



SolTech Energy

New order for ASRE in China – sales for achieving 2017's goal now running ahead of plan

SolTech's subsidiary in China, ASRE, has signed an order with Zhejiang Kanglongda Special Protection Technology Co. Ltd. The order covers the installation of a 2.5 MW (megawatt) solar energy unit estimated to provide 4.16 MSEK (0.44 MEUR) in annual income. Over the contract's 25-year lifespan, cumulative income is estimated to mount to approximately 104 MSEK (10.9 MEUR). With the inclusion of this order, ASRE has obtained, to date, 9.4 MW toward 2017's goal of 50 MW booked orders.

The installation is estimated to cover a roof surface measuring 25,000 m² and produce circa 2,500,000 kWh annually. The customer, Zhejiang Kanglongda Protection Technology Co. Ltd., is contractually committed to buying all the electricity the system produces over 25 years. Investment in the installation, which continues to be owned by ASRE, amounts to approximately 25 MSEK (2.6 MEUR) and it is expected to be completed during the second quarter of 2017.

CEO Frederic Telander comments:

"With the inclusion of this order, ASRE has already signed, as early as the close of this year's first month, nearly one fifth of the annual sales total, duly planned and made public, for the entire year of 2017. In short, our business potential in China continues to be realized, and we feel relatively certain that the financing required for our planned investment in China for 2017 will be met through our Advanced SolTech subsidiary's previously announced cooperation agreement with Danske Bank, relating to the issuance of "Green Bonds" to the bank's network of institutional investors and wealthy private individuals."

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SolTech Energy in brief

Energy is a Swedish solar energy company that specializes in developing and implementing esthetically attractive solutions that enable every building to produce more energy than it consumes. SolTech Energy develops its own products, which are based on research carried out at Kungliga Tekniska Högskolan (KTH- Royal Institute of Technology) and function as an integrated part of a building's outer shell, in addition to producing electricity and/or hot water. Included in the product assortment are unique, customer-tailored semi-transparent thin-film solar cells that, among other retail venues, are now sold via the Company's exclusive contract with Sapa Building Systems throughout the Nordic and Baltic regions.

SolTech Energy Sweden AB (publ.) is traded on First North at Nasdaq Stockholm, under the symbol "SOLT". Included in the concern are its jointly owned (51%) subsidiaries Advanced SolTech Sweden AB (publ.) ASAB, and Advanced SolTech Renewable Energy, Hangzhou Inc. (ASRE), 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

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 is the majority (51%) owner and Advanced Solar Power Hangzhou Inc. (ASP) the minority (49%) owner. The business model consists of having said jointly owned company, ASRE, responsible for the installation, ownership, and periodic maintenance of 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, in combination with various forms of subsidies per produced kWh. With the sales goal of 25 MW having been exceeded, focus is now concentrated on building a backlog of orders for 2017 and beyond, with the goal of obtaining by the year 2019 an installed capacity of approximately 230 MW, which in 2020 will be set into full operation, generating current annual sales amounting to approximately 400 MSEK (40.1 MEUR).