

Annual Report

Financial year 20190101 - 20191231

Advanced SolTech Sweden AB Group

559056-8878

The Board of Directors and the CEO of Advanced SolTech Sweden AB are hereby allowed to leave their account of the company's development during the financial year 2019-01-01 - 2019-12-31.

Unless otherwise specified, all amounts are reported in full SEK..



Advanced Soltech

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This report is not audited.

The report is consolidated from figures from the audited Advanced SolTech Sweden AB (publ) and audited China subsidiaries ASRE and SUQIAN.

Management Report

ACTIVITIES

Activities

ASAB's operations consist of financing solar energy facilities in China with equity and issued bonds. The solar facilities are owned and continuously maintained by ASRE, SUQIAN and/or its wholly owned local subsidiaries. Collateral for borrowed funds is obtained in the underlying assets

Significant events

During 2019, several important steps in the company's development have been.

The transfer of ownership of our operating subsidiary in China ASRE, was completed at the end of September and ASAB now owns 100% of the company. Ownership in ASAB consists of 51% Soltech and 49% ASP Hangzhou

The company has been strengthened with a CFO/COO and a controller, a new graphic profile has been developed and a website has been launched www.advancedsoltech.com. A second operating company in China, ASRE Suqian, has been established to make the best use of growth opportunities in JiangSu Province.

During the year, ASAB issued bonds of approximately SEK 505 million invested in new solar power plants in China during the year, solar power plants with a capacity of 49 MW were built, connected to the grid and started producing electricity and at the end of December a total of 139 MW connected and producing.

Significant events after the end of the period

The first quarter of 2020 was dominated by the Corona pandemic. As a result of this and in order to control the spread of infection, Chinese authorities extended the leave in China by two weeks in connection with the Chinese New Year.

ASAB's underlying activities are limited in impact by the Corona pandemic. The company is estimated to have lost revenue equivalent to approximately 4 MCNY, or approximately SEK 5.5 million during the quarter

Full year 2020, given the current 139.2 MW of installed capacity as a reference, we see given the current situation, a deviation of less than 10 percent of revenue from the sale of electricity in relation to the original forecast.

As a result of the Corona pandemic and the uncertainty that has thus arisen in the financial markets, ASAB, in consultation with its advisors, Nordea, DNB and Carnegie, has postponed a planned bond issue and the planned listing of ASAB AB's shares on the First North Growth market, until more favourable conditions exist.

At the end of the first quarter, ASAB has 40 MW in written and clear orders, framework agreements equivalent to 670 MW and a pipeline that the Company continuously processes with 113 MW.

Future developments

During the period, the work of noting ASAB on the First North Growth Market has begun together with our advisors Carnegie and DNB. Extensive work on the financial structure has begun. The aim is to create conditions for lower capital costs. A new growth plan has been adopted. The goal is to have 1000 MW installed in 2023 and fully connected by 2024. The plan depends on the availability of new capital for growth

Major shareholders and changes in ownership

The company is 51% owned by SolTech Energy Sweden AB (publ) and 49% by Advanced Solar Power (Hangzhou) Ltd.

Multi-year overview

The amounts in the multi-year overview for ASAB AB are expressed in thousands of SEK unless otherwise stated.

	2019	2018	2017
Balance sheet total	1 080 145	435 564	75 634
Profit after financial items	-5 659	4 345	-2 269
Solidity%	19	2	7

CHANGES IN EQUITY

Group 191231	190101-	<i>Equity</i> <i>capital</i>	<i>Restricted</i> <i>reserves</i>	<i>Contributed</i> <i>equity</i>	<i>Accumulated</i> <i>exchange rate</i> <i>diff</i>	<i>Retained</i> <i>earnings,</i> <i>etc..</i>	<i>Sum</i>	<i>Non-</i> <i>controlling</i> <i>interest</i>	<i>Total equity</i>
At the beginning of the year,		500 000	699 635	0		352 537	1 552 172	4 678 945	6 231 117
Result of the year			1 837 000			-22 909 981	-21 072 981	1 292 603	-19 780 378
New share issue						203 845 300	203 845 300		203 845 300
Exchange rate diff when converting Subsidiaries Deposited capital minority			14 022		-18 709 440	447 630	-18 247 788	61 072	-18 186 716
							0		0
<i>At year-end</i>		<i>500 000</i>	<i>2 550 657</i>	<i>0</i>	<i>-18 709 440</i>	<i>181 735 486</i>	<i>166 076 702</i>	<i>6 032 620</i>	<i>172 109 322</i>

Parent company 190101-191231	<i>Equity</i> <i>capital</i>	<i>Restricted</i> <i>reserves</i>	<i>Premium</i> <i>fund</i>	<i>Balanced</i> <i>result</i>	<i>Balanced</i> <i>profit, etc..</i>	<i>Total equity</i>
At the beginning of the year	500 000			4 705 679	2 983 562	8 189 241
Outline				2 983 562	-2 983 562	0
Balanced	500 000			7 689 241	0	8 189 241
						0
Result of the Year					-4 860 345	-4 860 345
New rights issue *				203 845 300		203 845 300
<i>At year-end</i>	<i>500 000</i>			<i>211 534 541</i>	<i>-4 860 345</i>	<i>207 174 196</i>

Means to dispose of:

Balanced result	211 534 541
Result of the year	-4 860 345
	206 674 196

Proposed outline:

Balanced in new count	206 674 196
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* The rights issue is under registration at year-end

The company's results and position are shown in the following income statement and balance sheet.

Consolidated Income Statement

	Group	Parent company	
	190101	190101	180101
Amount in KSEK, rounding error may occur	191231	191231	181231
Revenue	63 351		
Other operating income	37 255	27 656	19 414
Total revenue	100 605	27 656	19 414
Operational cost			
Other external costs	-10 411	-29 661	-18 296
Personnel	-4 906	-2 770	-675
Depreciation	-30 268	0	0
Other operational costs	-5 701	0	0
Operational result	49 319	-4 775	443
Profit from financial investments			
Interest income and similar income items	1 156	54 273	21 150
Interest expenses and similar income items	-80 151	-63 101	-21 978
Currency adjustment	6 269	7 945	4 730
Profit after financial items	-23 407	-5 659	4 345
Appropriations	0	1 000	-1 000
Profit before tax	-23 407	-4 659	3 345
Tax	3 626	-201	-362
Profit for the period	-19 780	-4 860	2 983
<i>Attributable to the parent company's owners</i>	-18 487	-4 860	2 983
<i>Minority interest</i>	-1 293		

Balance sheet	Group	Parent company	
	2019-12-31	2019-12-31	2018-12-31
Assets			
Fixed assets			
<i>Other Intangible assets</i>	46 789		
Total intangible fixed assets	46 789	0	0
Property, plant and equipment			
Solar power plants	904 295		
Solar power plants under construction	13 321		
<i>Total property, plant and equipment</i>	917 617	0	0
Financial fixed assets			
<i>Shares in Group companies</i>		388 097	0
<i>Receivables from Group companies</i>		655 987	0
<i>Shares in joint venture companies</i>			54 142
Other long-term receivables	85 423		353 425
Deferred tax asset	9 271		
<i>Total financial fixed assets</i>	94 694	1 044 084	407 567
Total fixed assets	1 059 100	1 044 084	407 567
Current assets			
Inventories			
Prepaid expenses to suppliers	25 396		
<i>Total inventories</i>	25 396	0	0
Current receivables			
Accounts receivable	23 348		
Receivables from group companies	4 256	12 146	4 316
Tax receivables			
Other receivables	24 818	510	616
Prepaid expenses and accrued income	231	231	1 703
<i>Total short-term receivables</i>	52 653	12 887	6 635
Cash and bank			
Cash and cash equivalents	49 850	23 174	21 362
<i>Total cash and bank</i>	49 850	23 174	21 362
Total current assets	127 899	36 061	27 997
Total assets	1 186 999	1 080 145	435 564

Liabilities and shareholders' equity	Group	Parent company	
	2019-12-31	2019-12-31	2018-12-31
Shareholders' equity	172 109	207 174	8 189
Untaxed reserves			
Deferred tax liabilities	7 448		1 000
Total other liabilities	7 448	0	1 000
Long-term liabilities			
Other long-term liabilities	26 137		
Liabilities to Group companies	27 603	27 603	
Bond loan	789 320	821 452	346 375
Total long-term liabilities	843 060	849 055	346 375
Current liabilities			
Liabilities to credit institutions	37 332		
Bond loan			64 768
Prepaid income from customers			
Payables to suppliers	89 990		192
Liabilities to group companies			515
Tax liabilities	2 216	594	391
Other liabilities	10 905	135	0
Prepaid income and accrued expenses	23 939	23 187	14 134
Total current liabilities	164 382	23 916	80 000
Total equity and liabilities	1 186 999	1 080 145	435 564

Cash Flow Statement

	Group	Parent company	
	2019	2019	2018
Cash flows from operating activities			
Operating profit	61 029	-4 775	443
Depreciation	32 919		
Other non-cash items	0		-56
	93 948	-4 775	387
Interest received	1 156	47 855	21 150
Interest paid	-63 200	-51 119	-20 303
Income tax paid	4 848	35	
	-57 196	-3 229	847
Change in receivables	-15 256	166	10 525
Change in other receivables	-30 144	-38 548	7 534
Change in payables	29 300		
Change in other current liabilities	46 798		
Net cash provided by operating activities	67 450	-46 386	19 293
Cash flows from investing activities			
Capital expenditures	-494 488	-432 672	-290 698
Investments in other financial assets	-28 132	5 793	-54 142
Net cash used in investing activities	-522 620	-426 879	-344 840
Cash flows from financing activities			
Borrowings	539 779	539 779	346 375
Change in current financial liabilities	-64 702	-64 702	
Net cash provided by financing activities	475 077	475 077	346 375
Net cash flows	19 907	1 812	20 828
Cash and cash equivalents, beginning of period	29 942	21 362	534
<i>Cash and cash equivalents, end of period</i>	<i>49 849</i>	<i>23 174</i>	<i>21 362</i>