



Advanced
Soltech

Interim report

July – September
2021



Advanced Soltech listed on First North

The climate challenge creates great demand for solar energy

During the quarter, demand from Chinese customers remained high. Advanced Soltech's 134 solar power plants produced a total of 49 million kilowatt hours of electricity, thereby reducing China's CO2 emissions by approx. 30,000 tonnes. New orders corresponding to 13.6 MW were signed. At the end of the period, the total installed capacity was 192.5 MW. A new issue of preferred shares provided the company with SEK 71 million before issue costs. After the end of the period, the company's share was listed on the Nasdaq First North Growth Market on October 29th.

Third quarter 2021, in short

- During the quarter, the company installed a total of 0.0 (3.3) MW of roof-based solar energy plants and had 192.5 (143.3) MW installed and revenue-generating capacity at the end of the quarter.
- During the quarter, 49 (41) million kWh were produced, which reduced China's CO2-related emissions by approximately 30,000 (25,000) tonnes.
- At the end of the quarter, the company had 51 (55) MW in subscribed orders, as well as projects in progress of 125 (134) MW.
- During the quarter, the company signed eight contracts amounting to a total installed capacity of 13.6 MW.
- The company receives SEK 71.0 million before deductions for issue costs in new issues of preference shares.
- Advanced Soltech is granted unsecured local bank loans of CNY 40 million (approx. SEK 54 million) at an interest rate of approx. 4.6%.

Third quarter 2021, in numbers

- Revenues (sales of electricity and subsidies) amounted to SEK 47.1 (44.3) million, an increase of 6 percent compared with the previous year.
- Net sales (sales of electricity) have increased with 22 percent from SEK 28.6 million to SEK 34.9 million, which is due to the company's portfolio of solar energy plants growing.
- Other operating income (subsidies) has decreased from SEK 15.6 million to SEK 12.2 million.
- Operating expenses amounted to SEK 23.9 (16.1) million, an increase of 48 percent. The biggest items to the increase are that costs for maintenance of solar energy plants and roof rents have increased, and that the company has strengthened the management. The increase is in line with the company's plan for growth.
- Operating profit for the quarter amounted to SEK 23.2 (28.2) million, a decrease of 18 percent compared with the previous year.
- Profit for the year after financial items and tax amounted to SEK 12.4 (-6.6) million and is affected by a non-cash flow-

affecting currency effect of SEK 22.1 (-2,4) million. Adjusted for this item, profit for the year amounted to SEK -9.7 (-4.2) million.

- Total cash flow for the quarter amounted to SEK 21.1 (-49.6) million.
- The number of employees at the end of the period was 15 (15).
- According to the company's estimate, the effects of the Corona pandemic affected the company by SEK -1.4 (-2.0) million during the quarter, due to declining revenues due to a general price reduction of electricity tariffs.

First nine months of 2021, in numbers

- Revenues amounted to SEK 119.8 (103.3) million, an increase of 16 percent compared with the previous year.
- Operating profit amounted to SEK 52.0 (59.9) million, a decrease of 13 percent compared with the previous year.
- Profit after financial items and tax amounted to SEK 12.0 (-43.3) million and is affected by a non-cash flow-affecting currency effect of SEK 58.7 (-8.5) million. Adjusted for this item, the result amounted to SEK -46.7 (-34.9) million.
- Total cash flow amounted to SEK -24.5 (-28.4) million.
- According to the company's estimate, the effects of the Corona pandemic affected the company by SEK -3.3 (-12.5) 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

- On October 29, 2021, trading began with Advanced Soltech'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.
- Price increases for electricity of approx. 15% in Advanced Soltech's most important province.
- Advanced Soltech signed eleven contracts amounting to an installed capacity of 22.7 MW with nine customers.



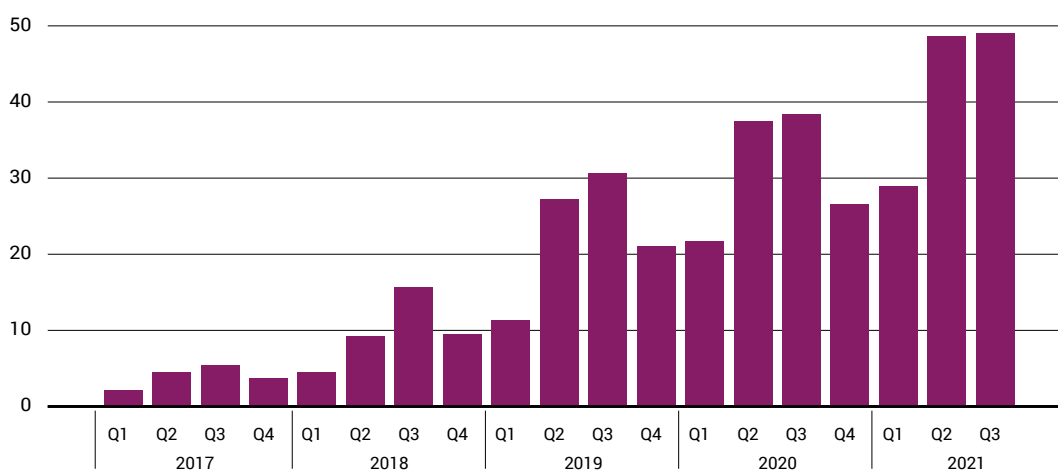
Key performance measures

Financial Key performance measures	210701-210930	200701-200930	210101-210930	200101-200930	200101-201231
Net revenue share of total revenue	74%	65%	76%	60%	62%
EBIT	23,215	28,187	51,988	59,936	76,179
EBIT%	49%	64%	43%	58%	55%
EBITDA	36,466	37,377	88,524	89,894	115,251
EBITDA%	77%	84%	74%	87%	83%
Amortization of capitalised borrowing costs	6,713	9,178	20,080	19,274	22,945
Interest expenses	21,827	20,106	64,810	64,678	85,656
Net result per share (*)	0.56	-0.33	0.53	-2.30	-4.97
Operational Key performance measures (**)					
Produced electricity, millions of kWh	49	41	127	97	124
Reduction of China's CO2-related emissions, tonnes	30,000	25,000	79,000	60,000	77,000

Financial Key performance measures	2021-09-30	2020-09-30	2020-12-31
Interest-bearing debt	1,025,331	1,017,552	977,322
Net interest-bearing debt	973,721	946,350	903,997
Equity ratio	21%	19%	16%
Operational Key performance measures			
Installed capacity, MW	192	143	177
Average remaining contract time, years	17.8	17.4	17.8
Signed orders, MW	51	55	38

(*) Recalculated for split and 1 preference share is counted as 1 share

Produced electricity in millions of kWh for the period 2017 – 2021





China's conversion from coal requires huge amounts of green electricity

The listing, an important milestone for the company's continued growth

"Advanced Soltech can make a real difference with its solar power plants"

Max Metelius
CEO

We have passed the third quarter of the year, and I can state that it was an intensive quarter in several ways, but also one where we, through the preparations for the IPO we successfully completed in October, were able to take several important steps in Advanced Soltech's development. In parallel with our preparatory work, our operations in China ran at an uninterrupted pace and we were able to sign no less than eight new contracts, which together amounted to 13.6 MW. Demand from the Chinese market remains good, as evidenced by the fact that we signed eleven new contracts in October and November, which together amounted to 22.7 MW, which gives us a very strong order book.

During the quarter, we did not install any new capacity, mainly because we did not have access to the necessary financing pending our listing. Most of our construction of solar energy plants usually takes place in the fourth quarter. The existing plants, with a total capacity of 192.5 MW, produced a total of 49 million kWh, which helped reduce China's CO₂-related emissions by no less than approx. 30,000 tonnes. Our revenues for the quarter, SEK 47.1 million, meant an increase compared with the previous year. Normally, the third quarter of the year is the most profitable for us, but this year China was hit by extensive rain during the period, which negatively affected production and our revenues.

Two weeks ago, the COP 26 climate summit in Glasgow ended. As a representative of a company that works with renewable energy, it felt like a big step forward and a strong signal when almost all countries agreed that we must scale down the use of fossil fuels. It will increase both interest in and pressure for more green investments worldwide.

At the same time, China's economy is growing very fast, something that requires enormous amounts of electricity, electricity that today is mainly produced by coal-fired power plants. Now they are working to break that development and to develop renewable solutions. One way to drive the transition is to raise electricity prices, probably not for ordinary households, but well for industries and commercial players, which are our customers in China. Higher electricity prices benefit us, but the really interesting thing is to be a part of climate change. Sweden's emissions are negligible in this context, but an investment in solar energy in China provides 80 times greater exchange in the form of reduced CO₂ emissions, compared with the corresponding investment in Sweden. Advanced Soltech can make a real difference with its solar power plants.

In Sweden, the listing work took both time and resources, but I can also state that the screening has made Advanced Soltech a much better and more transparent company. The process was not entirely easy when Swedish rules were to be applied to our operations in China, but through this we have taken an important step in our development. We have new long-term owners who are value-driven and have a strong environmental focus. Through our new issue of preference shares of SEK 71 million and our issue of SEK 198 million in connection with the listing, we can develop our capital structure. This enables more cost-effective financing of our upcoming projects. The conditions for dealing with financing issues, which have previously been a bottleneck, are better than ever. Now we can move on, build a larger order base and at the same time build new revenue-generating solar energy plants.

I once said that Advanced Soltech has the right team, the right product, and is in the right market. Now the work continues, in Sweden and in China, to build a long-term strong business – for the environment, our customers and our shareholders.

November 2021

Max Metelius
CEO



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.

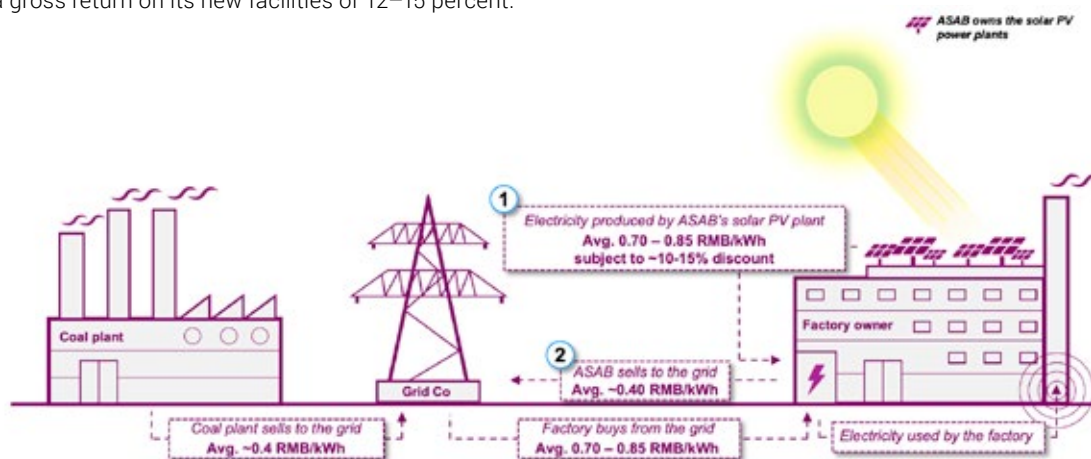
If a property is sold during the contract period, the customer must either buy the facility from ASAB or, after ASAB’s approval, ensure that the new property owner takes over the contract.

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.

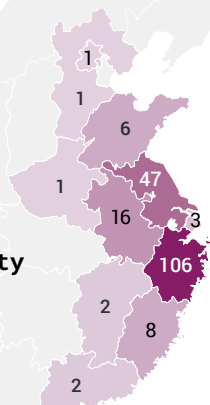
In April 2021, new rules were introduced which mean that no new facilities receive subsidies. This was an expected development, as the facilities currently show a good return without subsidies. Already approved subsidies remain in place for the lifetime of the contract.



- 1 ASAB sells solar PV electricity produced on the rooftop to the customer/factory owner at a ~10-15% discount price compared to the grid price
- 2 If the customer/factory owner does not purchase the electricity produced by the solar PV, ASAB sells the electricity produced directly to the grid

ABOUT ADVANCED SOLTECH

Installed capacity per region (MW)



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

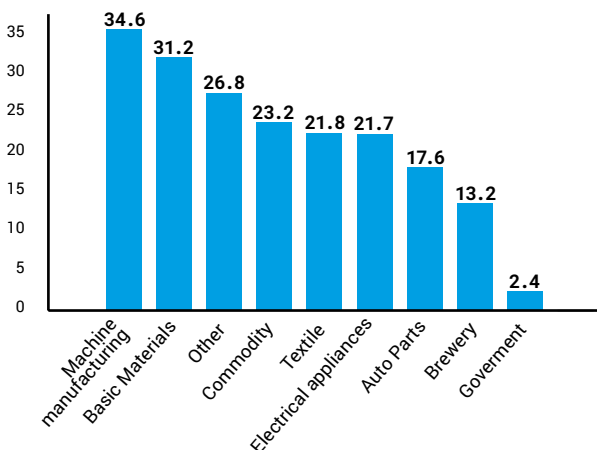
ASAB's customers are active in a wide range of areas, from the automotive and textile industries to brewing operations, but also in government operations. In total, just over 80 percent of customers are active in the private sector. What the customers have in common is that they are extensive organizations 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 127 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.

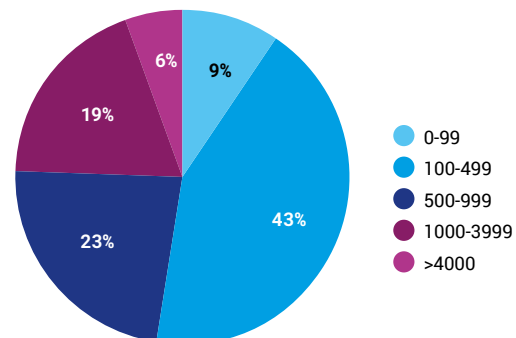
The rapid growth and conversion to alternative energy sources gives ASAB, which has proven experience in identifying suitable solar energy projects, coupled with efficient installation methods, good opportunities for continued profitable development. The risks that exist in the market are mainly associated 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 an interim report for the period July–September 2021.

The Group's net sales and results for the quarter

- Revenues (sales of electricity and subsidies) amounted to SEK 47.1 (44.3) million, an increase of 6 percent compared with the previous year. During the quarter, it rained significantly more than normal, which had a negative effect on revenues.
- Net sales (sales of electricity) have increased with 22 percent from SEK 28.6 million to SEK 34.9 million, which is due to the company's portfolio of solar energy plants is growing.
- Other operating income (subsidies) has decreased from SEK 15.6 million to SEK 12.2 million.
- Operating expenses amounted to SEK 23.9 (16.1) million, an increase of 48 percent. The biggest items to the increase are that costs for maintenance of solar energy plants and roof rents have increased, and that the company has strengthened the management. The increase is in line with the company's plan for growth.
- Operating profit amounted to SEK 23.2 (28.2) million, a decrease of 18 percent compared with the previous year.
- Interest expenses and similar income items amounted to SEK 32.5 (32.3) million.
- Exchange rate difference amounted to SEK 22.1 (-2.4) million and was mainly attributable to a change in SEK against CNY (-3.1 percent since June 30th) respectively SEK against EUR (-0.8 percent). For the same period last year, the change was for SEK against the CNY (0.1 per cent since June 30th) respectively SEK against EUR (-0.6 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 12.4 (-6.6) million.

The Group's cashflow for the quarter

- The Group's total cash flow amounted to SEK 21.1 (-49.6) million.
- Current operations generated a cash flow of SEK -80.0 (-8.7) million. The single largest item that affects cash flow is accounts payable.
- Investment activities generated a cash flow of SEK -5.6 (-3.2) million, which for the most part consists of investment in ongoing and new solar panels.
- Financing activities generated a cash flow of SEK 106.6 (-37.7) million, when new short-term loans were raised, and new issues were carried out. For previous year a short-term bank loan of SEK 37.6 million was repaid.

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

- Total assets amounted to SEK 1,480 (1,312) million.
- Tangible fixed assets amounted to SEK 1,196 (951) million, which for the most part consists of solar energy plants.
- Financial fixed assets amounted to SEK 73 (101) 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 52 (21) million.
- Equity amounted to SEK 312 (249) million.
- Long-term liabilities amounted to SEK 972 (957) 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 188 (98) million, the largest the item consists of accounts payable.

The Group's net sales and results for the first nine months

- Revenues (sales of electricity and subsidies) amounted to SEK 119.7 (103.3) million, an increase of 16 percent compared with the previous year. During the quarter, it rained significantly more than normal, which had a negative effect on revenues.
- Net sales (sales of electricity) have increased with 45 percent from SEK 62.6 million to SEK 90.4 million, which is due to the company's portfolio of solar energy plants is growing. For the first quarter previous year, net sales was effected due to Covid-19 outbreak.
- Other operating income (subsidies) has decreased from SEK 40.8 million to SEK 29.3 million.
- Operating expenses amounted to SEK 67.7 (43.3) million, an increase of 48 percent. The biggest items to the increase are that costs for maintenance of solar energy plants and roof rents have increased, and that the company has strengthened the management. The increase is in line with the company's plan for growth.
- Operating profit amounted to SEK 52.0 (59.9) million, a decrease of 13 percent compared with the previous year.
- Interest expenses and similar income items amounted to SEK 97.1 (94.9) million.
- Exchange rate difference amounted to SEK 58.7 (-8.5) million and was mainly attributable to a change in SEK against CNY (-8.4 percent since December 31st) respectively SEK against EUR (-1.6 percent). For the same period last year, the change was for SEK against the CNY (1.0 per cent since December 31st) respectively SEK against EUR (-1.0 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 12.0 (-43.3) million.

The Group's cashflow for the first nine months

- The Group's total cash flow amounted to SEK -24.5 (-28,4) million.
- Current operations generated a cash flow of SEK 21,5 (-28,9) million.



ABOUT ADVANCED SOLTECH

- Investment activities generated a cash flow of SEK -151,9 (-47,6) million, which for the most part consists of investment in ongoing and new solar panels.
- Financing activities generated a cash flow of SEK 106,0 (48,2) million, when new short-term loans were raised, and new issues were carried out. For previous year, new issues were carried out and a short-term bank loan of SEK 37.6 million was repaid.

The parent company's numbers for the quarter

- Revenues amounted to SEK 1.8 (0.6) million, mainly invoiced service for the Chinese subsidiaries.
- Operating expenses amounted to SEK 3.4 (3.0) million.
- Operating profit amounted to SEK -1.6 (-2.4) million.
- Interest expenses and similar income items amounted to SEK 25.5 (25.6) million.
- Exchange rate difference amounted to SEK 3.6 (0.5) million.
- Profit after tax amounted to SEK -4.3 (-8.9) million. The main reason for the improved result is the exchange rate gain.
- The number of employees at the end of the period was 4 (3).

The parent company's numbers for the first nine months

- Revenues amounted to SEK 1,8 (6,8) million, mainly invoiced service and borrowing costs for the Chinese subsidiaries.
- Operating expenses amounted to SEK 10,0 (10,8) 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 -8,2 (-4,0) million.
- Interest expenses and similar income items amounted to SEK 75,7 (69,8) million.
- Exchange rate difference amounted to SEK 7,9 (2,0) million.
- Profit after tax amounted to SEK -18,9 (-17,7) million.

Bond loan

Bond loans and pledged collateral In January 2019, ASAB issued its first institutional Green Bond, SOLT5. The payment from the bond issue has used to finance solar panel plants in China. SOLT5 was listed on the Nasdaq First North Sustainable Bond Market with the first trading day on March 21, 2019. The issuer shall ensure that all downstream loans that ASAB provides to them Chinese subsidiaries must always be pledged with the issuer as beneficiaries:

- pledge of the solar power plants owned by the Chinese subsidiaries (or its relevant subsidiaries) as then financed by downstream loans, with the exception of such assets with minority interests;
- pledge of the Chinese subsidiaries (or their relevant subsidiaries) over receivables under the roof agreements regarding the installation and operation of the solar energy plants that have financed by downstream loans other than such assets with minority interests.

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		278.9	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
				946.1					

(*) 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%)

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 40.7 million.

Transactions with related parties

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

KSEK

Transaction	Counterpart	210101-210930	200101-200930	200101-201231
Purchase of solar panels	Advanced Solar Power (Hangzhou) Inc.	160,849	87,492	148,443
Purchase of service	Advanced Solar Power (Hangzhou) Inc.	7,518	0	0
Charged interest	Advanced Solar Power (Hangzhou) Inc.	0	1,692	1,449
Office rental	Advanced Solar Power (Hangzhou) Inc.	126	133	178
Charged interest	Soltech Energy Sweden AB (publ)	583	1,796	781
		169,076	91,113	150,851



Other information

Risks

Risk is defined as uncertainty, positive or negative, which can affect ASAB's goals and the ability to achieve the best possible results. The risks are divided into four categories:

- financial risks
- business and strategic risks
- country risk
- legal and regulatory risks.

Based on the type and characteristics of the risk, management is responsible for conducting risk analyzes and developing action plans and implementing these to reduce uncertainty where possible and optimize the financial effects. Policy and process for risk management as well as the most important overall risks must be reported in ASAB's annual report and short-term risks must be reported in the quarterly reports if necessary. Below are two areas that the company considers to be particularly critical of the business.

Dependance on key personnel

ASAB is a relatively small company and is dependent on key personnel and key employees. If the company loses these people or finds it difficult to attract equally qualified employees, this can affect the company's operations and ability to execute current and future strategies. It is crucial for the company's success to continue to be able to attract and retain qualified staff. This in turn depends on factors such as the company's business development, ability to create stimulating tasks, workload, incentive programs and competition for experienced employees. If one or more persons should leave or otherwise terminate their relationship with the Company or if any of these key persons significantly changes or reduces their roles within the Company, there is a risk that the Company will not be able to find qualified replacements or services that can contribute in good time. corresponding way to the Company's operations. This may delay and / or complicate the continued development of ASAB.

Currency risk

Concerns in the foreign exchange market involve currency risks as the Company operates in an international market. A weakening of the Swedish krona compared with the euro, but perhaps above all with the Chinese currency, RMB (yuan), would mean increased costs and could affect the Company's earnings and financial position. The company has external loans in Euro but has an accounting currency in SEK, which can lead to accounting currency losses. The company has, together with an external party, worked to formulate a currency policy in order to handle currency fluctuations in the best and most cost-effective way.

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.

Owner and the share

The company is 50.73 percent owned by Soltech Energy Sweden AB (publ) and 48.74 percent by Advanced Solar Power (Hangzhou) Inc. The remaining 0.53 percent shareholding consists of preference shareholders.

Number of shares	210701-210930	200701- 200930
Opening balance (*)	21,578,350	21,500,000
Rights issue	35,450	0
Closing balance	21,613,800	21,500,000

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

ABOUT ADVANCED SOLTECH

Final result of share issue

The company has in connection with the offer to purchase shares in the company issued 17,247,539 shares with the following allocation.

Subscriber in each share issue	Number of shares
Soltech Energy Sweden AB (corresponding the shares sold through exercise of purchase rights and without exercise of purchase rights)	4,602,311
Isac Brandberg AB (guarantee)	1,177,777
The World We Want Foundation (guarantee)	785,184
Soltech Energy Sweden AB (guarantee)	408,941
Advanced Solar Power (Hangzhou) Inc. (guarantee)	408,940
Institutional investor	54,165
Preference shareholders	9,810,221

The company has, after the above-mentioned share issues, a total of 38,747,539 shares outstanding.

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.

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 (dormant)

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.

Calendar

- Year-end report of 2021 will be published on February 24, 2022
- 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')	210701- 210930	200701- 200930	210101- 210930	200101- 200930	200101- 201231
Net revenue	34,933	28,644	90,408	62,459	86,401
Other operating income	12,184	15,645	29,296	40,818	52,393
Total revenue	47,117	44,289	119,704	103,277	138,794
OPERATING EXPENSES					
Other external expenses	-7,144	-3,616	-20,905	-7,334	-13,761
Personnel expenses	-3,318	-2,777	-10,033	-5,530	-9,115
Depreciation and amortization	-13,251	-9,190	-36,536	-29,958	-39,072
Other operating expenses	-189	-519	-242	-519	-667
Total operating expenses	-23,902	-16,102	-67,716	-43,341	-62,615
Operating profit / EBIT	23,215	28,187	51,988	59,936	76,179
RESULT FROM FINANCIAL ITEMS					
Interest income and similar income items	15	7	77	1,784	1,839
Interest expenses and similar charges	-32,534	-32,310	-97,053	-94,871	-123,637
Currency gains and losses	22,109	-2,403	58,704	-8,528	-41,340
Profit after financial items	12,805	-6,519	13,716	-41,679	-86,959
Tax	-388	-77	-1,753	-1,720	-10,058
The result for the period	12,417	-6,596	11,963	-43,399	-97,017
Attributable to the parent company's owners	12,075	-7,092	11,512	-44,175	-98,477
Minority interest	342	496	451	776	1,460

Balance Sheet

(SEK 000')	2021-09-30	2020-09-30	2020-12-31
ASSETS			
Subscribed, unpaid new share issue	0	120,250	0
Fixed assets			
Intangible fixed assets			
Customer contracts	43,987	45,113	42,266
Total intangible fixed assets	43,987	45,113	42,266
Tangible fixed assets			
Solar PV installations	1,181,548	923,890	918,209
Solar PV installations under construction	11,979	25,034	59,963
Other tangible assets	2,171	1,818	1,703
Total tangible fixed assets	1,195,698	950,742	979,875
Financial assets			
Other long-term receivables	71,669	90,817	88,271
Deferred tax assets	1,735	9,783	7,858
Total financial fixed assets	73,404	100,600	96,129
Total fixed assets	1,313,089	1,096,455	1,118,270
Current assets			
Short-term receivables			
Accounts receivable	39,170	24,820	23,537
Other receivables	30,555	31,051	16,790
Prepaid expenses and accrued income	45,788	18,244	25,128
Total current receivables	115,513	74,115	65,455
Cash and bank balances			
Cash and bank balances	51,610	21,411	73,325
Total cash and bank balances	51,610	21,411	73,325
Total current assets	167,123	95,526	138,780
TOTAL ASSETS	1,480,212	1,312,231	1,257,050

Balance Sheet, continued

(SEK 000')	2021-09-30	2020-09-30	2020-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital	4,323	4,300	4,316
Ongoing new share issue	0	120,237	0
Additional paid in capital	397,750	202,571	331,950
Retained earnings including profit/loss for the period	-90,181	-78,325	-133,589
<i>Equity related to:</i>			
Owners of the parent company	304,437	242,046	195,631
Minority interest in equity	7,455	6,737	7,046
Total equity	311,892	248,783	202,677
Provisions			
Deferred tax liability	8,698	8,077	7,853
Total provisions	8,698	8,077	7,853
Non-current liabilities			
Other non-current liabilities	37,833	37,758	34,886
Liabilities to group companies	28,354	29,702	27,323
Bond loan	905,336	889,631	882,699
Total non-current liabilities	971,523	957,091	944,908
Current liabilities			
Liabilities to credit institutions	40,788	0	0
Accounts payable	83,511	68,249	56,600
Tax liabilities	560	2,055	9,116
Other current liabilities	13,105	4,713	8,547
Accrued expenses and prepaid income	50,135	23,263	27,349
Total current liabilities	188,099	98,280	101,612
TOTAL EQUITY AND LIABILITIES	1,480,212	1,312,231	1,257,050

Changes in equity

210701–210930

(SEK 000')	Share capital	Other contributed equity	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	4,316	331,950	2,652	-125,550	213,368	6,885	220,253
Result for the period	0	0	0	12,075	12,075	342	12,417
Translation differences	0	0	13,187	0	13,187	234	13,421
Rights issue	7	71,014	0	0	71,021	0	71,021
Issue cost	0	-5,214	0	0	-5,214	0	-5,214
Dividends	0	0	0	0	0	-6	-6
Closing balance	4,323	397,750	15,839	-113,475	304,437	7,455	311,892

200701–200930

(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	0	3,354	-63,592	129,754	6,361	136,115
Result for the period	0	0	0	0	-7,093	-7,093	843	-6,250
Translation differences	0	0	0	-852	0	-852	-467	-1,319
Rights issue	0	0	120,237	0	0	120,237	0	120,237
Closing balance	4,300	185,692	120,237	2,502	-70,685	242,046	6,737	248,783

200101–201231

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

Cash flow analysis

(SEK 000')	210701- 210930	200701- 200930	210101- 210930	200101- 200930	200101- 201231
Operating profit (EBIT)	23,215	28,187	51,988	59,936	76,179
Adjustment for depreciation and amortization	13,251	9,189	36,536	29,957	39,072
Adjustment for items not included in the cash flow	-240	5,812	-37	1,945	-4,019
	36,226	43,188	88,487	91,838	111,232
Interest received	15	1,156	77	1,784	1,839
Interest paid	-29,766	-37,743	-78,024	-78,879	-108,816
Income tax paid	-39	378	-2,607	-1,675	-614
	-29,790	-36,209	-80,554	-78,770	-107,591
Change in accounts receivables	-2,275	6,972	-13,170	-2,469	-2,418
Change in other short-term receivables	-2,721	-4,945	-18,652	-23,186	-16,841
Change in accounts payables	-104,513	-20,093	21,425	-23,411	-29,810
Change in other current liabilities	23,099	2,361	23,928	7,079	11,192
Cash flow from working capital	-86,410	-15,705	13,531	-41,987	-37,877
Cash flow from operating activities	-79,974	-8,726	21,464	-28,919	-34,236
Investing activities					
Investments in tangible fixed assets	-15,429	-8,513	-163,177	-44,014	-136,306
Change in other financial fixed assets	9,867	5,358	11,281	-3,615	1,107
Cash flow from investing activities	-5,562	-3,155	-151,896	-47,629	-135,199
Financing activities					
Shareholders' contributions	71,021	0	71,021	0	157,891
Share issue cost	-5,214	0	-5,214	0	-11,617
Net proceeds from new loans	40,788	-132	40,788	85,814	86,368
Repayment of loans	0	-37,616	0	-37,616	-37,526
Dividends to minority interest	-6	0	-630	0	0
Cash flow from financing activities	106,589	-37,748	105,965	48,198	195,116
Cash flow for the period	21,053	-49,629	-24,467	-28,350	25,681
Translation difference in cash and cash equivalents	1,170	-162	2,752	-89	-2,206
Cash and cash equivalents opening balance	29,387	71,202	73,325	49,850	49,850
Cash and cash equivalents closing balance	51,610	21,411	51,610	21,411	73,325

Income Statement

(SEK 000')	210701- 210930	200701- 200930	210101- 210930	200101- 200930	200101- 201231
REVENUES					
Net revenue	1,785	361	1,785	6,594	6,235
Other operating income	0	218	15	218	284
Total revenue	1,785	579	1,800	6,812	6,519
OPERATING EXPENSES					
Other external expenses	-644	-1,129	-1,986	-6,775	-8,380
Personnel expenses	-2,543	-1,615	-7,789	-3,488	-5,938
Depreciation and amortization	-1	0	-3	0	-1
Other operating expenses	-188	-263	-242	-519	-665
Total operating expenses	-3,376	-3,007	-10,020	-10,782	-14,984
Operating profit / EBIT	-1,591	-2,428	-8,220	-3,970	-8,465
RESULT FROM FINANCIAL ITEMS					
Interest income and similar income items	19,198	18,467	57,335	53,943	72,957
Interest expenses and similar charges	-25,480	-25,587	-75,735	-69,838	-94,209
Currency gains and losses	3,620	455	7,920	2,037	-19,352
Profit after financial items	-4,253	-9,093	-18,700	-17,828	-49,069
Tax	0	157	-213	157	474
The result for the period	-4,253	-8,936	-18,913	-17,671	-48,595

Balance Sheet

(SEK 000')	2021-09-30	2020-09-30	2020-12-31
ASSETS			
Subscribed, unpaid new share issue	0	120,250	0
Fixed assets			
Tangible fixed assets			
Other tangible assets	19	0	22
Total tangible fixed assets	19	0	22
Financial assets			
Shares in group companies	493,537	416,899	461,922
Receivables from group companies	738,201	677,086	726,365
Total financial fixed assets	1,231,738	1,093,985	1,188,287
Total fixed assets	1,231,757	1,093,985	1,188,309
Current assets			
Receivables			
Receivables from group companies	60,453	56,898	34,610
Tax receivable	0	0	66
Other receivables	618	4,870	399
Prepaid expenses and accrued income	13,343	99	5,956
Total current receivables	74,414	61,867	41,031
Cash and bank balances			
Cash and bank balances	19,181	4,714	38,509
Total cash and bank balances	19,181	4,714	38,509
Total current assets	93,595	66,581	79,540
TOTAL ASSETS	1,325,352	1,280,816	1,267,849

Balance Sheet, continued

(SEK 000')	2021-09-30	2020-09-30	2020-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital	4,323	4,300	4,316
Ongoing new share issue	0	120,237	0
Additional paid in capital	412,103	200,042	346,301
Retained earnings	-45,766	2,829	2,829
Profit (loss) for the year	-18,913	-17,671	-48,595
TOTAL EQUITY	351,747	309,737	304,851
Long-term liabilities			
Liabilities to group companies	28,354	29,702	27,323
Bond loan	925,136	918,353	908,887
Total long-term liabilities	953,490	948,055	936,210
Current liabilities			
Accounts payable	1,032	4,276	620
Tax liabilities	0	276	0
Other current liabilities	313	495	572
Accrued expenses and prepaid income	18,770	17,977	25,596
Total current liabilities	20,115	23,024	26,788
TOTAL EQUITY AND LIABILITIES	1,325,352	1,280,816	1,267,849

Changes in equity

210701–210930

(SEK 000')	Share capital	Retained earnings	Ongoing rights issue	Share premium fund	Result for the period	Total equity
Opening balance	4,316	-45,766	0	346,301	-14,660	290,191
Disposition of results	0	0	0	0	0	0
Rights issue	7	0	0	71,016	0	71,023
Issue cost	0	0	0	-5,214	0	-5,214
Result for the period	0	0	0	0	-4,253	-4,253
Closing balance	4,323	-45,766	0	412,103	-18,913	351,747

200701–200930

(SEK 000')	Share capital	Retained earnings	Ongoing rights issue	Share premium fund	Result for the period	Total equity
Opening balance	4,300	2,829	0	200,043	-8,735	198,437
Disposition of results	0	0	0	0	0	0
Rights issue	0	0	120,237	-1	0	120,236
Result for the period	0	0	0	0	-8,936	-8,936
Closing balance	4,300	2,829	120,237	200,042	-17,671	309,737

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 Interim 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 71.7 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 39.2 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.

NOTES

Note 3.

Correction of previous published reports for Q3 & Q4 2020

The reporting for 2020 has been corrected on several occasions, partly what was reported in the year-end report for 2020 partly what was reported in the report for the first and second quarters of 2021, respectively. These corrections take effect for reports for the third and fourth quarters for 2020, see summaries below.

Income Statement 2020-01-01--2020-09-30

Amounts in kSEK	Previous reported	Correction	Corrected report
Total revenue	102,906	371	103,277
Operating profit / EBIT	59,822	114	59,936
Result from financial items	-97,356	-4,259	-101,615
Tax	157	-1,877	-1,720
The result for the period	-37,387		-44,175

Income Statement 2020-07-01--2020-09-30

Amounts in kSEK	Previous reported	Correction	Corrected report
Total revenue	39,419	4,870	44,289
Operating profit / EBIT	23,368	4,819	28,187
Result from financial items	-35,641	935	-34,706
Tax	157	-234	-77
The result for the period	-12,116		-7,092

Income Statement 2020-10-01--2020-12-31

Amounts in kSEK	Previous reported	Correction	Corrected report
Total revenue	35,888	-371	35,517
Operating profit / EBIT	16,360	-117	16,243
Result from financial items	-65,773	4,250	-61,523
Tax	-10,215	1,877	-8,338
The result for the period	-60,376		-54,302

Balance Sheet 2020-09-30

Amounts in kSEK	Previous reported	Correction	Corrected report
ASSETS			
Subscribed, unpaid new share issue	120,250	0	120,250
Fixed assets	1,099,708	-3,253	1,096,455
Current assets	84,885	10,641	95,526
TOTAL ASSETS	1,304,843	7,388	1,312,231

EQUITY AND LIABILITIES

Equity	254,172	-5,389	248,783
Provisions and non-current liabilities	958,143	7,025	965,168
Current liabilities	92,528	5,752	98,280
TOTAL EQUITY AND LIABILITIES	1,304,843	7,388	1,312,231

Reports for the Parent company

The reporting for 2020 has been corrected on several occasions, partly in the report for the first quarter of 2021 and partly in the report for the second quarter of 2021. These corrections, which are exclusively reclassifications, will take effect for reports for the third quarter 2020, see summaries below.

Income Statement 2020-01-01--2020-09-30

Amount in kSEK	Previous reported	Correction	Corrected report
Revenue	6,594	218	6,812
Operating profit / EBIT	-3,970	0	-3,970
Result from financial items	-13,858	0	-13,858
Tax	157	0	157
The result for the period	-17,671	0	-17,671

Balance Sheet 2020-09-30

Amount in kSEK	Previous reported	Correction	Corrected report
ASSETS			
Subscribed, unpaid new share issue	120,250	0	120,250
Fixed assets	1,134,058	-40,073	1,093,985
Current assets	26,508	40,073	66,581
TOTAL ASSETS	1,280,816	0	1,280,816

EQUITY AND LIABILITIES

Equity	309,737	0	309,737
Provisions and non-current liabilities	948,055	0	948,055
Current liabilities	23,024	0	23,024
TOTAL EQUITY AND LIABILITIES	1,280,816	0	1,280,816



NOTES

Income Statement 2020-07-01--2020-09-30

Amount in kSEK	Previous reported	Correction	Corrected report
Revenue	361	218	579
Operating profit / EBIT	-2,428	-1	-2,429
Result from financial items	-6,664	0	-6,664
Tax	0	157	157
The result for the period	-9,092		-8,936

Income Statement 2020-10-01--2020-12-31

Amount in kSEK	Previous reported	Correction	Corrected report
Revenue	-359	-218	-577
Operating profit / EBIT	-4,495	0	-4,495
Result from financial items	-26,747	1	-26,746
Tax	317	0	317
The result for the period	-30,925		-30,924

Note 4. 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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