



SolTech Energy

Sales of individual solar energy installations creates additional capitalization options for ASRE

SolTech Energy Sweden AB (publ.) and its Chinese partner, Advanced solar Power (ASP), have made a strategic decision to sell up to 15 percent of every fully installed and operational project completed by ASRE over the course of a fiscal year, thereby securing additional capital to reinvest in a new capacity the following year. This will directly contribute to further growth and enhance the possibilities available to financing the construction of new installations.

Recently, ASRE has marked a growing interest in the company from various financial players – most notably, from investment firms seeking to place capital in securities offering long-term favorable yields for their own customers. ASRE's goal is to finance, install and operate solar installations totaling 605 MW (megawatts) in 2022. This figure would then include the capacity sold annually with the proceeds having been reinvested the following year. According to the new strategy, these sales are planned to take place at the close of every year during the period spanning 2017-2022, with the sum total capacity sold not expected to exceed 187.6 MW at the highest.

CEO Frederic Telander comments:

Together with our partner, Advanced Solar Power, we have discussed and analyzed this plan for an extended period of time. It feels natural to take advantage of this new capitalization option when the opportunity presents itself. In part, the sale of installations generates a good sales result and profit, but at the same time it also demonstrates that there is a great realizable value in our solar energy installations in China. Simply put, it means that 5 sold MW are sufficient to construct and set into operation 6 MW in the following year.

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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 24 August 2017, at 07:00 CET.

SolTech Energy AB (publ.) in brief

SolTech 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 are a part of a building's outer shell that produce hot water or electricity. 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 region. SolTech Energy Sweden AB (publ.) is traded on First North at Nasdaq Stockholm, under the symbol "SOLT". Also 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, with respect to its listing on Nasdaq First North, 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 financing, 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, along with various forms of subsidies per produced kWh. Focus is now concentrated on building a backlog of orders for 2017 and beyond, with the goal of obtaining by the close of 2021 an installed capacity of 605 MW (megawatts), which in 2022 will be set into full operation, generating current annual sales amounting to approximately 1 billion SEK (103 MEUR).