operations, ASAB contributes to a way of reducing climate emissions and major environmental benefits through reducing air pollution.

Installed capacity per industry (MW)



ASAB's customers – numbers of employees (FTE)



Financial information for the group

The Board of Directors and the CEO for Advanced Soltech Sweden AB (publ) ("ASAB") may hereby submit a Year-end report for the period October – December 2021.

The Group's net sales and results for the quarter

- Revenues (sales of electricity and subsidies) amounted to SEK 33.8 (35.5) million, a decrease of 5 percent compared with the previous year.
- Net sales (sales of electricity to customers and grid) have increased with 13 percent from SEK 23.9 million to SEK 26.9 million, which is due to the company's portfolio of solar energy plants is growing.
- Other operating income (subsidies) has decreased from SEK 11.6 million to SEK 6.9 million.
- Operating expenses amounted to SEK 25.1 (19.3) million, an increase of 30 percent. The largest items for the increase is that costs for depreciation according to plan (SEK 4.4 million) and maintenance costs for solar energy plants (SEK 1.4 million) have increased. The reason for the increase in maintenance costs is due to the fact that the installed base has increased and that the number of washes of solar energy plants has been doubled, in order to achieve better efficiency.
- Operating profit amounted to SEK 8.7 (16.2) million, a decrease of 47 percent compared with the previous year.
- Interest expenses and similar income items amounted to SEK 32.9 (28.8) million. The increase is mainly due to amortization of capitalized borrowing costs, which do not affect cash flow.
- Exchange rate difference amounted to SEK 34.1 (-32.8) million and was mainly attributable to a change in SEK against CNY (-4.3 percent since September 30th) respectively SEK against EUR (-0.3 percent). For the same period last year, the change was for SEK against the CNY (5.1 per cent since September 30th) respectively SEK against EUR (4.8 per cent). The exchange rate difference arises through translation of assets and liabilities, with amounts in currency which is not the respective company's accounting currency. The amount is unrealized and do not affect the cash flow.
- Profit after tax amounted to SEK 4.3 (-53.6) million.

The Group's cashflow for the quarter

- The Group's total cash flow amounted to SEK 102.9 (54.0) million.
- Current operations generated a cash flow of SEK 82.9 (-5.3) million, where the largest increase consists of the build-up of accounts payable and other current liabilities in connection with major installation projects.
- Investment activities generated a cash flow of SEK -147.3 (-87.6) million, which for the most part consists of investment in ongoing and new solar panels.
- Financing activities generated a cash flow of SEK 167.3 (146.9) million, which consists of a new share issue in connection with a stock exchange listing.

The Group's financial standing and liquidity at the end of the period

- Total assets amounted to SEK 1,753 (1,257) million.
- Tangible fixed assets amounted to SEK 1,374 (980) million, which for the most part consists of solar energy plants.
- Financial fixed assets amounted to SEK 92 (96) million, which mainly consists of the VAT claim, which arises when the company invests in new solar energy plants.
- Cash and bank amounted to SEK 161 (73) million.
- Equity amounted to SEK 499 (203) million where the increase comes from issues during the year.
- Long-term liabilities amounted to SEK 980 (945) million, consisting of bond loans less capitalized borrowing costs, and loans from the two main owners and one smaller external loan.
- Current liabilities amounted to SEK 261(102) million, where the largest items consist of accounts payable as well as accrued expenses for interest expenses and installation projects.

The Group's net sales and results for the full year

- Revenues (sales of electricity and subsidies) amounted to SEK 153.5 (138.8) million, an increase of 11 percent compared with the previous year.
- Net sales (sales of electricity to customers and grid) have increased with 36 percent from SEK 86.4 million to SEK 117.4 million, which is due to the company's portfolio of solar energy plants is growing.
- Other operating income (subsidies) has decreased from SEK 52.4 million to SEK 36.2 million.
- Operating expenses amounted to SEK 92.9 (62.6) million, an increase of 48 percent. The largest items for the increase is that costs for depreciation according to plan (SEK 11.0 million) and maintenance costs for solar energy plants (SEK 9.8 million) have increased. The cost of contracts with roof rents has also increased (SEK 1.4 million). Contract with roof rent means that the customer gets paid to rent out the roof, which is compensated by them paying a higher electricity price. Staff cost has increased since the company has strengthened the management, which is line with the company's plan for growth.
- Operating profit amounted to SEK 60.7 (76.2) million, a decrease of 20 percent compared with the previous year.
- Interest expenses and similar income items amounted to SEK 129.9 (123.6) million.
- Exchange rate difference amounted to SEK 92.8 (-41.3) million and was mainly attributable to a change in SEK against CNY (-13.2 percent since December 31st, 2020) respectively SEK against EUR (-1.9 percent). For the same period last year, the change was for SEK against the CNY (6.0 per cent since December 31st, 2019) respectively SEK against EUR 3.8 percent). The exchange rate difference arises through translation of assets and liabilities, with amounts in currency which is not the respective company's accounting currency. The amount is unrealized and do not affect the cash flow.
- Profit after tax amounted to SEK 16.2 (-97.0) million.



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The Group's cashflow for the full year

- The Group's total cash flow amounted to SEK 78.4 (25.7) million.
- Current operations generated a cash flow of SEK 104.3 (-34.2) million, where the largest increase consists of the build-up of accounts payable and other current liabilities in connection with major installation projects.
- Investment activities generated a cash flow of SEK -299.2 (-135.2) million, which for the most part consists of investment in ongoing and new solar panels.
- Financing activities generated a cash flow of SEK 273.2 (195.1) million, which consists of two share issues during the year and the raising of new short-term loans.

The parent company's numbers for the quarter

- Revenues amounted to SEK 0.8 (-0.3) million, mainly invoiced service to the Chinese subsidiaries.
- Operating expenses amounted to SEK 4.3 (4.2) million.
- Operating profit amounted to SEK -3.4 (-4.5) million.
- Interest expenses and similar income items amounted to SEK 25.6 (24.4) million.
- Exchange rate difference amounted to SEK 2.5 (-21.4) million.
- Profit after tax amounted to SEK -7.4 (-30.9) million. The main reason for the improved result is the exchange rate.
- The number of employees at the end of the period was 4 (3).

The parent company's numbers for the full year

- Revenues amounted to SEK 2.6 (6.5) million, mainly invoiced service to the Chinese subsidiaries. The previous year also included a major item for invoicing borrowing costs to the Chinese subsidiaries.
- Operating expenses amounted to SEK 14.3 (15.0) million. For current year, the largest item was that the company has been strengthened within the management. For previous year, the

largest item was borrowing costs that were invoiced to the Chinese subsidiaries.

- Operating profit amounted to SEK -11.7 (-8.5) million.
- Interest expenses and similar income items amounted to SEK 101.3 (94.2) million.
- Exchange rate difference amounted to SEK 10.4 (-19.4) million.
- Profit after tax amounted to SEK -26.3 (-48.6) million.

Pledged collateral for bond loans

In January 2019, ASAB issued its first institutional Green Bond, SOLT5. The proceeds from the bond issue have been used to finance solar panel facilities in China.

SOLT5 was listed on the Nasdaq First North Sustainable Bond Market with a first trading day on March 21, 2019. The issuer must ensure that all downstream loans that ASAB provides to the Chinese subsidiaries always will be pledged with the issuer as the beneficiary:

- pledge of the solar panel facilities owned by the Chinese subsidiaries (or its relevant subsidiaries) which are then financed by the downstream loans, except for assets with minority interests
- pledge by the Chinese subsidiaries (or its relevant subsidiaries) of receivables under the energy purchase agreements relating to the installation and operation of the solar power plants financed by the downstream loans, except such assets with minority interests.

The Group's total debt in the balance sheet for the item "Bond loan" contains capitalized borrowing costs that is periodized with the same term as the respective bond loan. As of the balance sheet date, the remaining capitalized borrowing costs are SEK 34.8 million.

Below is a list of ASAB's bond loans.

Bond loan	ISIN	Currency	Principal		Booked value MSEK	Initial issue date	Redemption day	Interest rate	Interest payment periodicity (months)
			MEUR	MSEK					
SOLT2	SE0010831313	SEK		127.7	127.7	2018-03-01	2023-02-28	8.75%	6
SOLT3	SE0011231166	SEK		148.3	148.3	2018-07-10	2023-07-09	8.75%	6
SOLT4	SE0011721380	SEK		70.4	70.4	2018-11-10	2023-11-08	8.25%	6
SOLT5 (*)	SE0012012680	EUR	27.3		279.6	2019-01-25	2023-01-25	9.00%	3
SOLT5 (**)	SE0012012698	SEK		320.8	320.8	2019-01-25	2023-01-25	9.00%	3
					946.8				

(*) The interest rate is 9.00% plus EURIBOR 90 days (if EURIBOR is negative the interest rate will be 9.00%)

(**) The interest rate is 9.00% plus STIBOR 90 days (if STIBOR is negative the interest rate will be 9.00%)

Related party transactions

The following related party transactions, with a market basis, took place during the period. Amounts in kSEK.

KSEK

Transaction	Counterpart	210101-211231	200101-201231
Purchase of solar panels	Advanced Solar Power (Hangzhou) Inc.	293,289	177,623
Purchase of service	Advanced Solar Power (Hangzhou) Inc.	10,755	0
Charged interest	Advanced Solar Power (Hangzhou) Inc.	0	1,449
Office rental	Advanced Solar Power (Hangzhou) Inc.	171	182
Charged interest	Soltech Energy Sweden AB (publ)	777	781
		304,991	180,035



Other information

Significant risks in summary

All entrepreneurship and ownership of shares is associated with risk-taking and the operations of Advanced Soltech Sweden AB (publ) are no exception. When assessing the company, it is important to consider a number of risk factors, a selection of which is presented below in a summary.

See the prospectus, section "Risk factors", for the company's IPO for a more detailed description of the Group's risks.

Currency risk

The exchange rate between the CNY and other currencies may vary from time to time and may be affected by changes in China's political and economic environment. Therefore, a relative weakening of CNY constitutes a significant risk for the Group, as ASAB's existing loans are predominantly in a currency other than the one in which the assets are reported, which can have a significant negative effect on the company's reported equity and equity / assets ratio.

As the Group's operating activities are essentially conducted in China and revenue generation takes place in CNY, a currency risk arises as ASAB's financial commitments are in other currencies (mostly SEK and EUR). ASAB has adopted a policy regarding currency risk, where the company must hedge parts of the income statement to reduce the impact on the ability to pay in relation to the bondholders and lenders.

Variations in the exchange rate between CNY and other currencies, or the weakening of the CNY against the EUR or SEK, mean that the Group may have exchange rate losses in their accounting, which leads to a reduced equity ratio or real income for the Group.

Global macroeconomic and geopolitical conditions and its impact on China's economy

The Group's entire commercial operations are conducted in China, and practically all of the Group's assets are located within China. As such, the development of the business of ASAB is closely connected with the performance of ASRE and LSE which in turn is connected with the development of the renewable energy business and the domestic demand for solar energy in China. Changes in the general economic situation or the taxation system or changes within the system for governmental grants or other regulatory conditions in China may also affect the Group's results.

Even though the Group is operating in a growing market for renewable energy, changes in the global economy may affect the willingness to invest in new solar energy or to purchase electricity generated by solar energy systems. A weakened global economy, a long-lasting economic recession, increased tariffs or a continued or escalated trade conflict between China and the United States may cause a slowdown in the industrial development in China, which in turn leads to a reduced demand for electricity. This could have a material negative impact on the Group's business, financial condition or results of operations.

Geopolitical tensions between China and Western countries or a continued or escalated trade conflict between China and the United States, could decrease the demand for assets in China and negatively affect the Group's financing possibilities.

As a consequence of the deteriorating relations between China and Western countries, China may also implement regulatory obstacles for foreign companies which may affect the Group's business operations and financing of its operations.

Sustainability

Environmental responsibility

Advanced Soltech will offer environmentally friendly products and services that are produced with the least possible resource and energy consumption and with low environmental impact. All solar cells sold by Advanced Soltech are collected for recycling when they are used up. Wise resource management is a key word within the company and great focus is placed on resource use, regardless of whether it concerns energy, premises, waste, travel or transport, and to reduce these based on reasonable efforts. Advanced Soltech works systematically and prevents pollution through a goal-oriented environmental work that is an integral part of the company's culture. Current environmental requirements together with environmental aspects and environmental goals form the basis for our work.

Social responsibility

Advanced Soltech shall safeguard the integrity of the company's stakeholders and partners and handle information so that it is protected and managed in a responsible manner. We have a clear focus on sustainability, and we work to ensure that our partners are also expected to share our values and our code of conduct. Employees are one of the company's most important assets. It is through the employees' commitment, development and competence that we create a culture where we and our partners thrive. We strive for a work climate and a work environment that is the best possible for all employees. As an employer, we take our responsibility by offering each employee a developing and responsible job.

Other

Diversity enriches and we therefore work actively with diversity and gender equality issues. We support and follow the principles of the UN Global Compact initiative.

Owners and the share

The company's share was listed on the Nasdaq First North Growth Market on October 29th. In connection with the IPO, the company received issue proceeds of SEK 198 million.

Major shareholders	Number of shares	Share capital	Share votes
SolTech Energy Sweden AB (publ.)	11 373 941	29,35%	29,35%
Advanced Solar Power Hangzhou Inc.	10 943 940	28,24%	28,24%
Isac Brandberg AB	1 816 665	4,69%	4,69%
The World We Want Foundation	785 184	2,03%	2,03%
Others	13 827 809	35,69%	35,69%
	38 747 539	100,00%	100,00%

ABOUT ADVANCED SOLTECH

Number of shares	2021	2020
Opening balance (*)	21 578 350	21 500 000
Rights issue	17 169 189	78 350
Closing balance	38 747 539	21 578 350

(*) Adjusted according to split 50:1, 2021-05-27

Warrant program

On October 28, 2021, the Annual General Meeting resolved on four warrant programs. Two of the warrant programs are aimed at board members, one for board members in China and one for board members in Sweden. The other two warrant programs are aimed at the company's key personnel, one for

key personnel in China and one for key personnel in Sweden.

The total number of warrants that have been issued in the two warrant programs corresponds to 5 percent of the share capital after the completion of the issues. This creates a potential dilution effect of 5 percent of the share capital after the completion of the issue.

Subscription of shares with the support of the warrants can take place during the period 15 November 2024 – 16 December 2024. The usual conversion terms apply to the warrants.

As a result of the warrants being transferred on market terms, no costs for employer contributions will be imposed on the company due to the warrant programs.

Warrant program	Decided year	Number of warrants	Number of shares	Subscription period	Subscription price, SEK	Target group
LTIP 2021/2024 I EC	2021	542,466	542,466	241115-241216	36.45	Employees
LTIP 2021/2024 II EC	2021	406,849	406,849	241115-241216	36.45	Board of Directors
LTIP 2021/2024 I	2021	193,738	193,738	241115-241216	36.45	Employees
LTIP 2021/2024 II	2021	794,324	794,324	241115-241216	36.45	Board of Directors
		1,937,377	1,937,377			

The Group

The report covers Advanced Soltech Sweden AB (publ), consisting of the Swedish parent company Advanced Soltech Sweden AB (publ) and the wholly owned subsidiaries

- Advanced SolTech Renewable Energy (Hangzhou) Co., Ltd
- Longrui Solar Energy (Suqian) Co., Ltd
- ST-Solar Holding AB

The two Chinese subsidiaries are in their turn the parent companies of local Chinese companies, so-called SPVs (Special Purpose Vehicle) established in different regions of China.

Corporate governance

Advanced Soltech Sweden AB (publ) is a Swedish public limited company. The company is formed in Sweden and was registered with Bolagsverket 2016-03-30 and has conducted operations since its. The company follows the rules of the Swedish Companies Act (2005: 551) and other applicable laws and regulations in Stockholm, Sweden where the company has its registered office.

The basis for the company's operations is the Articles of Association. The object of the company's operations is to conduct financing of the Group's solar energy plants, but not such operations referred to in the Banking and Financing Operations Act and activities compatible therewith, as stated in the Articles of Association §3. The Articles of Association have been revised during the financial year, mainly §5 applicable share number, this to be able to issue preference shares.

The Annual General Meeting approves the Articles of Association and appoints them annual board. The board is responsible for the company's organization and administration and appoints or dismisses the CEO. The Board annually adopts written rules of procedure for his work, combined with a CEO instruction for distribution of work between the board and the CEO.

Issues relating to remuneration or auditing are decided directly by the company's board of directors, via the Remuneration Committee and the Audit Committee. All members of the Board are elected next Annual General Meeting. Each individual board member reserves the right to resign at any time.

In addition to the laws and regulations that regulate the company's operations as above, the company applies Swedish and international accounting legislation that ensures that the financial the reporting meets the requirements.

Forward-looking statements

All forward-looking statements in this report are based on the company's best judgment at the time of the report. Such statements, like all future assessments, contain risks and uncertainties, which may mean that the actual outcome will be different. In addition to what is required by current legislation, forward-looking statements only apply on the day they are made and the company does not undertake to update these in the light of new information or future events. The company does not provide any forecasts.

Auditor's review

This report has not been subject to review by the company's auditors.

Disposition of profit

The Board of Directors proposes that no dividend will be paid for the financial year of 2021.

Calendar

- Annual report for 2021 will be published week 14
- Interim report for Q1 2022 will be published on May 18th
- Annual General meeting will be held on May 19th, at 1700 CET
- Interim report for Q2 2022 will be published on August 23rd
- Interim report for Q3 2022 will be published on November 22nd



Income Statement

(SEK 000')	211001- 211231	201001- 201231	210101- 211231	200101- 201231
Net revenue	26,942	23,942	117,350	86,401
Other operating income	6,881	11,575	36,177	52,393
Total revenue	33,822	35,517	153,526	138,794
OPERATING EXPENSES				
Other external expenses	-7,446	-6,427	-28,351	-13,761
Personnel expenses	-4,136	-3,585	-14,169	-9,115
Depreciation and amortization	-13,550	-9,114	-50,086	-39,072
Other operating expenses	-5	-148	-247	-667
Total operating expenses	-25,137	-19,274	-92,853	-62,615
Operating profit / EBIT	8,686	16,243	60,674	76,179
RESULT FROM FINANCIAL ITEMS				
Interest income and similar income items	72	55	149	1,839
Interest expenses and similar charges	-32,867	-28,766	-129,920	-123,637
Currency gains and losses	34,139	-32,812	92,843	-41,340
Profit after financial items	10,029	-45,280	23,745	-86,959
Tax	-5,746	-8,338	-7,499	-10,058
The result for the period	4,283	-53,618	16,246	-97,017
Attributable to the parent company's owners	4,529	-54,302	16,041	-98,477
Minority interest	-246	684	205	1,460
Earnings per share for the period before dilution, SEK	0.15	-2.52	0.67	-4.97
Earnings per share for the period after dilution, SEK	0.14	-2.52	0.66	-4.97
Weighted average number of outstanding ordinary shares	30,922,279	21,568,314	23,919,656	19,820,650
Weighted average number of outstanding ordinary shares after dilution	32,297,191	21,568,314	24,263,384	19,820,650

Balance Sheet

(SEK 000')	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Intangible fixed assets		
Customer contracts	45,253	42,266
Total intangible fixed assets	45,253	42,266
Tangible fixed assets		
Solar PV installations	1,302,133	918,209
Solar PV installations under construction	69,205	59,963
Other tangible assets	2,458	1,703
Total tangible fixed assets	1,373,796	979,875
Financial assets		
Other long-term receivables	90,297	88,271
Deferred tax assets	1,349	7,858
Total financial fixed assets	91,646	96,129
Total fixed assets	1,510,695	1,118,270
Current assets		
Short-term receivables		
Accounts receivable	36,233	23,537
Other receivables	25,197	16,790
Prepaid expenses and accrued income	20,056	25,128
Total current receivables	81,486	65,455
Cash and bank balances		
Cash and bank balances	160,724	73,325
Total cash and bank balances	160,724	73,325
Total current assets	242,210	138,780
TOTAL ASSETS	1,752,905	1,257,050

Balance Sheet, continued

(SEK 000')	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
Share capital	7,750	4,316
Ongoing new share issue	552,860	331,950
Additional paid in capital	-61,155	-133,589
Retained earnings including profit/loss for the period		
<i>Equity related to:</i>		
Owners of the parent company	491,946	195,631
Minority interest in equity	7,509	7,046
Total equity	499,455	202,677
Provisions		
Deferred tax liability	12,054	7,853
Total provisions	12,054	7,853
Non-current liabilities		
Other non-current liabilities	68,096	34,886
Liabilities to group companies	0	27,323
Bond loan	911,966	882,699
Total non-current liabilities	980,062	944,908
Current liabilities		
Liabilities to credit institutions	46,814	0
Accounts payable	130,478	56,600
Tax liabilities	3,247	9,116
Other current liabilities	18,083	8,547
Accrued expenses and prepaid income	62,713	27,349
Total current liabilities	261,335	101,612
TOTAL EQUITY AND LIABILITIES	1,752,905	1,257,050

Changes in equity

211001-211231 (SEK 000')	Share capital	Other contributed equity	Ongoing rights issue	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	4,323	397,750	0	15,839	-113,475	304,437	7,455	311,892
Result for the period	0	0	0	0	4,529	4,529	-246	4,283
Translation differences	0	0	0	21,731	0	21,731	309	22,040
Rights issue	3,427	194,381	0	0	0	197,808	0	197,808
Issue cost	0	-39,271	0	0	0	-39,271	0	-39,271
Warrants	0	0	0	0	2,712	2,712	0	2,712
Dividends	0	0	0	0	0	0	-9	-9
Closing balance	7,750	552,860	0	37,570	-106,234	491,946	7,509	499,455

201001-201231 (SEK 000')	Share capital	Other contributed equity	Ongoing rights issue	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	4,300	185,692	120,237	2,502	-70,685	242,046	6,737	248,783
Result for the period	0	0	0	0	-54,302	-54,302	684	-53,618
Translation differences	0	0	0	-18,149	0	-18,149	-376	-18,525
Rights issue	16	157,875	-120,237	0	0	37,654	0	37,654
Issue cost	0	-11,617	0	0	0	-11,617	0	-11,617
Closing balance	4,316	331,950	0	-15,647	-124,987	195,632	7,045	202,677

210101-211231 (SEK 000')	Share capital	Other contributed equity	Ongoing rights issue	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	4,316	331,950	0	-15,647	-124,987	195,632	7,045	202,677
Result for the period	0	0	0	0	16,041	16,041	205	16,246
Translation differences	0	0	0	53,217	0	53,217	898	54,115
Rights issue	3,434	265,395	0	0	0	268,829	0	268,829
Issue cost	0	-44,485	0	0	0	-44,485	0	-44,485
Warrants	0	0	0	0	2,712	2,712	0	2,712
Dividends	0	0	0	0	0	0	-639	-639
Closing balance	7,750	552,860	0	37,570	-106,234	491,946	7,509	499,455

200101-201231 (SEK 000')	Share capital	Other contributed equity	Ongoing rights issue	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	500	189,492	0	5,366	-26,509	168,849	6,032	174,881
Result for the period	0	0	0	0	-98,478	-98,478	1,460	-97,018
Translation differences	0	0	0	-21,013	0	-21,013	-447	-21,460
Rights issue	3,816	154,075	0	0	0	157,891	0	157,891
Issue cost	0	-11,617	0	0	0	-11,617	0	-11,617
Closing balance	4,316	331,950	0	-15,647	-124,987	195,632	7,045	202,677

Cash flow analysis

(SEK 000')	211001- 211231	201001- 201231	210101- 211231	200101- 201231
Cash flows from operating activities				
Operating profit (EBIT)	8,686	16,243	60,674	76,179
Adjustment for depreciation and amortization	13,550	9,115	50,086	39,072
Adjustment for items not included in the cash flow	-10,400	-5,964	-10,437	-4,019
	11,836	19,394	100,323	111,232
Interest received	72	55	149	1,839
Interest paid	-14,616	-29,937	-92,640	-108,816
Income tax paid	-55	1,061	-2,662	-614
	-14,599	-28,821	-95,153	-107,591
Change in accounts receivables	4,164	51	-9,006	-2,418
Change in other short-term receivables	24,871	6,345	6,219	-16,841
Change in accounts payables	40,939	-6,399	62,364	-29,810
Change in other current liabilities	15,666	4,113	39,594	11,192
Cash flow from working capital	85,640	4,110	99,171	-37,877
Cash flow from operating activities	82,877	-5,317	104,341	-34,236
Investing activities				
Investments in tangible fixed assets	-133,114	-92,292	-296,291	-136,306
Change in other financial fixed assets	-14,149	4,722	-2,868	1,107
Cash flow from investing activities	-147,263	-87,570	-299,159	-135,199
Financing activities				
Shareholders' contributions	197,808	157,891	268,829	157,891
Share issue cost	-39,271	-11,617	-44,485	-11,617
Net proceeds from new loans	6,026	554	46,814	86,368
Repayment of loans	0	90	0	-37,526
Payment of warrants	2,712	0	2,712	0
Dividends to minority interest	-9	0	-639	0
Cash flow from financing activities	167,266	146,918	273,231	195,116
Cash flow for the period	102,880	54,031	78,413	25,681
Translation difference in cash and cash equivalents	6,234	-2,117	8,986	-2,206
Cash and cash equivalents opening balance	51,610	21,411	73,325	49,850
Cash and cash equivalents closing balance	160,724	73,325	160,724	73,325

Income Statement

(SEK 000')	211001- 211231	201001- 201231	210101- 211231	200101- 201231
REVENUES				
Net revenue	814	-359	2,599	6,235
Other operating income	1	66	16	284
Total revenue	815	-293	2,615	6,519
OPERATING EXPENSES				
Other external expenses	-1,019	-1,605	-3,005	-8,380
Personnel expenses	-3,227	-2,450	-11,016	-5,938
Depreciation and amortization	-2	-1	-5	-1
Other operating expenses	-5	-146	-247	-665
Total operating expenses	-4,253	-4,202	-14,273	-14,984
Operating profit / EBIT	-3,438	-4,495	-11,658	-8,465
RESULT FROM FINANCIAL ITEMS				
Interest income and similar income items	19,068	19,014	76,403	72,957
Interest expenses and similar charges	-25,563	-24,371	-101,298	-94,209
Currency gains and losses	2,492	-21,389	10,412	-19,352
Profit after financial items	-7,441	-31,241	-26,141	-49,069
Group contribution	69	0	69	0
Tax	0	317	-213	474
The result for the period	-7,372	-30,924	-26,285	-48,595

Balance Sheet

(SEK 000')	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Tangible fixed assets		
Other tangible assets	18	22
Total tangible fixed assets	18	22
Financial assets		
Shares in group companies	618,660	461,922
Receivables from group companies	740,075	726,365
Total financial fixed assets	1,358,735	1,188,287
Total fixed assets	1,358,753	1,188,309
Current assets		
Receivables		
Receivables from group companies	83,447	34,610
Tax receivable	0	66
Other receivables	633	399
Prepaid expenses and accrued income	411	5,956
Total current receivables	84,491	41,031
Cash and bank balances		
Cash and bank balances	48,683	38,509
Total cash and bank balances	48,683	38,509
Total current assets	133,174	79,540
TOTAL ASSETS	1,491,927	1,267,849

Balance Sheet, continued

(SEK 000')	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
Share capital	7,750	4,316
Share premium fund	567,211	346,301
Retained earnings	-43,054	2,829
Profit (loss) for the year	-26,285	-48,595
TOTAL EQUITY	505,622	304,851
Long-term liabilities		
Liabilities to group companies	0	27,323
Bond loan	929,771	908,887
Other long-term liabilities	28,621	0
Total long-term liabilities	958,392	936,210
Current liabilities		
Accounts payable	145	620
Other current liabilities	233	572
Accrued expenses and prepaid income	27,535	25,596
Total current liabilities	27,913	26,788
TOTAL EQUITY AND LIABILITIES	1,491,927	1,267,849

Changes in equity

211001-211231

(SEK,000')	Share capital	Retained earnings	Ongoing rights issue	Share, premium fund	Result, for, the period	Total, equity
Opening balance	4,323	-45,766	0	412,103	-18,913	351,747
Disposition of results	0	0	0	0	0	0
Rights issue	3,427	0	0	194,379	0	197,806
Issue cost	0	0	0	-39,271	0	-39,271
Warrants	0	2,712	0	0	0	2,712
Result for the period	0	0	0	0	-7,372	-7,372
Closing balance	7,750	-43,054	0	567,211	-26,285	505,622

201001-201231

(SEK 000')	Share capital	Retained earnings	Ongoing rights issue	Share premium fund	Result for the period	Total equity
Opening balance	4,300	2,829	120,237	200,042	-17,671	309,737
Disposition of results	0	0	0	0	0	0
Rights issue	16	0	-120,237	157,876	0	37,655
Issue cost	0	0	0	-11,617	0	-11,617
Result for the period	0	0	0	0	-30,924	-30,924
Closing balance	4,316	2,829	0	346,301	-48,595	304,851

210101-211231

(SEK 000')	Share capital	Retained earnings	Ongoing rights issue	Share premium fund	Result for the period	Total equity
Opening balance	4,316	2,829	0	346,301	-48,595	304,851
Disposition of results	0	-48,595	0	0	48,595	0
Rights issue	3,434	0	0	265,395	0	268,829
Issue cost	0	0	0	-44,485	0	-44,485
Warrants	0	2,712	0	0	0	2,712
Result for the period	0	0	0	0	-26,285	-26,285
Closing balance	7,750	-43,054	0	567,211	-26,285	505,622

200101-201231

(SEK 000')	Share capital	Retained earnings	Ongoing rights issue	Share premium fund	Result for the period	Total equity
Opening balance	500	7,689	0	203,845	-4,860	207,174
Disposition of results	0	-4,860	0	0	4,860	0
Rights issue	3,816	0	0	154,073	0	157,889
Issue cost	0	0	0	-11,617	0	-11,617
Result for the period	0	0	0	0	-48,595	-48,595
Closing balance	4,316	2,829	0	346,301	-48,595	304,851

Notes

Note 1. Accounting and valuation principles

General accounting principles

The Year-end report and group accounting have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report and Consolidated Financial Statements ("K3"). The Financial Statements are stated in thousands of kronor (kSEK) unless otherwise stated. Rounding errors may occur. The parent company's accounting currency is Swedish kronor, which also constitutes the accounting currency for the group.

The same accounting principles and calculation bases as in the most recent annual report has been applied.

Note 2. Estimates and assessments

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under current circumstances. The estimates for accounting purposes that result from these, will by definition rarely correspond to the actual result. The estimates and assumptions that entail a significant risk of significant adjustments in the reported values of assets and liabilities in the coming years are dealt with in outline below.

Intangible fixed assets

The Group reports intangible assets that consist of customer contracts in the Group's operation in China. An examination of whether there is a need for impairment is made when there is an indication. If such an indication exists and the decline is assessed to be permanent, the need for impairment is determined after calculation of the asset's recoverable amount, which consists of the higher of the value in use and fair value. Impairment is made if the recoverable amount is less than the carrying amount. The value in use is calculated as the present value of future payments that the Company is expected to take advantage of by using the asset. No impairment losses have been identified.

Tangible fixed assets

Solar energy plants are reported at acquisition value reduced with accumulated depreciation and write-downs. The Company's applied depreciation period is based on the Company's assessment of the life of the products, and that the depreciation period correlates with the life of the customer contracts. An examination of whether there is a need for impairment is made when there is an indication. Impairment is reported in cases where the value of the facility exceeds the value of the existing underlying contract. No impairment losses have been identified.

Financial fixed assets

At each balance sheet date, the company assesses whether there is any indication of impairment in any of the group's financial fixed assets. If such an indication exists and the decline is assessed to be permanent, the need for impairment is determined after calculation of the asset's recoverable amount, which consists of the higher of the value in use and fair value. Impairment is made if the recoverable amount is less than the carrying amount. The value in use is calculated as the present value of future payments that the Company is expected to take advantage of by utilizing the asset.

Shares in subsidiaries

The group makes an annual forecast for future discounted cash flows regarding operations in China, in order to assess any need for impairment. No impairment requirements have been identified.

VAT Receivable

The Chinese companies have a VAT receivable, accounted to SEK 90.3 (88.3) million at the end of the period, which has mostly arisen when investment in solar panels has been made when installing customer projects. In Chinese tax legislation, VAT surpluses from the Company are not paid out, but set-off can be made against outgoing VAT when invoicing electricity to the customer. There is no time limit regarding set-off of VAT. An examination of whether there is a need for impairment is made when there is an indication. No impairment losses have been identified.

Deferred tax

Deferred tax assets

In the Chinese part of the business, there is a reported deferred tax asset regarding deficits and allowance for doubtful accounts receivable. Regarding the loss carried forward, this only applies to the Chinese subsidiaries and is expected to be utilized against accumulated profits over the next five years. Deficit deductions in China are forfeited five years after their occurrence.

Deferred tax liability

In the Chinese part of the business, deferred tax liabilities are reported regarding tax overwriting of tangible fixed assets.

Accounts receivable

The Group has an accounts receivable, accounted to SEK 36.2 (23.5) million at the end of the period, when selling electricity to Chinese customers. The Group makes an ongoing assessment of accounts receivables, and this may result in a provision for bad debts. The Company's assessment is that the Company's customers are financially healthy and that payment of outstanding accounts receivable will be collected.

Note 3.

Definition of key performance measures

Net revenue

Revenues related to sales of electricity to customers and the electricity grid. Net VAT and any discounts. The measure is used because it shows ASAB's revenues from electricity sales.

Other operating income

Mainly income related to subsidies. To a lesser extent also other income such as investment grants from Chinese authorities and positive currency effects related to the operational activities. The measure is used because it shows ASAB's revenues from subsidies and income other than direct electricity sales.

Net revenue share of total revenue, %

Net revenue as a share of total revenue. The measure is used since it helps to assess ASAB's reliance on electricity sales in relation to other operating income, notably subsidies.

Operating profit (EBIT)

Earnings before interest and taxes. The measure is used since it provides an overview of the profitability of the operations.

EBIT margin

Earnings before interest and taxes as a percentage of total revenue. The measure is used since it shows operational profitability over time.

EBITDA

Earnings before depreciation and amortization, financial items, and taxes. The measure is used to follow up the business's results generated by the day-to-day business and facilitates comparisons of profitability between different companies and industries.

EBITDA margin

EBITDA as a percentage of total revenue. The measure is used since it shows operational profitability over time, regardless of financing, depreciation and amortization.

Interest expense

Interest expense and similar charges less amortization of capitalized borrowing costs, taxes relating to intra-group interest payments and withholding tax on interest payments from China. The measure is used since it enables assessment of whether ASAB can fulfil the commitments under its debt agreements.

Amortization of capitalised borrowing costs

The item "Interest expenses and similar income items" includes this item as part and shows the cost of amortized borrowing costs attributable to, among other things, bond loans. The measure is used since it shows ASAB's expenses related to borrowings, excluding interest expenses.

Result per share

Profit after tax divided by the weighted average total of shares in the period.

Interest-bearing debt

The sum of current and non-current portion of bond debt, liabilities to credit institutions, liabilities to Group companies and other non-current interest-bearing debts. The measure is used since it shows ASAB's gross interest-bearing indebtedness.

Net interest-bearing debt

Interest-bearing debt less cash and bank balances. The measure is used because it enables assessment of whether ASAB has an appropriate financing structure and can fulfil the commitments according to its debt agreements.

Equity ratio

Equity divided by total assets per closing balance for each reporting period. The measure is used since it helps to assess ASAB's financial stability.

Installed capacity, MW

Maximum amount of electric energy output that all operational solar energy plants in ASAB's portfolio can produce, expressed in megawatts. The measure is used since it helps to assess ASAB's earnings capacity.

Electricity produced, kWh millions

Electric energy generated by all operational solar energy plants in ASAB's portfolio and sold to customers over the period, expressed in millions of kilowatt hours. The measure is used because it allows for comparison of sold volumes over time, as ASAB's customers are invoiced per kWh of electricity used.

Signed agreements, MW

Planned installed capacity of all signed contracts in ASAB's project pipeline. The measure is used since it helps to assess ASAB's future earnings capacity and required investments from its near-term project pipeline.

Average remaining contract length, years

Average remaining contract length for Rooftop Agreements across all of ASAB's installed solar energy installations. The measure is used since it helps assess the remaining contract value in ASAB's portfolio of solar energy installations.



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