



SolTech Energy

SolTech's ASRE signs a contract with its joint-owner, ASP, covering the takeover of a new giant order for 13 MW. The order will generate 308 MSEK over the contract's term.

The customer is JiangSu YangHe Brewery Joint-Stock Co Ltd. and the order covers the installation of a solar energy installation estimated to provide an annual income amounting to 15.4 MSEK. The reason for SolTech Energy's Chinese partner, Advanced Solar Power Hangzhou Inc, (ASP), having first signed this order is that the customer during negotiations, which ASRE fully participated in, had an unequivocal requirement that the supplier must be able to present certified year-end financial statements extending for at least five years. Since ASRE was founded in 2015, this was a requirement the company obviously could not meet. Therefore, ASP signed the customer order and contracted to sell the installation to ASRE at cost, upon its having been completed and set into operation, which is expected to take place during the third quarter of 2018. Over the contract's 20-year term, cumulative income is estimated to amount to approximately 308 MSEK.

The installation will cover a roof surface measuring circa 13 hectare (130,000 m²) and produce circa 14,040,000 kWh annually. The customer is contractually committed to buying all the electricity the installation produces over the course of 20 years. Parallel with this income, the central government disburses a proportional subsidy over said 20-year period. Investment in the installation, which is expected to be completed during the third quarter of 2018, amounts to approximately 96 MSEK (9.6 MEUR). With the inclusion of this installation, ASRE has thus far signed solar energy contracts equivalent to a cumulative total capacity of 52.34 MW, and has thereby met its 50 MW sales goal set for this year. All told, with this signing, ASRE has contracted a sum total installation capacity of 71.8 MW; whereof 22.65 MW are coupled to the central network, with 9.95 MW under construction, and 39.2 MW contracted but not yet begun.

JiangSu YangHe Brewery is one China's biggest central producers of strong beer/red wine and is listed on the Shenzhen Stock Exchange with a market value of approximately two billion SEK (200 MEUR). The company is headquartered and has its biggest market directly north of Shanghai in JiangSu Province, containing a resident- population of 80 million.

CEO Frederic Telander comments:

"When ASRE received an 8 MW order from Nanjing Gold Dragon Bus in February, we realized what enormous roofs, and thereby, what extensive business possibilities exist in China. This order with JiangSu YangHe Brewery underlines this direct relation. We are grateful that ASP made it possible for this affair to conclude successfully. The solar cells will come to cover a surface equivalent to the area covered by approximately 18 football fields, and every year they will produce as much electricity as that consumed by circa 1,000 Swedish free-standing houses."

For more information, please contact: Frederic elander, CEO SolTech Energy. Tel: 08-441 88 46, email: frederic.telander@soltechenergy.com.

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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 (100 MEUR).