



SolTech Energy

ASRE signs a Chinese order for 3.4 MW that will generate 4.6 MSEK annually

SolTech Energy's subsidiary in China, ASRE, has signed an order with Hangzhou Baowei Autoparts Co. Ltd. This order, contracted in SolTech's home city of Hangzhou, covers the installation of a 3.4 MW (megawatt) solar energy unit that is estimated to provide annual earnings amounting to approximately 4.6 MSEK (478,000 EUR). Over the contract's 20-year term, cumulative income is estimated to amount to approximately 92 MSEK (9.6 MEUR).

The installation is estimated to cover a roof surface measuring circa 3.4 hectares (34,000 square meters), which is equivalent to the area of nearly five football fields. And its annual production is estimated to total circa 3,400,000 kWh. The customer is committed to buying all the electricity the installation produces over the contract's 20-year term. Parallel with this, ASRE receives subsidies from both the central and regional governments over these 20 years. Investment in the installation, which continues to be owned by ASRE, amounts to approximately 23.32 MSEK (2.4 MEUR), and it is expected to be completed during the second quarter of 2018.

CEO Frederic Telander comments:

Business pressure remains high in China and we are happy over having signed yet another order in our home city. In order to meet demand, we are now working hard with an array of different financing solutions that will enable us to contract even more business deals in the near term.

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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 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).