



SolTech Energy

Interim Financial Report: Advanced SolTech Sweden AB (publ) January - June 2017

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Advanced SolTech Sweden AB (publ.), ASAB, has released its semi-annual report for the period January – June 2017. ASAB is SolTech Energy’s Swedish subsidiary, which is jointly owned by SolTech Energy (51%) and its Chinese partner, Advanced Solar Power Hangzhou Inc., ASP, (49%). The subsidiary’s financial statements are therefore a part of the parent concern’s interim semi-annual report, which was released on 25 August 2017.

ASAB’s function within the SolTech concern is to finance its business operation in China, which is conducted by fellow subsidiary Advanced SolTech Renewable Energy Hangzhou Co. Ltd., ASRE.

The period recorded a negative result: – 990 KSEK (-104 KEUR). The reason for the loss is primarily due to costs related to conducting a bond offer in 2016. These costs are distributed over the term of the bonds, where costs charged against this period’s result amounted to 864 KSEK.

The next report will be released in connection with SolTech Energy’s press release regarding its annual financial statements on 27 February 2018.

The period’s result and the company’s status:

- The period’s result amounted to -990 (-367) KSEK
- Net interest for the period amounted to 70 (-177) KSEK
- Cash flow amounted to -196 (55,811) KSEK
- No new loan has been granted or raised during the period

Liquid assets at the close of the period amounted to 2.3 MSEK (242 KEUR). Interest due bondholders has been paid in accord with bond stipulations in January and July 2017.

To read the report in its entirety – [Advanced SolTech Sweden AB \(publ\) Delårsrapport januari – juni](#) (Note: report in Swedish).

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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, and law (2007:528) concerning the securities market. Said information is furnished, via the above-cited contact person’s authorization, for publication on 28 August 2017, 07:00 CEST.

Advanced SolTech Sweden AB (publ)

ASAB was created by SolTech Energy Sweden AB (publ.) and the Company’s partner in China, Advanced Solar Power Hangzhou Inc., with the aim of ensuring continuity with respect to financing growing investment in China. ASAB’s operational task is to finance the construction of solar Energy installations in China by making loans that enable the SolTech concern to finance solar energy installations in China that are owned and periodically serviced by ASAB’s fellow subsidiary Advanced SolTech Renewable Energy Co. Ltd, ASRE, or by the latter’s wholly owned, local subsidiaries. ASRE’s underlying assets (solar energy installations and contracted customer receivables) stand as security for repayment of the funds loaned out. In May 2016, ASAB issued a bond resulting in capital proceeds amounting to the equivalent of approximately 65.5 MSEK (6.89 MEUR). The bonds are secured by a guarantee from the parent company, SolTech Energy Sweden AB (publ.) and were listed in July 2016 on Nasdaq First North Bond Market trading under the symbol SOLT1.

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 2017 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 (103 MEUR).

SolTech Energy AB (publ) in brief

SolTech Energy develops and sells a solar energy system based on research carried out at Kungliga Tekniska Högskolan (KTH – Royal Institute of Technology). The system is a part of a building's outer shell, as a roof and/or wall constructed of glass (roof tiles/shingles or plate glass/panes), which function both to protect and as solar collectors for the production of heat, hot water and electricity. Notably included in the product assortment are also unique thin-film solar cells in black glass, semi-transparent glass, or as isolated glass modules in various sizes and formats to promote integration with a building's outer shell. 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 ASAB in Sweden, and ASRE in Sweden, 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