

Soltech Energy Sweden AB (publ) is carrying out a rights issue of approximately SEK 98 million to finance continued expansion through acquisitions and to develop existing subsidiaries

On August 13, 2020, the Board of Directors of Soltech Energy AB (publ) (“SolTech” or “the Company”), with the support of the Annual General Meeting's authorization, decided to carry out a new share issue of approximately SEK 98 million with preferential rights for existing shareholders (the “Rights Issue”). The rights issue is intended to finance continued expansion through acquisitions of additional companies and to develop existing subsidiaries. The subscription period is 24 August - 7 September 2020 and the subscription price is SEK 12 per share.

The terms of the Rights Issue mean that seven (7) existing shares give the right to subscribe for one (1) new share at a subscription price of SEK 12 per share, which corresponds to a discount of approximately 23.7% percent compared with the volume-weighted average price during the 20 trading days, between 14/7 and 10/8 2020.

In the event of great interest in the Rights Issue, the Board has a mandate to decide on an additional new issue (“Over-allotment issue) of a maximum of 3,840,000 shares with deviation from the shareholders' preferential rights. The price for acquiring shares in the Over-allotment Issue is SEK 12 per share and the gross proceeds from this are estimated at full subscription to amount to approximately SEK 46 million before deductions for issue costs. The over-allotment issue enables allotment to those stakeholders who may not receive an allotment in the Rights Issue and at the same time enables an increase in the Company's shareholder base through allotment to new stakeholders. The Board's decision on the Rights Issue and, where applicable, the Over - allotment Issue will be made with the support of the issue authorization granted at the Annual General Meeting on June 24, 2020.

Background and motifs

Ahead of 2019, Soltech announced that the Company will acquire companies in the solar, roof, electricity, charging and facade industries to build a leading group in solar energy and clean tech. During 2019 and the first half of 2020, seven successful acquisitions were made, which contributed greatly to the Group's total revenues amounting to just over SEK 303 million in 2019 compared with approximately SEK 53 million in 2018, and that the Company has since also gained twice as many shareholders, and not least the share price doubled in 2019.

The acquisition strategy has proven to work very well and now the Company is conducting a rights issue to create conditions for expansion through further acquisitions, to be able to develop existing subsidiaries and to focus on marketing, sales and recruitment.

The solar energy market in Sweden and other countries is in a strong development phase. Many companies have been formed to take part in the growing market. The Board and management of Soltech have made the assessment that this opens up for a consolidation of the market where a player with the right strategy and sufficient financial resources has the opportunity to become a market leader through acquisitions of various types of companies to create a larger and more profitable Nordic unit.

The Soltech Group sees clear synergy effects between our subsidiaries within e.g. purchasing, HR, warehousing & logistics, marketing and sales. This affects both sales and profits in the companies and we are convinced that these synergy effects are a crucial part of the journey of success we aim for in the coming years.

Of the issue proceeds, which upon full subscription will amount to approximately SEK 98 million, before issue costs, are reserved in order of priority:

- SEK 60 million for further company acquisitions
- SEK 30 million for investments in subsidiaries
- SEK 4 million for marketing and recruitment
- SEK 4 million for issue costs

Upon full subscription also of the Over-allotment Issue, the opportunities for new company acquisitions will be increased, as the Company will receive an additional SEK 46 million before issue costs, which are estimated to amount to approximately SEK 1 million.

The Board's strategy is continued growth both organically through increased sales of own products and through acquisitions. The purpose of the acquisitions is partly to contribute to the Group's development as a whole, but also for these companies to function as marketing channels for the Company's own products.

The rights issue in summary

The right to subscribe for new shares shall accrue to the Company's shareholders with preferential rights. Each share held as of the record date on August 20 gives one (1) subscription right (TR). It takes seven (7) TRs to subscribe for one (1) new share at a subscription price of SEK 12. Subscription of shares will take place during the period 24/8 - 7/9 2020. Upon full subscription of the Rights Issue, the Company will receive approximately SEK 98 million before issue costs, which are estimated to amount to approximately SEK 4 million.

The last day for trading in the Company's shares, including the right to receive subscription rights in the Rights Issue, is August 18, 2020. Subscription of shares with the support of subscription rights shall take place through cash payment during the period 24/8 - 7/9 2020. Subscription of shares without support of subscription rights shall be made on a special subscription list during the period 24/8 - 7/9 2020. Payment for shares subscribed without the support of subscription rights shall be made no later than three banking days after the issuance of the settlement note showing the allotment. The Board has the right to extend the subscription period and the last day for payment.

In the event of great interest in the Rights Issue, the Board has a mandate to decide on an additional new issue ("Over-allotment issue") of a maximum of 3,840,000 shares with deviation from the shareholders' preferential rights. The price for acquiring shares in the Over-allotment Issue is SEK 12 per share and the gross proceeds from this are estimated at full subscription to amount to approximately SEK 46 million before deductions for issue costs. The purpose of the Over-allotment Issue is to create the conditions for an even faster expansion through further acquisitions. The over-allotment issue is conditional on the Rights Issue being oversubscribed.

The rights issue amounts to a maximum of 8,172,423 shares. This means that the share capital increases by a maximum of SEK 408,621 to a maximum of SEK 3,268,969. The shares issued in connection with the Offering correspond to approximately 12.5 percent of the share capital in the Company after the completion of the new share issue (provided that a fully subscribed Offering). Shareholders who choose not to participate in the Rights Issue will, when fully subscribed, be diluted by approximately 12.5 percent. Upon full utilization of the Over-allotment Issue, the share capital will increase by a maximum of SEK 192,000 to a maximum of SEK 3,460,969.

The over-allotment issue corresponds to a maximum of approximately 5.55 percent of the Company's total share capital. In the event that both the Rights Issue and the Over-allotment Issue are utilized, the share capital will increase by SEK 600,621 to a maximum of SEK 3,460,969. The dilution will amount to a maximum of approximately 17.35 percent calculated as the number of new shares after the new share issue divided by the total number of shares after the new share issue. The rights issue and the Over-allotment issue are not secured by issue guarantees or subscription commitments.

Shareholders who choose not to participate in the Rights Issue have the opportunity to compensate for the financial dilution effect by selling their subscription rights.

Prospectus

The complete terms and conditions for the Rights Issue and information about the Company will be reported in a prospectus approved by the Swedish Financial Supervisory Authority, which is expected to be published on the Company's website on 13 August 2020.

Schedule for the Rights Issue and any Over-allotment Issue

Last day for trading incl. right to participate 18 August 2020

Reconciliation day 20 August 2020

Subscription period 24 August to 7 September 2020

Trading in subscription rights 24 August to 3 September 2020

Press release on issue outcome 10 September 2020

Notice of allocation and dispatch of settlement notes 10 September 2020

Settlement date for settlement notes 15 September 2020

Issuing

For further questions regarding subscription, contact your personal bank adviser, your nominee or Soltech's issuing institution Aktieinvest FK AB on 08 506 517 95 or emittentservice@aktieinvest.se

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