



SolTech Energy

SolTech's subsidiary ASAB's green bond offer was 99 percent subscribed

Advanced SolTech Sweden AB (publ.), ASAB, a jointly owned subsidiary – 51% by SolTech Energy Sweden AB (publ.) and 49% by SolTech's Chinese partner, Advanced Solar Power Hangzhou Inc., ASP – published a prospectus on May 23, 2018 detailing a 150 MSEK bond offer directed to the general public paying an interest rate of 8.75 percent annually over the bond's five year term, ending on July 9, 2023. The total of subscribed bonds amounted to approximately 148 MSEK, purchased by circa 2,700 investors. The bonds will be listed, assuming application approval, on Nasdaq First North Sustainable Retail Bonds, with the first trading day tentatively expected to take place on July 16, 2018.

The subscription period spanned from May 29 to June 18, 2018. ASAB's proceeds from the bond issue amounted to approximately 148 MSEK, before the deduction of customary new issue costs. Circa 2,700 investors subscribing to the Offer have been allotted bonds. The bonds will be issued on July 10, 2018. The Financial Advisor in this transaction was Avanza Corporate Finance. ASAB's function within the SolTech-concern is to finance the business operation in China, which is carried out by ASAB's fellow subsidiary Advanced SolTech Renewable Energy Hangzhou Co. Ltd., ASRE, which – in common with ASAB – is also 51 percent owned by SolTech and 49 percent owned by ASP. As a result of this new bond issue, capital proceeds amounting to approximately 148 MSEK, before new-issue cost deductions, have now been provided. The remaining capital required to meet the goal set for 2018 will be satisfied in part by bank loans and other forms of credit in China and Europe, and partly by the owners' own capital, as well as new bond issues during the year.

The capacity of currently installed and coupled installations totals 34.71 MW, generating approximately 51.36 MSEK in annual income. Taking into account the liquidity provided by the SOLT2 and SOLT3 bonds, plus the inclusion of currently coupled installations, one can thereafter soundly project a total capacity of circa 63 MW being coupled to the central electrical network on or about the turn of the year, generating approximately 87.4 MSEK in income, 51 percent of which SolTech will record as income in accord with the Proportional Method.

CEO Frederic Telander comments:

– The most vital message is that we, together with Avanza, have obtained sufficient capital to complete the solar installation production of an additional circa 19 megawatts from our existing back-order stock. ASRE's business operation is exceptionally suited for loan financing with a 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

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 21 June 2018, 08:00 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 ca. 15,000 shareholders. Also included in the concern are its jointly owned (51%) subsidiaries ASAB in Sweden and ASRE in China (below is more info on ASRE). The company's Certified Advisor is G&W Fondkommission (securities broker). For more information see: 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 installation, 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).