

Advanced Soltechs ASRE receives a new order that gives SEK 122 million during the contract period

Advanced Soltech's subsidiary in China, ASRE, has signed an order with Shanxian City Construction Investment Co. Ltd. The order concerns the installation of a solar energy plant of 11 megawatts (MW) and is estimated to generate annual revenues of approximately SEK 6.1 million, or approximately SEK 122 million during the agreement's 20-year term.

The order is divided into two phases where 7.5 MW is built in the first phase and 3.5 MW in the second. When 11 MW is built and connected to the grid, the plant is estimated to produce approximately 12,760,000 kWh annually, which for 20 years will be sold directly to the electricity grid. The investment in the 11 MW plant, which will be owned by ASRE, amounts to approximately SEK 50.6 million and construction is scheduled to start in the fourth quarter of 2020.

Advanced Soltech's CEO Max Metelius comments:

- We are happy and proud of this very large deal which is our second largest to date. In terms of size, this roof-based facility of 11 MW can be compared with Sweden's largest solar park in Linköping, which is ground-based and will be 12 MW. In this project, we sell the electricity produced directly to the local grid company, which provides extremely low counterparty risk and good profitability. Despite the Corona crisis, we see strong demand for our offering in China and we are optimistic about future business opportunities.

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About Soltech Energy Sweden AB (publ)

Soltech is a complete 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 investment is conducted, Soltech Sales & Support, NP-Gruppen, 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 34,000 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

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 in 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 undertakes to buy the electricity that the plant produces under a 20-year agreement. Current income comes from the sale of electricity to customers and from various forms of subsidies per kilowatt hour (kWh) of solar produced. The goal is to have an installed capacity of 1,000 megawatts (MW) by 2023, which is fully connected to the electricity grid by 2024. 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.