



SolTech Energy Sweden AB (publ) has decided on a new preferential-rights share issue

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SolTech Energy Sweden AB (publ.) ("the Company" or "SolTech") has, on 16 November 2017, with the support of authorization granted at the annual general meeting of shareholders held on 18 May 2017, has decided to proceed with an 81% guaranteed new issue of shares to be offered for a maximum sum of 64.8 MSEK (6.68 MEUR), with preferential rights for the shareholders of the Company.

- The motivation is primarily to secure financing for strategic acquisitions in Sweden and further investment in contracted solar energy installations in China that are jointly owned by SolTech's Chinese partner, Advanced Solar Power Hangzhou Ltd. (ASP). Specifically, the funds to be allocated to solar energy installations will be invested in SolTech's subsidiary in China, Advanced SolTech Renewable Energy Hangzhou Co. Ltd., which is jointly owned by ASP.

The new share issue is guaranteed up to 81% through emissions guarantees, equivalent to a sum total amounting to 52.5 MSEK (5.4 MEUR). SolTech has not, however, obtained Bank type security for these. The guarantee's size is equivalent to SolTech's working capital needs for 2018, as well as the commitment the Company has both in terms of the need to raise production in connection with the launching of ShingEI and the related contract with Rexel and follow-up orders, and with respect to the agreed added contribution of the Company's own capital in ASRE. Taken together with local bank financing, and the coming, planned bond loan offered to the general public through Advanced SolTech Sweden AB publ. (ASAB), this is estimated as making possible the construction and coupling to the central electrical network of current back orders in China for solar energy installations with a total generating capacity equivalent to circa 35 MW (megawatts).

Assuming *Finanseinspektionen* (FI = Financial Inspection Authority) approves the prospectus and a fully subscribed offer is realized, the new share issue will provide the Company with approximately 64.8 MSEK (6.68 MEUR). The Board of Governors will be called to an extra meeting in order for them to decide, in the event strong interest in the new share issue indicates the possibility of an oversubscription, the allowance of an additional allocation of shares up to a maximum of 25 MSEK (2.6 MEUR) via a separately directed new share issue. A full subscription would raise total stock equity from 1,542,700.50 SEK to a maximum ceiling of 1,972,125.65 SEK, including the guaranteed remuneration in the form of shares. Including an added allocation of shares, assuming the separate additional new share offer is fully subscribed, the total stock equity/capital would increase to a max-ceiling of 2,123,395.15 SEK. In the event of a full subscription, dilution of shares for stockholders who chose not to participate is 22 percent; and 27 percent in the event the additional separate new share issue is also fully subscribed.

New share issue conditions:

- The new share issue pertains to, at the most, 7,713,513 shares. Including guaranteed remuneration in the form of 875,000 shares, the total then rises to 8,588,503 relevant shares. In the event of a separate allocation arising from an oversubscription, and assuming the articles of incorporation come to allow an increase in the Company's capital stock and amount of shares, the maximum total increase in shares would amount to 2,976,190, which is to say, 11,564,693 shares, all told, after allocation of the new shares.
- Four (4) existing shares entitle subscription to one (1) new share.
- The offering price is set at 8.40 SEK per share, which means a refund of approximately 29 percent based on a volume-weighted average price over the period 19 October – 15 November 2017.

Preliminary timeplan for the new share issue, assuming FI approval of the prospectus.

- The last day for trading the stock, including the preferential subscription right, is 22 November 2017.
- The day of record is 24 November 2017.
- Publication of the prospectus is estimated to take place on 27 November 2017 at the latest.
- Trading of shares with purchased subscription shares starts as of 28 November and continues until the date the new share issue has been registered with the *Bolagsverket* (roughly: Department of Corporate Registration), which is expected to take place on or about 12 January 2018.
- Trading with subscription rights will take place during the period 28 November to 12 December.

Vital information:

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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 17 November 2017, 07:00 CET.

SolTech Energy in brief

SolTech Energy develops and sells building-integrated solar energy products for all forms of building structures – commercial, public and residential. The products are a part of a building's outer shell, as a roof, wall or window, containing semi-transparent solar cells for the production of electricity that simultaneously shade out solar heat. SolTech Energy Sweden AB (publ.) is traded on First North at Nasdaq Stockholm, under the symbol "SOLT" with over 12,000 shareholders. Also included in the concern are its jointly owned (51%) subsidiaries ASAB in Sweden and ASRE in China, 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 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).