



SolTech Energy

SolTech helps China – from coal to sun. New order for ASRE generates 44 MSEK in earnings over the contract's term

SolTech Energy's jointly owned company in China, Advanced SolTech Renewable Energy Hangzhou Co. Ltd, ASRE, has signed two orders with ShanXi YangCheng YangTai Group JingXin Coal Industry Co. Ltd. The orders cover the installation of two solar energy units: One for 1.2 megawatts (MW), the other for 0.5 MW, generating an estimated combined annual income of approximately 2.2 MSEK. Over the contract's 20-year term, cumulative income is estimated to amount to approximately 44 MSEK (ca. 4.4 MEUR).

The installations will cover a surface measuring circa 17,000 sq. meters (roughly equivalent to 2.5 football fields) and produce circa 2,000,000 kWh annually. The customer is contractually committed to buying all the electricity the respective installations produce over the course of 20 years. During the same period, ASRE receives subsidies from the Chinese authorities, based on every kilowatt-hour (kWh) delivered to the customer. Investment in the installations, which continue to be owned by ASRE, amounts to approximately 10.7 MSEK (ca. 1.07 MEUR). Both installations are expected to be completed during January 2019.

CEO Stefan Ölander comments:

"These orders come under the our previously released announcement of a five-year cooperation agreement (general agreement) with the local government in the city of JinCheng concerning the installation of 50 MW of solar energy capacity. JinCheng is located southeast of Peking in the ShanXi region, which is one of China's coal districts. Helping them obtain a more sustainable energy mix is something we are extra proud of."

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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 4 October 2018, 08:00 CET..

SolTech Energy in brief

SolTech Energy develops and sells esthetic, building-integrated solar energy products for all forms of building structures – commercial, public and residential. The products are part of a building's outer shell, as a roof or wall, with integrated solar cells for the production of electricity. The concern also operates in China, where the business model consists of financing, owning and servicing solar energy installations on the roofs of customer owned facilities, and of selling all the electricity these installations produce. Soltech Energy Sweden AB (publ.) is traded on First North at Nasdaq Stockholm, under the symbol "SOLT" and has over 15,000 shareholders. Also included in the concern are its jointly owned (51%) subsidiaries ASAB in Sweden and ASRE in China. 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 installed solar energy unit, but instead undersigns a long-term, 20-25 year contract to buy all the electricity the relevant unit produces. ASRE's current income comes from the sale of electricity to customers, along with various forms of subsidies based on kWh production. Focus is now concentrated on building a backlog of orders for 2018/2019 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 (ca. 100 MEUR).