



SolTech Energy

## **Subscription to the bond issue in SolTech's subsidiary, ASAB, mounted to 128 MSEK.**

**Advanced Soltech Sweden AB (publ.), which is 51% owned by SolTech Energy Sweden AB (publ.) (51%) and 49% owned by its Chinese partner, Advanced Solar Power Hangzhou Inc. (ASP), published a prospectus, on February 2, 2018, detailing a bond offer directed at the general public amounting to 150 MSEK, yielding an annual interest rate of 8.75% over the bonds' five-year term, due to expire on 28 February 2023. The Financial Advisor was Avanza Bank and the subscription period spanned from February 5 – 20, 2018. The proceeds were 128 MSEK (12.8 MEUR) provided by circa 2,000 subscribers. The bonds will be listed on the Nasdaq First North Bond Market, assuming application approval, with the first proposed trading day taking place on March 19, 2018.**

ASAB's function within the SolTEch concern is to finance the operation in China, which is run by its fellow subsidiary Advanced SolTech Renewable Energy Hangzhou Ltd., ASRE, which, in common with ASAB, is 51% owned by SolTech and 49% by ASP.

Via the new bond issue, capital amounting to approximately 128 MSEK, less customary new-issue costs, has now been provided. The remaining capital necessary to achieving 2018's goal will be met partially in the form of bank loans and other credit sources in China and Europe, as well as the joint owners own investment capital, along with the proceeds of new bond issues offered during the year.

The completed and coupled installations, now totaling 29.08 MW, generate approximately 45 MSEK (4.5 MEUR) in annual income. Having the use of the liquidity gained from the bond issue, an additional circa 15 MW will be coupled to the central network and generate approximately 21.4 MSEK annually in income, whereof 51 percent is duly reported with SolTech in accord with the Proportional Method.

### **CEO Frederic Telander comments:**

– The most vital message is that we have, together with Avanza Bank, secured sufficient capital to complete the installation of an additional circa 15 megawatts of our existing backlog orders. This means that ASRE will thereafter have a full 44 MW coupled that will annually generate income totaling approximately 66.4 MSEK. ASRE's business operation is exceptionally suited for lone financing, given its predictable and long-term strong cash flow.

**For more information, please contact:** Frederic Telander, CEO SolTech Energy. Tel: 08-441 88 46, email: [frederic.telander@soltechenergy.com](mailto:frederic.telander@soltechenergy.com)

The information contained in this press release conforms to that which SolTech Energy Sweden AB (publ.) is required to make public according to the EU's regulation.596/2014 concerning securities market abuse. Said information is furnished, via the above-cited contact person's authorization, for publication on 26 February 2018, 07:00 CET.

### **SolTech Energy in brief**

*SolTech Energy develops and sells building-integrated solar energy products for all forms of building structures – commercial, public and residential. The products are a part of a building's outer shell, as a roof, wall or window, containing semi-transparent solar cells for the production of electricity that simultaneously shuts out solar heat. Soltech Energy Sweden AB (publ.) is traded on First North at Nasdaq Stockholm, under the symbol "SOLT" with over 14,000 shareholders. Also included in the concern are its jointly owned (51%) subsidiaries ASAB in Sweden and ASRE in China, as well as its wholly owned subsidiary Wasa Rör T Mickelsson AB. The company's Certified Advisor is G&W Fondkommission (securities broker). For more information see: [www.soltechenergy.com](http://www.soltechenergy.com)*

### **Investment in China**

*SolTech's investment in China is carried out by a jointly owned company, Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd (ASRE), where SolTech owns 51 percent and Advanced Solar Power Hangzhou Inc. (ASP) owns 49 percent. The business model consists of having ASRE finance, install, own, and periodically service solar energy installations mounted on the roofs of customer-owned facilities. The customer does not pay for the installed solar energy unit, but instead undersigns a long-term, 20-25 year contract to buy all the electricity and/or thermal heat the relevant unit produces. ASRE's current income comes from the sale of electricity to customers, along with various forms of subsidies per produced kWh. Focus is now concentrated on building a backlog of orders for 2018 and beyond, with the goal of obtaining an installed capacity of 605 MW (megawatts) by the close of 2021, which in 2022 will be set into full operation, generating current annual sales amounting to approximately 1 billion SEK (100 MEUR).*

