

Soltech acquires 70 percent of the shares in Takorama AB

On February 25, 2020, Soltech Energy Sweden AB (publ) signed an agreement to acquire 70 percent of the shares in the roofing company Takorama AB (Takorama) with access on March 2, 2020. Takorama has its registered office in Ljungskile and was founded in 1990. The company has 17 employees and sales for the full year 2019 amounted to approximately SEK 30 million, with about 8.5 per cent in profit after financial items.

Takorama focuses on flat sealing roofs for the corporate market and has a number of framework agreements with large customers in the business and public sectors. Takorama will be Soltech's second subsidiary on the west coast following the acquisition of Merasol earlier this year. This is Soltech's first company acquisition this year that is not a solar company. There will be more as we believe in transforming eg roofing companies into solar roofing companies. We will take unlisted traditional companies in the roofing, facade and electricity industries, for example, into a listed environment and make them sustainable companies that, in addition to their traditional business, add solar energy. It will build value for our shareholders and at the same time be a strong force in helping to make solar energy a natural part of our energy mix.

The acquisition of Takorama in economic terms:

- All shares in Takorama are valued at SEK 14.5 million and the total acquisition proceeds for 70 per cent of the shares thus amount to SEK 10.15 million.
- The acquisition is paid with an initial cash portion of SEK 4.3 million and newly issued Soltech shares worth SEK 2.03 million (20 percent of the purchase price). After 12, 24 and 36 months, a further total of SEK 3.82 million can be paid out in variable supplementary purchase price if set sales and profitability targets are achieved.
- In the spring of 2023, through an option agreement, Soltech has the option to acquire the remaining 30 percent of the shares in Takorama, or a desired part thereof. The price for the shares under this option is calculated as the average of EBIT in Takorama during the financial years 2020 - 2022 (3 years) multiplied by six (6) multiplied by the percentage acquired.
- The acquisition of Takorama is financed entirely from its own cash and with newly issued Soltech shares.
- Soltech and Takorama's assessment is that the acquisition will contribute about SEK 33 million in sales in 2020 and with a positive operating profit of about 8 - 10 percent.
- From the 2021 fiscal year onwards, Soltech expects continued sales growth with a good operating margin thanks to Takorama adding solar energy to its product range. In addition, synergies within

the Group in terms of joint purchasing, marketing, HR and administration will have a positive impact on sales and earnings.

CEO Stefan Ölander in a comment:

- We are pleased to have agreed with Takorama, which is characterized by great drive and deep knowledge. We see great business opportunities as they now add solar energy to their product range. Transforming traditional companies into solar companies is socially beneficial and a good business.

Michael Norrby, CEO Takorama in a comment:

- Takorama has always stood for a high quality and willingness to develop. In recent years, we have seen a significant increase in solar energy inquiries and this step is quite natural. We are sure that the Soltech Group is the right group for us to grow in solar energy.

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About Soltech Energy Sweden AB (publ) Soltech is a comprehensive supplier that develops, sells, installs and optimizes solar energy solutions for our customers' needs. The group includes the subsidiaries Advanced Soltech Sweden AB (publ) where the Chinese venture is conducted, Soltech Sales & Support, NP Group, Swede Energy Power Solutions, Merasol, Soldags and Takorama. Soltech Energy Sweden AB (publ), is traded on the Nasdaq First North Growth Market under the short name SOLT and has approximately 32,000 shareholders. The company's Certified Adviser is Erik Penser Bank. Phone: 08-463 83 00. Email: certifiedadviser@penser.se. For more information see: www.soltechenergy.com