

Soltech Energy Sweden AB (publ) quarterly report for the period April - June 2020

Continued strong growth

Soltech delivers a sales increase of 69 percent and an increase in operating profit (EBIT) of 210 percent compared with the second quarter of 2019. We expect that our expansion journey will continue, and that this year's sales will exceed last year's by a good margin.

CEO comment:

- The world has experienced a dizzying quarter and I am proud that our subsidiaries deliver such strong growth. Soltech is in an expansive phase and I look forward to building on our group and delivering value to our owners.

Second quarter in brief

- The Group's revenues in the quarter amounted to SEK 156.1 (92.3) million. An increase of 69%
- Revenues in the Swedish operations grew to SEK 109.1 (63.8) million, an increase of 71%
- The Group's profit before depreciation (EBITDA) amounted to SEK 49.7 (18.4) million.
An increase of 170%
- The Group's operating profit (EBIT) amounted to SEK 35.6 (11.5) million. An increase of 210%
- Profit for the period after tax amounted to SEK -37 (-3) million. The result was affected by unrealized exchange rate differences in the Chinese operations by SEK -38.5 (-0.0) million
- The period's cash flow for the Group amounted to SEK 69.4 (-13.6) million
- Earnings per share amounted to -0.65 (-0.17)
- Covid-19 is not expected to have a significant impact on Swedish operations in the second quarter. The main impact in the Swedish operations is that projects are pushed forward and that it takes longer to reach a decision. Despite this, Soltech had a very good order intake during the quarter, which contributes to the increased sales compared with the corresponding period last year.
- Operations in China returned to a normal level during the quarter, where all installed capacity of 143 MW now generates revenue as expected. However, revenues were negatively affected in the period by approximately SEK 5 million due to temporary price reductions on electricity in combination with a small part of the production facilities being closed until the end of May. This is a direct result of Covid-19.

First half year in summary

- Total operating income amounted to SEK 209 M (148.7). One increase by 40%
- The Group's operating profit before depreciation (EBITDA) amounted to SEK 48.4 (38.2) million. An increase of 26%
- The Group's operating profit (EBIT) amounted to SEK 20.8 (22.3) million. A reduction of 6%
- Profit for the period after financial items, currency effects and tax amounted to SEK -42.5 (-12.6) million

Significant events during the period

- On May 4, Soltech took over as owner of 70% of Fasadsystem in Stenkullen AB
- Soltech becomes the official sponsor of the Swedish investment in Expo 2020 in Dubai
- Over SEK 80 million in order value at Soltech's subsidiaries in April-May despite Covid-19 pandemic
- Soltech's subsidiary Advanced Soltech Sweden AB (publ) directed offer of up to SEK 100 million under the existing bond framework oversubscribed
- Soltech's subsidiary Advanced Soltech signs a cooperation agreement that, when fully developed, provides just over SEK 31 million per year and takes orders of SEK 30.4 million
- Soltech Energy Sweden AB (publ) option program (2015/2020), which was established in 2015 before listing of the Company's shares on Nasdaq First North, has to the extent allotted and subscribed, been redeemed by the holders
- Anna Kinberg Batra was elected by the Annual General Meeting as the new Chairman of the Board
- Max Metelius is appointed CEO and Frederic Telander Chairman of Advanced Soltech as of June 24

Significant events after the reporting period

- Advanced Soltechs ASRE receives two new orders that provide a total of approximately SEK 130 million during the contract period
- Soltech Energy Sweden AB (publ) announces rights issue of SEK 98 million with possible overallotment issue of a maximum of 46 to finance continued expansion through acquisitions and to develop existing subsidiaries

For more information contact:

Stefan Ölander, CEO Soltech Energy Sweden AB (publ) Tel: 070-739 80 00.

Email: stefan.olander@soltechenergy.com.

The information in this press release is such that Soltech Energy Sweden AB (publ) must publish in accordance with EU regulation no. 596/2014 on market abuse. The information was submitted through the above contact person for publication on 21 August 2020 at 13.00 CET.

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