

## **Soltech's subsidiary - Advanced Soltech signs partner agreement, which in full extent will result in over SEK 31 million per year**

**An exclusive partnership agreement has been signed by Advanced Soltech Sweden AB (publ) "ASAB" wholly owned subsidiary Advanced Soltech Renewable Energy Hangzhou Co. Ltd. "ASRE" in China on the construction of 35 megawatts (MW) of solar energy capacity. The agreement has been signed with FengXian Economic Development Zone Investment Development Co. Ltd., owned by the local government in the city of FengXian in JiangSu Province.**

The agreement is expected to be fully extended and without contributions from either the provincial or central government will generate annual revenue of just over SEK 31 million. This corresponds to an annual return on invested capital of about 15%, which again shows that ASAB / ASRE does not depend on contributions to achieve good profitability.

In connection with the conclusion of the agreement, it was decided that ASRE will build 6 MW during 2020. The plants are expected to produce approximately 1.1 kWh per installed watt and year and are wholly owned by ASRE. The customer undertakes, for 20 years for each plant, to purchase the electricity produced.

### **Soltech Energy's CEO, Stefan Olander in a comment:**

- We are very pleased that the market in China is again open to large business after the worst period of the Corona pandemic. In the spring of 2019, we signed a cooperation agreement in another city and with another local government, the Jiangsu Province, of 500 MW of solar energy capacity. This is our second agreement in the province where we now consolidate our position. In addition to the new agreement, we have connected additional capacity to the grid and have now passed 140 MW of installed and revenue-generating capacity and have another 7.5 MW of new solar energy capacity under construction.

### **For more information contact:**

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### **About Soltech Energy Sweden AB (publ)**

Soltech Energy 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, Takorama and Fasadsystem. Soltech Energy Sweden AB (publ), is traded on the Nasdaq First North Growth Market under the short name SOLT and has approximately 33,000 shareholders. The company's Certified Adviser is Erik Penser Bank. Phone: 08-463 83 00. Email: [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se). For more information see: [www.soltechenergy.com](http://www.soltechenergy.com)

### **Advanced SolTech Sweden AB (publ) - ASAB**

In order to continuously finance investments in China, the Soltech Group's parent company and its partner in China, Advanced Solar Power Hangzhou Inc., formed ASAB. ASAB's operations consist of financing solar energy facilities in China that are owned and continuously maintained by ASRE, ASRE SUQIAN and / or its wholly owned local subsidiaries through lending and / or through direct investments in group companies. As collateral for borrowed funds, collateral is obtained in underlying assets (solar power plants and accounts receivable). The Company's Certified Adviser is FNCA, Tel: 08-528 00 399 Email: [info@fnca.se](mailto:info@fnca.se) More info at [www.advancedsoltech.com](http://www.advancedsoltech.com)

### **About the China venture**

Soltech Energy's investment in China is conducted in Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd., ASRE, its wholly owned local subsidiaries and Longrui Solar Energy (Suqian) Co. Ltd. The business model consists of financing, installing, owning and managing solar energy installations on customers' roofs in China. The customer does not pay for the plant, but instead commits to purchase the electricity that the plant produces during a 20- year agreement. Ongoing revenue comes from sales of electricity to customers and from various forms of grants per produced kilowatt hour (kWh) of solar energy. The goal is to have an installed capacity of 1,000 megawatts (MW) fully connected to the electricity grid in 2024 by 2023.

*ASRE and Longrui Solar Energy (Suqian) Co. Ltd. are wholly owned subsidiaries of Advanced Soltech Sweden AB (publ). ASAB is 51% owned by Soltech Energy Sweden AB (publ) and 49% by Soltech's Chinese partner, Advanced Solar Power Hangzhou Inc.*