

# Gigasun



ANNUAL REPORT 2024

# Contents

## ABOUT GIGASUN

- 2. Company information
- 3. This is Gigasun
- 4. The year in brief
- 5. Comments from the CEO

## MARKET AND TRENDS

- 8. The largest electricity market in the world

## VISION, MISSION, BUSINESS MODEL AND GOALS

- 13. Vision
- 13. Mission
- 14. Business model
- 14. Financial targets
- 14. Strategy

## OPERATIONS

- 16. Gigasun's operations

## SUSTAINABILITY

- 22. Gigasun and the EU Taxonomy Regulation
- 23. Environmental sustainability
- 23. Financial sustainability
- 23. Social sustainability

## CORPORATE GOVERNANCE

- 25. Corporate Governance
- 29. Risks
- 32. Board of Directors
- 34. Management
- 35. The Gigasun share and shareholders

## FINANCIAL REPORTING

- 39. Board of Directors' Report
- 41. Multi-year overview
- 42. Consolidated financial statements
- 47. Parent Company financial statements
- 50. Notes to the financial statements
- 69. Definitions



## **ABOUT THE REPORT**

This report summarises the 2024 financial year and constitutes an overview of the business and operations of Gigasun AB (publ). The Company's annual report is published in Swedish and English. The Swedish edition is legally binding and shall apply in the case of any discrepancies. Unless otherwise stated, all comparisons in the report refer to the same period in the preceding year. All figures are presented in thousands of Swedish kronor (SEK), unless otherwise indicated.

## **COMPANY INFORMATION**

Gigasun AB (publ)  
**CIN:** 559056-8878  
**Legal form:** Public limited company

**Address:**  
Gigasun AB (publ)  
Box 3083  
SE-103 61 Stockholm, Sweden

**Telephone:** (Int. +46) (0)8-425 031 51  
**E-mail:** info@gigasun.se  
**Website:** www.gigasun.se

**Contact in connection with Annual Report:**  
Stefan Salomonsson, CFO  
Stefan.Salomonsson@gigasun.se  
Telephone: (Int. +46) (0)70-220 8000

## **DEFINITION**

"The Company" shall be understood as referring to Gigasun AB (publ), CIN 559056-8878, listed on Nasdaq First North Growth Market under the ticker GIGA.

The Company changed name from Advanced Soltech Sweden AB (publ) to Gigasun AB (publ) on February 1st, 2024 according to decision made on the Annual General Meeting in 2023.



## This is Gigasun AB

# Green energy for the largest market in the world

Gigasun AB (publ), ("Gigasun"), finances, owns and operates roof-mounted solar energy installations in China. The business was established in 2014 as a joint venture between Soltech Energy Sweden AB and the solar panel manufacturer Advanced Solar Power Hangzhou Inc. In the same year, the first two installations were erected on site in China.

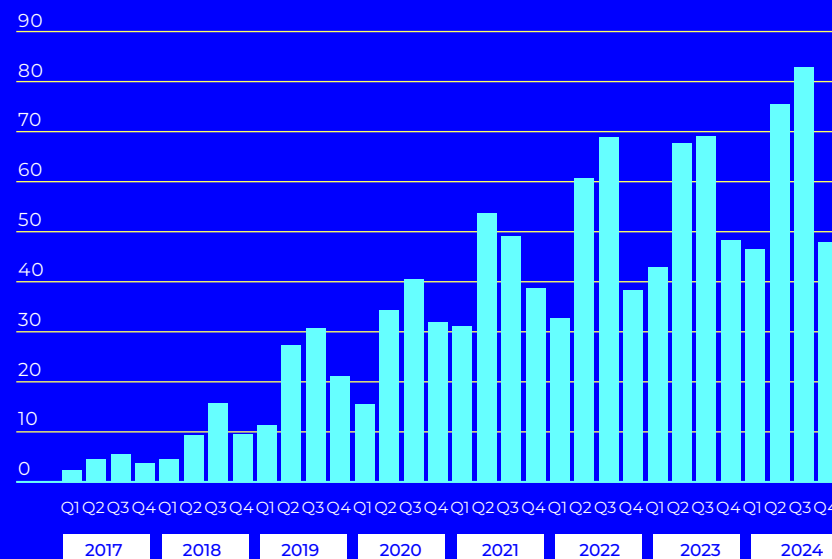
The Company's vision is to accelerate the transition to renewable energy by offering solar energy as a service, with the electricity generated by the installations being sold to customers, rather than the installation itself. The group has 22 employees, of which 4 are employees in the parent company with headquarters in Stockholm. The local operating subsidiaries, Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd ("ASRE"), Longrui Solar Energy (Suqian) Co. Ltd ("SQ") and Suqian Ruiyan New Energy Co., Ltd. ("RY"), with 18 employees in China, are headquartered in Hangzhou.

The Company's business model is to offer and enter into 20-year contracts with owners of large properties, who undertake to purchase the electricity generated on their roofs for the duration of the contract. By offering solar power as a service, Gigasun is attracting interest from new customer segments in the fast-growing renewable energy market in China. The Company's solution offers a simple and attractive alternative to traditional

solar energy solutions, where property owners finance, install and maintain their own systems.

On 31 December 2024, Gigasun had a portfolio of 200 (185) electricity-generating solar energy installations with a total capacity of 340.1 (282.6) MW, and the business model has become commercially viable. Gigasun's operations also have an important role in the climate transition. A major share of China's electricity is currently generated by coal-fired power stations, with negative environmental impact. Gigasun's solar energy installations generate clean electricity, contributing to a reduction of around 124,000 (142,000) tonnes in CO2 emissions in 2024. Based on the most recent available calculations of emissions in China, the savings between solar power-generated energy and China's average emissions for its electricity production have decreased from 622 grams per kWh to 490 grams per kWh. Historical comparative figures remain unchanged and are calculated based on the previous savings of 622 grams per kWh.

Gigasun's produced electricity, millions of kWh



# 200

electricity-generating  
solar energy installations

# 340.1

total capacity, MW

# The year in brief

## NEW ORDERS AND STRATEGIC AGREEMENTS

The Company signed 15 (18) contracts representing total installed capacity of 56.6 (48.9) MW. At the end of the year, the Company had 39 (44) MW in signed orders.

## PRODUCED ELECTRICITY

During the year, 252.6 (227.6) million kWh were generated, reducing CO2-related emissions by approximately 124,000 (142,000) tonnes. See table showing kWh generated from 2017 to 2024.

## NEW INSTALLED CAPACITY

The Company installed a total of 57.5 (30.8) MW of roof-mounted solar energy installations and at year-end had 340.1 (282.6) MW installed, revenue-generating capacity.

## FINANCING AND REFINANCING

The company has entered into an agreement with the Chinese company Agricultural Bank Financial Leasing Co., Ltd to refinance approximately 870 MSEK (600 MCNY).

The capital will primarily be used to repay the sale and leaseback facility with JiangSu Financial Leasing Co., Ltd. The interest rate on the new financing is 4.05% and the amortization period has been extended from 7 to 10 years, which improves the company's cash flow. The refinancing has begun and will continue throughout 2025. The remaining bond, SOLT4, has been extended to November 8, 2025.

**60,678**

EBIT, SEK thousands

**253**

Electricity generated,  
kWh millions

**23%**

Equity ratio

## Key performance indicators

(SEK 000')	240101-241231	230101-231231
<b>FINANCIAL KEY PERFORMANCE MEASURES (*)</b>		
Total revenue	218,264	219,064
Net revenue	184,795	178,388
Net revenue share of total revenue	85%	81%
Gross profit	179,219	186,432
Gross margin%	82%	85%
EBITDA	145,760	146,744
EBITDA margin%	67%	67%
EBIT	60,677	72,178
EBIT margin%	28%	33%
Amortization of capitalised borrowing costs	1,882	8,989
Interest expenses	84,165	102,286
Earnings per share for the period before dilution, SEK	-0.58	-1.62
Earnings per share for the period after dilution, SEK	-0.58	-1.62
<b>OPERATIONAL KEY PERFORMANCE MEASURES (*)</b>		
Produced electricity, millions of kWh	253	228
Reduction of CO2-related emissions, tonnes	124,000	142,000

(SEK 000')	2024-12-31	2023-12-31
<b>FINANCIAL KEY PERFORMANCE MEASURES</b>		
Interest-bearing debt	1,483,061	1,136,669
Net interest-bearing debt	1,393,172	1,117,526
Equity ratio	23%	28%
Equity ratio, rolling 12 months	25%	27%
<b>OPERATIONAL KEY PERFORMANCE MEASURES</b>		
Installed capacity, MW	340.1	282.6
Average remaining contract time, years	18.4	16.3
Signed orders, MW	38.8	44.0

(\*) For definitions of key performance measures, see chapter "Definitions"

## Comments from the CEO

# Continued growth and new opportunities

In 2024, Gigasun continued to expand rapidly and strengthen its position in the market. At the end of the year, our installed capacity amounted to 340.1 MW, up from 282.6 MW in the previous year – a clear testament to the growth journey we are on. Particularly gratifying was the strong order intake in the fourth quarter when we signed contracts for 25.3 MW, compared with 9.4 MW in the same quarter last year. This development confirms that our business model is sought after and that we are reaping the benefits of previous investments.

At the same time, we noted that revenue per installed capacity declined slightly during the year. This is largely because subsidies make up an increasingly smaller share of revenues and that we have built some projects that sell directly to the grid at a lower price per kilowatt hour. Happily, lower construction costs and other efficiency gains were able to largely offset this decline. Thanks to these countervailing factors, we have maintained good profitability in the new projects.

To finance our continued expansion, we have initiated discussions with new investors

during the year with the aim of strengthening our capital base and improving our ownership structure. Our projects require equity – around 25% of the investment cost per project – while the remaining debt financing in China is secured. By injecting more equity, we can confidently realize our growing project portfolio and take advantage of the opportunities offered by the market. In this process, we also intend to manage the last outstanding bond (SOLT4 of SEK 70.4 million) that will be exercised in November 2025. If we have not found a new ownership structure before then, we intend to sell facilities to be able to repay the bond.



**In 2024, Gigasun continued to expand strongly and strengthen its position in the market.**

The global situation in 2024 was characterised by uncertainty and shifting priorities in climate policy. In the United States, the pace of climate policy work slowed down after the election, which dampened the investment climate somewhat for renewable energy. At the same time, China continued to show strong demand for sustainable energy solutions and invested in renewable energy at an unprecedented rate. During the year, China expanded its green energy capacity by a record 356 GW, of which as much as 277 GW was in solar power. The green sector now accounts for about 10% of China's economy, underlining how central our sector has become. In parallel, new coal power is also being expanded to meet the enormous growth in demand for electricity, which is driven by electrification, urbanization and strong industrial growth. We would much rather see solar energy in combination with storage capacity fill this need.

The regulations are also changing and creating new conditions. A new policy from China's National Development and Reform Commission (NDRC) calls for increased self-consumption of the solar energy produced and, in some cases, energy storage. While this tightens the requirements for new solar installations, it also opens a new market for Gigasun. We are well positioned to meet the new requirements and can broaden our offering with energy storage solutions, which allows us to deliver end-to-end clean energy solutions to our customers.

Gigasun maintains its long-term goal of achieving 1,000 MW of installed capacity. However, we have chosen not to specify an exact time frame for when this goal will be achieved for the time being, pending the clarification of the ownership structure and capital supply. This caution does not mean that we lower our ambitions – on the contrary, we are determined to grow further in a way that is sustainable both operationally and financially.

In the meantime, we continue to strengthen our financial foundation. Refinancing of existing loans in China is ongoing and is expected to be completed by the end of the year, which will lower our cost of capital and further improve profitability. In addition, we believe that the fiscal stimulus announced by the Chinese authorities will benefit the company going forward by creating a continued favourable environment for investments in renewable energy.

With these advances and conditions, I look with confidence to the future and the challenges we face. I would like to extend a warm thank you to our employees, customers, partners and shareholders for your continued support. Together we are facing a brighter and greener future.

**Max Metelius**  
CEO, Gigasun AB



**Gigasun maintains its long-term goal of achieving 1,000 MW of installed capacity. However, we have chosen not to specify an exact timeframe for when this goal will be achieved for the time being, pending the clarification of the ownership structure and capital provision.**



**To finance our continued expansion, we have initiated discussions with new investors during the year with the aim of strengthening our capital base and improving our ownership structure.**



**During the year, China expanded its green energy capacity by a record 356 GW, of which as much as 277 GW was in solar power. The green sector now accounts for about 10% of China's economy, underlining how central our sector has become.**



# Markets and Trends

# The world's largest electricity market

The solar photovoltaic market in China has grown rapidly. In 2018, the installed solar photovoltaic ("PV") capacity in China was about 175 Gigawatts ("GW"). Six years later, in 2024, the installed capacity had increased to about 887 GW, corresponding to a Compound Annual Growth Rate ("CAGR") of 38 percent.

For reference, the total installed solar PV capacity in Sweden was about 5 GW in 2024. Electricity production from solar sources in China increased from 177 terawatt-hours ("TWh") in 2018 to 851 TWh in 2024. The share of electricity production from solar sources increased from 0.7% in 2015 to 6.1% in 2024. The total installed solar PV capacity in China is estimated to increase to about 4,900 GW by 2035, by which time more than 5,107 TWh of electricity is expected to be generated annually from solar PV.

From a global perspective, China is the country with the by far largest total solar PV capacity, amounting to approximately 33 percent of the global capacity at the end of 2024. In 2024 alone, China added about 277 GW of installed solar PV capacity, which can be compared with the rest of the world where the corresponding figure is estimated to be between 600 to 660 GW.

## GEOGRAPHIC CONDITIONS FOR SOLAR PV IN CHINA

The potential for using solar PV varies significantly across China, as illustrated in the map below. Regions where Gigasun is

currently present have a photovoltaic output of about 1,000 kWh per year per installed kW of capacity. This is similar to levels in Sweden, but generally with less variation and more stability throughout the year. The regions with the highest photovoltaic output are located in the southwestern parts of China, such as Tibet. However, electricity prices and demand are considerably lower in these parts as they are generally less populated and industrialized compared to other parts of China.

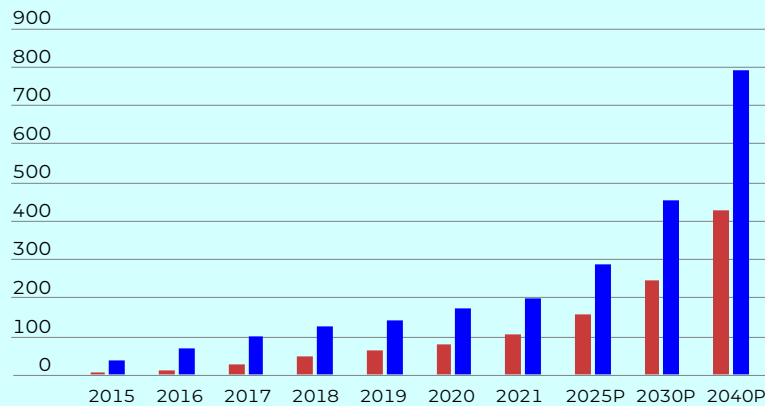
The need for electricity is greatest in the eastern coastal provinces, such as Guangdong, Zhejiang, and Jiangsu, where more than 60 percent of China's manufacturing industry is concentrated and where China's largest cities are located.

## PRICING OF ELECTRICITY IN CHINA

Since 2004, electricity prices in China have been regulated by the National Development and Reform Commission ("NDRC"). However, the actual prices are determined by network operators and can thus vary between different regions. Densely populated regions with high electricity demand, such as those

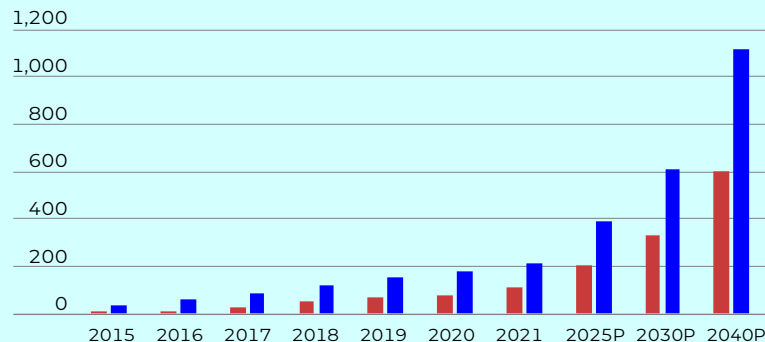
## Installed capacity solar PV in China (MW)

■ Whereof distributed (MW) ■ Whereof centralized (MW)



## Produced electricity from solar PV's in China (TWh)

■ Whereof distributed (TWh) ■ Whereof centralized (TWh)





with several large cities and well-developed manufacturing industries, tend to have relatively higher electricity prices. Most such regions are located in the eastern part of China. Conversely, electricity prices tend to be lower in resource-rich but sparsely populated regions, which are more common in the western parts of China. Electricity prices in China also vary between different types of end customers, classified according to their electricity usage. For example, different rates may apply for private customers with 220V and industrial customers with 35kV and above. Since electricity prices in China are centrally determined, prices can often remain stable over long periods.

#### POTENTIAL MARKET SIZE

The methodology presented in this section pertains to the sale of electricity and does not

directly take into account potential revenues from government subsidies. The potential market size can be calculated by multiplying the volume of electricity produced that is sold to end customers by the price paid by the same end customers, which is billed per kWh of used electricity. To calculate the potential market size, the reader should consider several underlying factors, which include, but are not necessarily limited to:

- Volume and growth of electricity production. In the image below, electricity production from distributed PV systems is assumed to be directly proportional to its share of the total installed solar panel capacity. For the projection period and concerning solar panels, the share of installed distributed capacity relative to the total installed capacity is assumed to be

constant at 2024 levels. The total electricity production during the projection period is based on a forecast by the IEA (International Energy Agency).

- Current and future electricity prices. Electricity prices in China are determined at the regional level by network operators but are regulated by the NDRC. In the image below, Gigasun has estimated an average grid price based on the current price, which in the example is assumed to remain constant through 2035. This assumption is considered conservative by Gigasun as it is not adjusted for inflation or other factors.

Average discounts offered to customers with power purchase agreements, relative to the prevailing electricity price. In the image below, an average discount of 15.0 percent is applied, as it reflects Gigasun's view that

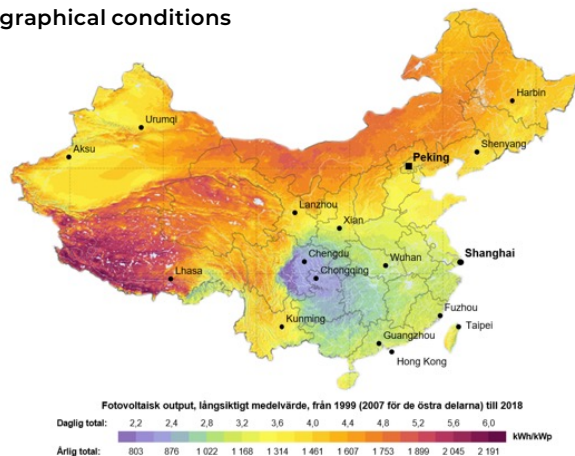
discounts of 10 to 20 percent are common practice in the market. In the example, the discount is assumed to remain unchanged through 2035.

#### KEY TRENDS AND DRIVERS IN THE INDUSTRY

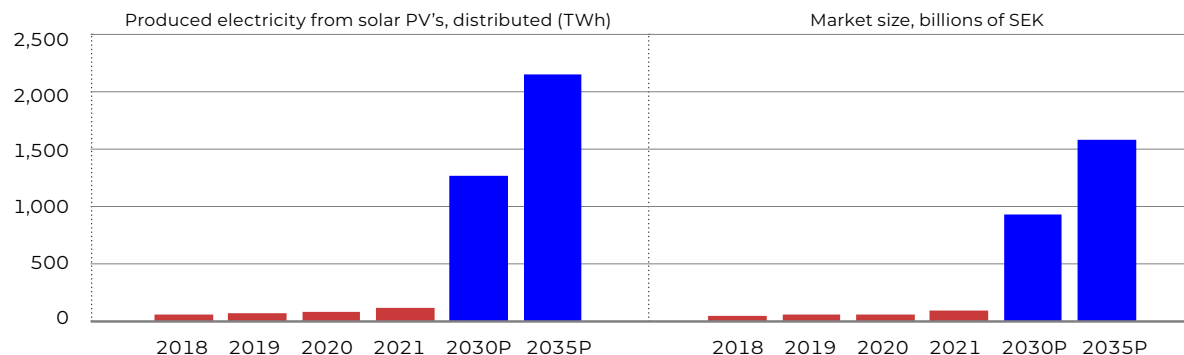
Gigasun believes that the factors listed below characterize the company's relevant target market and that these are expected to continue to drive future underlying market growth.

- Increased awareness and consensus around climate and environmental challenges, including strong engagement from the Chinese state, drive investments in renewable energy sources, including solar panels.
- Decreasing cost of solar PV technology increases demand for solar PV panels

#### Geographical conditions



#### Potential market size





- and removes the technology's previous dependence on subsidies.
- GDP growth, urbanization, and technological development drive electrification and demand for renewable energy solutions.

#### **DECREASING COST OF SOLAR PV TECHNOLOGY INCREASES DEMAND FOR SOLAR PV PANELS AND REMOVES DEPENDENCY ON SUBSIDIES**

Levelized cost of energy ("LCOE") is an internationally established model for analyzing the cost of energy production. Specifically, LCOE measures a power source's net present value of life cycle costs divided by its energy production. The measurement allows for the comparison of different technologies with varying lifespans, project sizes, capital costs, etc.

Historically, electricity production from solar PV panels depended on subsidies to achieve profitability and to compete with conventional (non-renewable) technologies. Over the past decade, China has utilized significant subsidies of various kinds, most notably an unlimited feed-in tariff program, to support the use of solar PV panels. The subsidies have helped create a large industry for solar PV panels in China. As the industry has gradually matured and due to technological advancements, the cost of solar PV technology and thus its subsidy-free LCOE have significantly decreased in recent years, from a level around 15 CNY per kWh in 2000, to less than 1 CNY per kWh in 2018, with subsidies completely removed since 2021.

The LCOE for subsidy-free solar solutions has significantly decreased, not only in China

but also globally in recent years. Globally, the LCOE for solar solutions today is lower than for conventional energy sources based on fossil fuels. In China, the LCOE for solar PV solutions was also significantly lower than the market price of electricity in 2018.

#### **CUSTOMERS**

Electricity producers offer roof-mounted distributed solar systems to property owners with available roof space in areas suitable for solar PV panels. Potential customers include both private and public organizations. According to Gigasun, solar energy producers in the Chinese market have primarily focused on industrial and commercial customers. This is partly because they often own buildings with large flat roofs, which are suitable for solar PV installations, but also because these businesses have incentives to optimize operating costs. In China, industrial companies typically own the properties they operate in, which further facilitates the installation of solar PV systems and the energy purchase agreement-based business model.

Potential customers can choose between two solutions when installing distributed solar PV systems:

- Do-it-yourself requires the potential customer to conduct preliminary studies, apply for permits from authorities, purchase appropriate equipment, and manage assembly, installation, maintenance, and insurance. It also requires a significant initial investment regarding purchase and labor costs. It is also time-consuming and requires a certain level of expertise.

- Solar-as-a-service offers a turnkey solution where end customers sign a comprehensive energy purchase agreement with an electricity producer. The offering also includes maintenance work, service, insurance, and billing. A key aspect is that it does not involve any initial investment for the potential customer.

### COMPETITION

The market is characterized as large and rapidly growing due to strong underlying demand. However, there are few electricity producers specialized in solar panels with energy purchase agreements that have reached a significant size. One possible explanation for why the supply has not yet met the demand is the fact that only a few electricity producers had sufficient funds to finance the initial costs of constructing new facilities.

Local solar equipment dealers wanting to enter the market by starting energy purchase agreement-based businesses face several challenges, mainly regarding the lack of financing to realize the opportunities that exist, and thus a lack of reference projects.

Large energy companies have different operational and organizational setups, as their core activities are usually based on large-scale centralized energy-generating facilities. Additionally, distributed solar PV systems can potentially cannibalize their core offerings. Nonetheless, large energy companies such as Électricité de France, Total, State Power Investment Corporation, and China Datang Corporation have entered the Chinese market for distributed solar

PV systems either through subsidiaries or consortia offering energy trading agreements to potential customers.

As the market is large and growing rapidly, it is Gigasun's view that competition is currently not a significant limiting factor for growth within the segment, even though it creates some price pressure. Electricity producers working with energy trading agreements drive capital-intensive projects and therefore need financial resources if they want their portfolios of solar power-generating assets to grow. For electricity producers like Gigasun that specialize in distributed solar PV systems, the biggest potential bottleneck for growth within the segment is access to capital to finance new projects.

### FUTURE OUTLOOKS

The continued industrialization and urbanization in China, linked to demands for increased welfare, are expected to continue to drive demand for electricity in general and for sustainable electric power solutions for cities in particular. The trend is also driven by the increasing interest in electric vehicles of various types. For companies like Gigasun that specialize in distributed solar PV energy systems, the bottleneck for continued development is not a lack of real demand or technical opportunities, but rather the availability of capital for financing new projects. The greatest need for electricity exists in China's eastern coastal provinces of Guangdong, Zhejiang, and Jiangsu, where more than 60 percent of the country's manufacturing occurs and where also the largest cities are located.



# Vision, mission, business model and goals

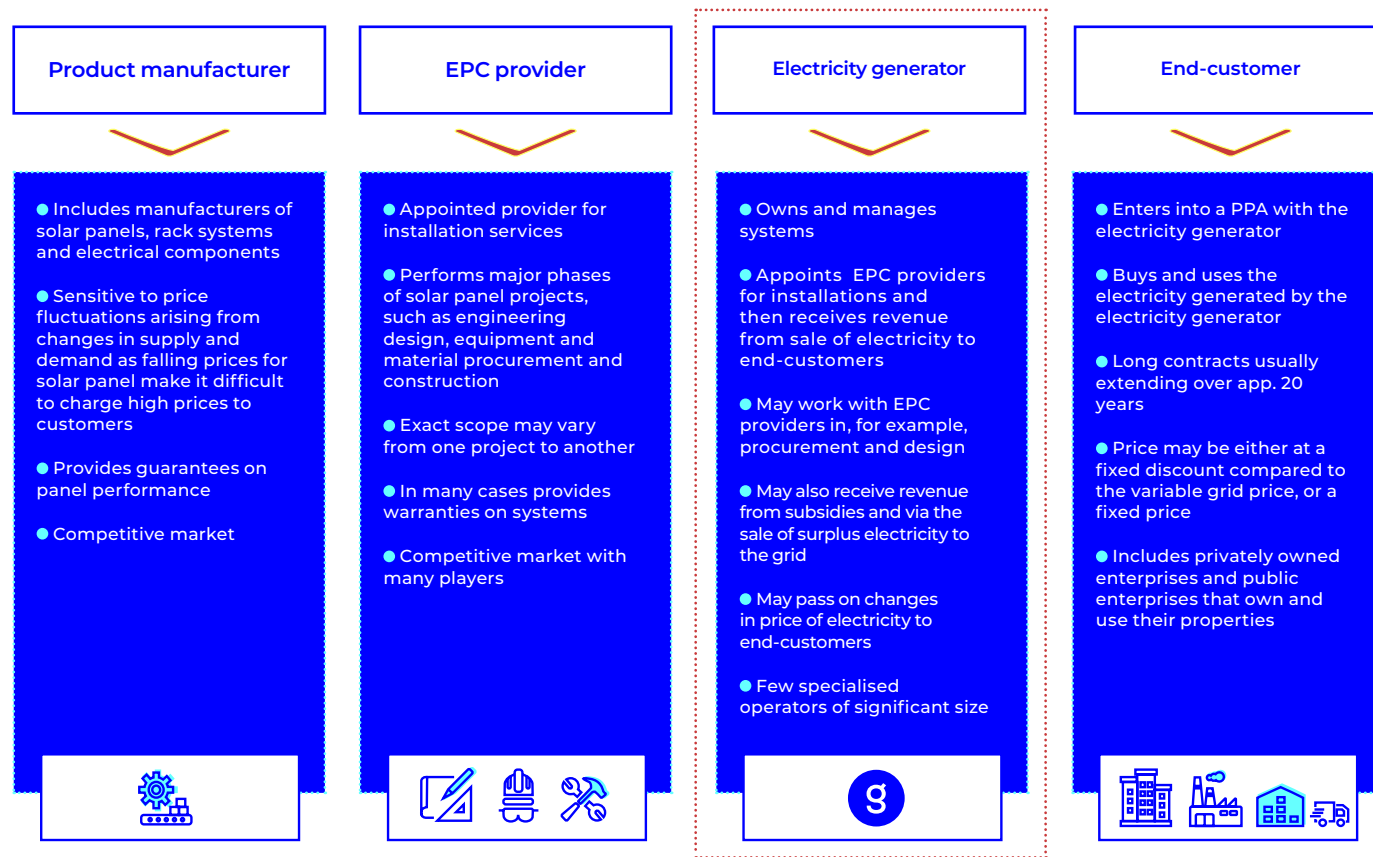
## Vision

Gigasun's founding aim was to accelerate the transition to renewable energy in China by offering electricity generated from solar energy as a service. The Company's vision is to become a driving force in sustainable power generation to secure a better future for the planet and future generations.

## Mission

Gigasun's mission is to finance, install, own and operate solar energy installations to generate electricity on customers' roofs and then sell the electricity generated to the customer, the company that conducts operations in the building. Gigasun will offer customers in industry, commerce and public administration an easy way to replace a significant part of their electricity consumption with locally generated solar energy at a discounted price compared to the grid price. The systems are installed through a local network of installers and dealers in China. Operations are financed via Gigasun.

## Solar energy industry's value chain



## Business model

Customers, who are owners of large properties, enter into 20-year contracts with Gigasun, whereby the customer commits to buy, at a pre-agreed price, the electricity generated by the system. Electricity purchased from Gigasun's system is priced at a discount of approximately 10–20 percent compared to the price the customer pays for electricity from the grid. The electricity that the customer does not buy is sold to the grid, ensuring a 100 percent uptake of the electricity generated by Gigasun's projects.

On expiry of the 20-year contract period, the contract is automatically extended by five years, unless the customer chooses to terminate the contract and requests to discontinue occupancy. The customer may also purchase the system at a pre-agreed price. If a property where the system is installed is sold during the contract period, the customer must either buy the system from Gigasun or, subject to Gigasun's approval, ensure that the new property owner takes over the contract.

Subsidies from government (\*) are a further source of income for Gigasun. The amount of subsidy for a particular project is determined before the construction of the solar energy system, when the local grid operator evaluates the project design. The commitment of

(\*) In April 2021, new regulations were introduced that mean no new facilities will receive subsidies. This was an expected development, as the facilities currently show good returns without subsidies. Previously decided subsidies remain in place for the duration of the contract

the authorities to pay subsidies consists of a fixed amount in CNY per kWh generated over a fixed number of years. The duration of the subsidies varies between two and 20 years, depending on whether the subsidies come from the district and city level or from state or regional level.

## Strategy

Gigasun's ambition is to help improve the climate and deliver value to shareholders and customers. To achieve this, Gigasun has chosen the following strategies.

### SALES

Gigasun today has an efficient structure with a large network of dealers who deliver potential projects that Gigasun can enhance and develop. In addition, Gigasun intends, to a greater extent than before, to supplement its network by making use of previously entered into framework agreements that are currently considered to offer good prospects of generating new systems. Gigasun is also reviewing opportunities to acquire entire portfolios of existing projects, if they meet the Company's high standards of quality and profitability.

### OPERATING ACTIVITIES

In its operating activities, Gigasun will focus actively on developing control and quality, reducing risk and improving profitability. Control and quality will be developed through implementation of a new ERP system, as well as through a review of the Company's

PPAs. Profitability will be improved as Gigasun grows and in so doing gains a more advantageous negotiating position in procurement. Gigasun is also engaged in an ongoing evaluation of an expanded offering with new products. The most immediate priorities are storage capacity and facade integrated solar panels.

### FINANCING

The company has previously secured good access to loan financing in China for existing and new projects, which means that the focus is on securing the equity required for continued expansion, which constitutes about 25% of the total investment in a new facility. In 2024, the company began a strategic review with the goal of securing capital for the company's long-term growth objectives and creating shareholder value for existing shareholders. The prevailing global uncertainty means that new potential investors are hesitant, which prolongs lead times.

### FINANCIAL TARGETS

The company's strategic review, which began in 2024, will continue into 2025. Given this process and the uncertainty regarding the availability of equity capital for the company, we have chosen to change the target of 1,000 MW installed capacity from the end of 2026 to the medium term. This may be further specified once we have completed the strategic review and have better visibility regarding the availability of equity capital, which is the limiting factor for our expansion of installed capacity.

## Financial targets



**1 000 MW**  
Installed capacity

Gigasun aims to have an installed solar capacity of 1,000 MW in the medium term.



**12–15%**  
Project returns

Gigasun's goal is to execute projects with expected gross returns of 12–15% on the investment in the solar energy system.



**25%**  
Capital structure

Gigasun's goal is to have a minimum equity ratio of 25% on a rolling twelve-month basis.



# Operations

# Gigasun's operations

## GIGASUN-GROUP

The Group consists of the parent company Gigasun AB (publ), ST-Solar Holding AB and the Company's wholly-owned subsidiaries in China, Advanced Soltech Renewable Energy (Hangzhou) Co., Ltd ("ASRE"), Longrui Solar Energy (Suqian) Co., Ltd ("SQ"), Suqian Ruiyan New Energy Co., Ltd. ("RY") and these companies' directly or indirectly owned subsidiaries (the "Group" and separately the "Group Companies"). In total, the Gigasun has 74 subsidiaries in China. Gigasun is headquartered in Stockholm and the local operating companies ASRE, SQ and RY in China are headquartered in Hangzhou.

## BACKGROUND

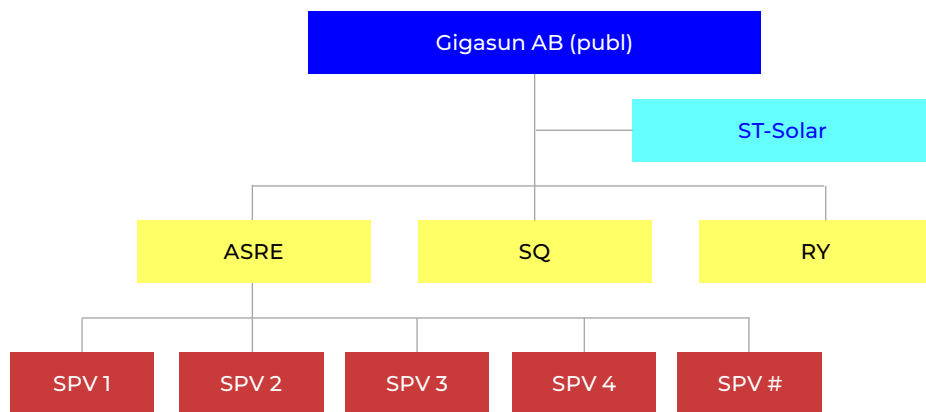
Gigasun was founded as a joint venture between the Swedish solar energy company Soltech Energy Sweden AB (publ) and the Chinese solar panel manufacturer Advanced Solar Power Hangzhou Inc. ("ASP") with the vision of accelerating the transition to renewable energy by offering solar-as-a-service, where the electricity produced by the plants to customers is sold instead of the plant itself.

Gigasun is an electricity producer who finances and through Group companies owns and manages roof-mounted photovoltaic ("PV") installations in China. The Company enters into so-called power purchase agreements ("PPA") with property owners, with a contract

period that usually amounts to 20–25 years, during which time the Company's counterparty undertakes to purchase the electricity generated during the contract period. The electricity purchased from Gigasun is metered and invoiced per kWh and is priced at a discount of approximately 10–20 percent compared to the price that the customer would pay for electricity via the electricity grid. Although the Company's business model operates on a commercial basis, subsidies constitute an additional source of income. Subsidies are usually granted based on the volume of electricity sold (measured in kWh) and include subsidies from the Chinese government and, where applicable, also subsidies from provinces as well as subsidies at district and city level.

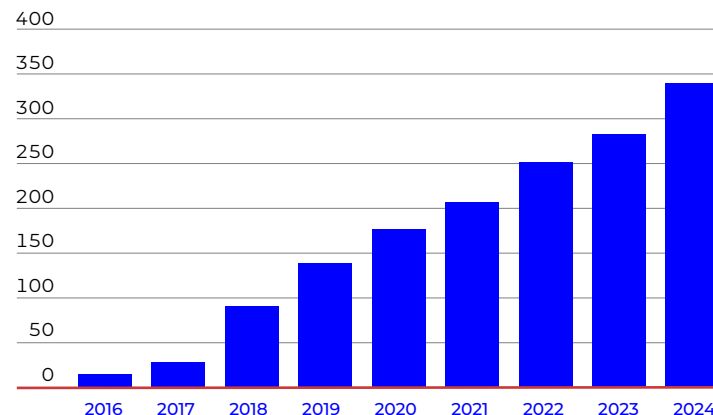
By offering solar-as-a-service, Gigasun can generate interest from previously untapped customer segments in the rapidly growing renewable energy market in China. The company's solution offers a simple and attractive alternative to traditional solar energy solutions where property owners would need to install and maintain their own solar PV systems.

As of December 31, 2024, Gigasun has a portfolio of 200 electricity-generating PV installations with a total capacity of 340.1 MW. Gigasun's market consists entirely of China, primarily the country's eastern regions, which are also the most industrialised.



## Installed capacity

■ MW

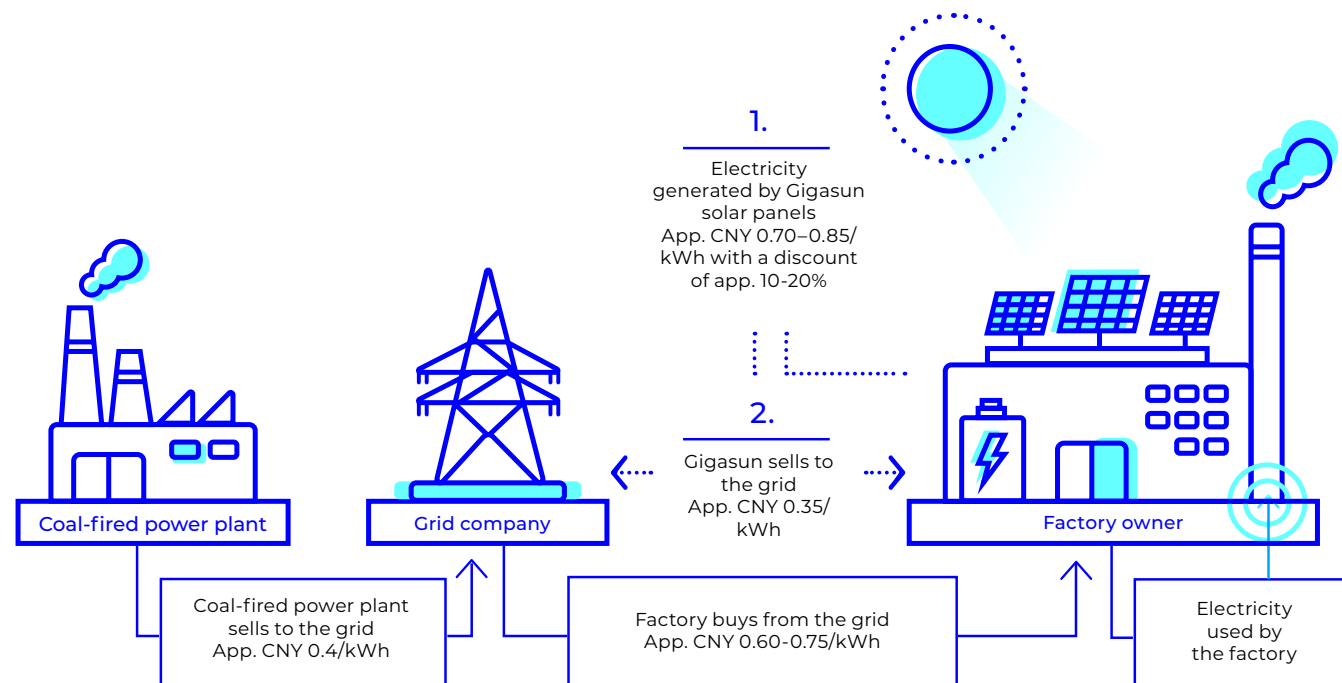


## SOLAR-AS-A-SERVICE

By offering solar energy as a service through the solar-as-a-service business model, Gigasun finances and operates PV installations on its customers' industrial roofs. Customers buy the electricity at a discounted price when compared to the price that the customer would pay for electricity via the grid. The customers are mainly manufacturers with large production facilities and thus also owners of large roofs.

According to Gigasun's solar-as-a-service offering, the customer does not pay for the PV system, hardware or maintenance. The customer's only cost is the electricity purchased from Gigasun. Instead of paying for the PV system, the customer undertakes to buy the electricity produced by the PV system over the next 20-25 years. Electricity is sold to the customer at a discount of approximately 10–20 per cent compared to the price the customer pays for electricity from the network. As a result, the customer gets cheaper electricity with a lower environmental impact and also the positive perception of the world around us that is associated with such an investment in renewable energy. In return, Gigasun receives long-term cash flows.

Despite the fact that the electricity is mainly sold to the customer, Gigasun is free to sell the electricity to the electricity grid if surplus electricity is generated. This ensures 100 percent uptake of the electricity generated by Gigasun's projects.



1. Gigasun sells electricity generated by solar cells installed at the customer's/owner's property, at a discount of app. 10–20% to the price the customer pays to the grid.
2. If the customer/factory owner does not buy all the electricity generated by Gigasun's solar panels, Gigasun sells it to the grid.

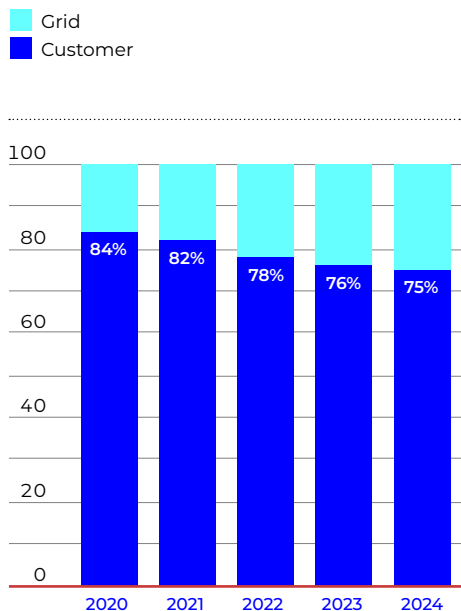


Gigasun owns the solar panels.



The business model involves extensive use of third-party suppliers, ensuring limited project risk, low operating costs and a focus on Gigasun's key role in the value chain, i.e. financing the installations and selling electricity.

#### Sold volume electricity Customer / Grid



#### REVENUE STREAMS

Gigasun's revenues come solely from electricity production and can be divided into two sources - electricity sales and subsidies, where electricity sales accounted for 85 percent of total revenue in the full year 2024.

#### ELECTRICITY SALES

The electricity produced by the Company's PV installations is primarily sold to the owner of the property where the PV system is installed. Any surplus electricity that is not used by the customer is sold to the grid. Sales to the customer are prioritized because the price paid by customers exceeds the price paid by the grid.

Surpluses occur if the electricity generated by the PV system exceeds the customer's electricity demand at a given time. When designing the PV system, Gigasun takes into account, among other things, consumption patterns in the customer's operations in order to minimize surpluses sold to the grid. Surplus electricity may be generated in day-to-day operations if the customer's electricity demand decreases during the production time of the PV system. However, surplus production is usually caused as a result of holidays that affect the scale of operations and thus the need for electricity. By prioritizing customers with a significant electricity demand compared to the size of the PV system, most of the electricity generated by Gigasun's portfolio is sold directly to customers, approximately 72 percent for 2024. The proportion of electricity sold to customers has remained relatively stable as the portfolio has grown, see figure below. The increase in the proportion of volume sold to the grid in

recent years is mainly related to a number of new projects that only sell to the grid.

The price charged by Gigasun to customers is regulated by the PPA's that are entered into with all customers before the construction of the PV system begins. The PPA regulates the commercial and legal relationships between Gigasun and its customers, including events such as change of ownership of facilities and insolvency of the customer. The production flow of electricity is not regulated by the contract, however, the electricity will in fact always be consumed by the customer first because the electricity always takes the shortest route to a consumption point.

Gigasun's agreements have two types of pricing mechanisms, both of which are based on the official tariff in the area where the plant is located. One type is expressed as a fixed discount (usually 10 to 20 percent) to the official tariff, the other is based on an agreed nominal price which is adjusted proportionately for changes greater than 5 percent in the official tariff.

When a PV installation is completed, Gigasun also enters into an electricity trading agreement with the local grid company, which establishes the right to sell surplus electricity to the local electricity network company. Although electricity prices in China tend to be stable over long periods, price changes will impact Gigasun's revenues and earnings. As electricity prices vary between different regions, a change in the Company's geographical portfolio mix may change the Company's average revenue per kWh of electricity produced.

#### SUBSIDIES

Subsidies are grants from the Chinese government, based on the electricity produced. The company's business model is currently commercially viable without subsidies. Subsidies, however, constitute an additional source of revenue.

The amount of the subsidy for a given project is determined before the construction of the PV installation starts, and when the local grid operator evaluates the design of the project. The commitment to pay subsidies includes both a subsidy level, the amount per kWh generated, and a period of time, i.e. the number of years that the government entity commits to pay subsidies. The duration of the subsidies varies between two and 20 years, of which the majority is for 20 years.

Since the Company's first project was completed in 2015, significant changes have been made to the subsidies support. In the second quarter of 2018, the subsidies paid by the state and provinces for solar energy projects decreased significantly. In 2019, national and provincial subsidies were further reduced, which means that projects completed in 2019 are not subject to subsidies.

For projects installed before the subsidies were removed, Gigasun receives subsidies that extend over 20 years. These commitments are not affected by the government's decision to remove subsidies for new projects and will therefore remain in place throughout the 20-year period.

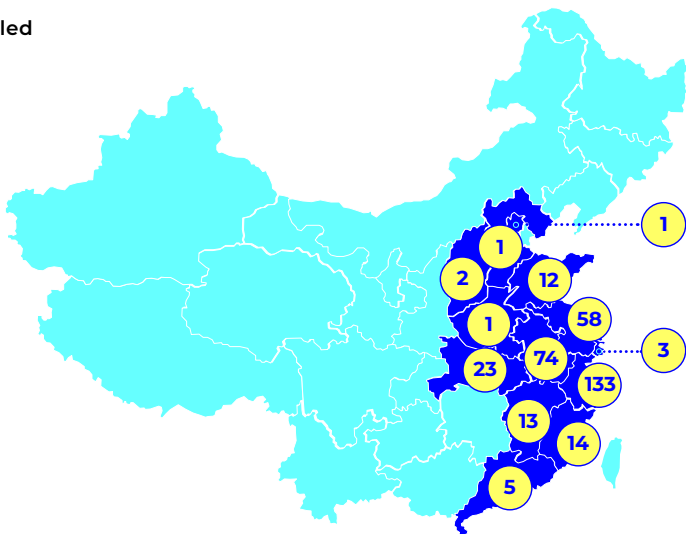
### GIGASUN AND ITS CUSTOMERS

Gigasun's customers are active in a wide range of areas, from basic industry to the raw materials industry, but also in government operations. Overall, just over 87 percent of customers operate in the private sector. What they have in common is that they are extensive organizations with a large number of employees, see below. A customer base with primarily large customers, also spread across different industries, gives Gigasun's operations long-term stability.

A prerequisite for Gigasun is that customers have access to large available roof areas, as a solar PV installation takes up an average of about 15,000 square meters. Gigasun's customers with the largest installed capacity today are geographically located in China's eastern provinces, see map below. When Gigasun assesses which regions the company should be present in, three main factors are taken into account: solar irradiation, the local electricity price and the customer base. In the eastern regions, there is a good mix of these factors.

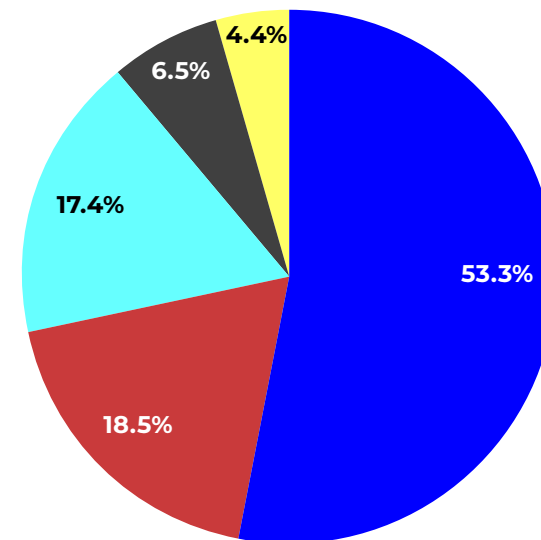
The reason why customers choose Gigasun is that they obtain access to green electricity via a simple system and at a lower price than when they buy from the grid. Today, the Company has 184 customers, which means that the counterparty risk is highly diversified. This sets Gigasun apart from similar companies that sell to the public grid and thus have a weaker bargaining position.

Gigasun's installed capacity 2024



Gigasun's customers – number of employees (FTE)

- 0–99
- 100–499
- 500–999
- 1,000–3,999
- >4,000



## PORTFOLIO COMPOSITION

Gigasun's first installation was completed in 2015 and as of December 31, 2024, the portfolio includes 200 PV installations, at 184 different customers, amounting to 340.1 MW installed capacity. The projects vary in size, with the smallest being 0.04 MW and the largest being 17.4 MW. The average project size in the portfolio is 1.7 MW and the average remaining contract term weighted towards installed capacity 18.4 years. The figure below shows the share of installed capacity in the total portfolio of the 10 largest PV installations. The largest plant, of 17.4 MW, consists of approximately 5.1 percent of the total portfolio.

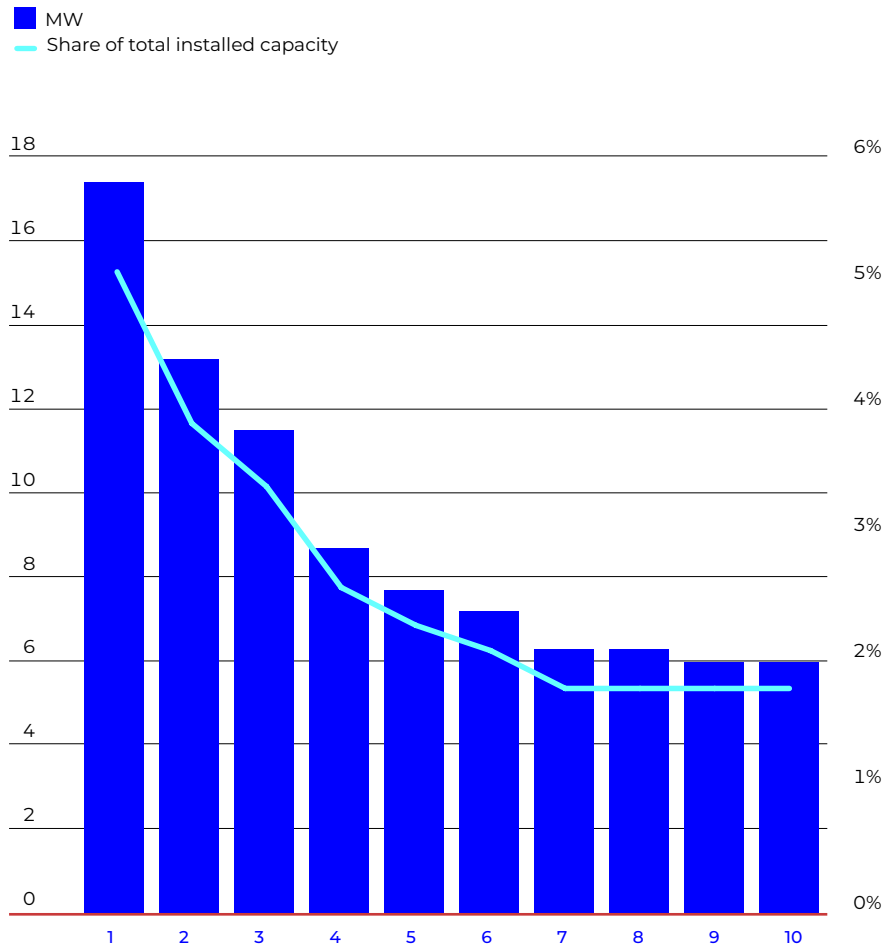
## OUTLOOK

The rapid industrialisation and urbanisation taking place in China, alongside the transition to alternative energy sources, provides Gigasun, which has proven experience in identifying suitable solar energy projects and efficient installation methods, with good opportunities for further profitable development. The risks present in the market are mainly associated with the fact that the infrastructure, including electricity generation, is highly regulated and dependent on permits and ultimately political decisions.

Gigasun has several potential growth opportunities in addition to new sales. Upselling to existing customers, where Gigasun can, via an expanded product offering, cover an even larger share of the customer's electricity consumption than the current target of ten to 30 percent, is one possibility. One example could be to include battery systems to store

surplus electricity and to redistribute the customer's consumption between off-peak and peak prices. Another could be to enter into partnerships with construction companies and property owners to gain access to facade and roof installations, where Gigasun's systems could become both part of a building and a solar energy solution.

## 10 largest PV installations (MW)





# Sustainability

# Gigasun is making a contribution to reducing emission levels in China

With its vision to accelerate China's transition to renewable energy consumption and Gigasun's practical operations locally, the Company is helping directly to reduce current emission levels in China, as well as – more long-term and indirectly – to drive the ongoing climate transition and thus create major environmental benefits. China is now, by a wide margin, the world's largest emitter of greenhouse gases, with levels higher than those of the US and EU combined. The country also faces acute challenges in the form of air pollution from dirty industries and coal-fired power plants.

In a comparison between the Nordic countries and China, China's electricity generation currently produces 590 grams of carbon dioxide equivalent per kWh, compared to 90 grams from the Nordic countries. This means that emissions are six times higher in China than in the Nordic countries. Replacing one kWh from the grid with one kWh from solar electricity in the Nordics results in an average emission saving of 49 grams. The equivalent replacement in China provides a saving of 490 grams of carbon dioxide equivalent – 10 times more than in the Nordics.

In 2024 alone, Gigasun installed solar energy systems with a total capacity of 56.6 MW. This means that since its inception in 2015, Gigasun has installed systems with a total capacity of 340.1 MW. During 2024, the systems together generated 253 million kWh, reducing China's CO<sub>2</sub>-related emissions by approximately 124,000 tonnes.

## THE EU'S TAXONOMY REGULATION

The EU's Taxonomy Regulation is a framework for deciding which economic activities should be considered environmentally sustainable. The aim of the regulation is to help investors identify and compare environmentally sustainable investments via a common classification system. In order to achieve the EU's climate goals and the objectives of the EU's Green Deal, investments need to be steered more in the direction of sustainable projects and businesses. A fundamental condition for this is that investors, companies and decision-makers must be able to identify and compare investments based on common definitions of what is sustainable. The establishment of a classification system for environmentally sustainable activities – a green taxonomy – is therefore a key stage under the EU Action Plan for Financing Sustainable Growth.

Reduced air pollution through solar energy system:

**253 million kWh**  
Renewable electricity



**68,700 tonnes**  
Fewer carbon particles

**7,600 tonnes**  
Fewer sulphur particles

**3,800 tonnes**  
Fewer nitrogen oxides





For a particular economic activity to be classified as environmentally sustainable, it must contribute significantly to one or more of the six identified environmental objectives, not cause significant damage to any of the other objectives and meet certain minimum sustainability requirements.

Gigasun's starting point is that its activities are compatible with the EU's taxonomy, as it operates in an area that contributes significantly to climate change mitigation – one of the six identified environmental objectives of the EU.

	Total, SEK 000'	Share of taxonomy- eligible economic activities	Share of non- taxonomy- eligible economic activities
Net sales	184,795	100.0%	0.0%
Capex	301,926	99.4%	0.6%
Opex	157,587	18.9%	81.1%

#### ENVIRONMENTAL SUSTAINABILITY

Gigasun offers environmentally friendly products and services that are produced with the minimum possible resource and energy consumption and that have low environmental impact. All solar cells used by Gigasun are collected for recycling at end-of-life. Intelligent resource management is a key focus within the Company and close attention is paid to efficient use of resources, whether energy consumption, use of premises, waste, travel or transport. Gigasun operates systematically and prevents pollution via goal-focused environmental management that is an integral part of the

Company's culture. Current environmental requirements, together with environmental aspects and environmental goals, are the basis on which we work.

#### FINANCIAL SUSTAINABILITY

Limiting global warming requires a global shift to a less fossil-fuel based economy. Achieving the goals of the Paris Agreement, which calls for limiting the increase in global temperature to below 1.5–2.0 degrees Celsius compared to pre-industrial levels, is primarily the responsibility of each country. But the financial system also has an important role to play in the climate transition. A large amount of capital and new financial products and instruments will be needed to finance the transition. Capital must be directed to initiatives that support a transition to a less fossil-based economy, away from oil, coal and gas, for example, and towards fossil-free alternatives, such as solar and wind energy. Green bonds are an example of a financial instrument that allows investors in the fixed-income market to switch their capital to investments that can contribute to the transition.

#### SOCIAL SUSTAINABILITY Stakeholders and partners

Gigasun shall safeguard the integrity of the Company's stakeholders and partners and handles information such that it is protected and managed in a responsible manner. The Company has a clear focus on sustainability and its partners are expected to share the Company's values and observe its Code of Conduct.

#### Employees

Employees represent one of the Company's most important assets. It is through the commitment and competence of our employees that Gigasun can create a culture where they and our partners can thrive. Gigasun strives to provide the best possible working climate and work environment for all employees, and

in its role as an employer, the Company takes responsibility by offering all employees work in which they can develop and take responsibility. Diversity is a force for enrichment and we therefore work actively on diversity and gender equality issues. The Company supports and observes the principles of the UN Global Compact initiative.





# Corporate governance



# Corporate Governance

Gigasun AB (publ) is a Swedish public limited liability company, CIN 559056-8878, whose shares are listed on Nasdaq OMX in Stockholm, First North Growth Market. The Company's registered office is in Stockholm.

The company was established in Sweden, was registered with the Swedish Companies Registration Office on 30 March 2016 and has conducted operations since then. The Company complies with the provisions of the Swedish Companies Act (2005:551) and other applicable laws and regulations in Sweden and China.

Gigasun's corporate governance principles and structure are designed to ensure that the Group is managed in the most efficient and value-creating manner possible on behalf of its shareholders. Corporate governance is a tool for maintaining order and structure for the Board and Management. A clear structure and clear rules and processes facilitate decision-making and other management of the business, while providing the conditions to ensure and verify that Gigasun complies with internal and external regulations.

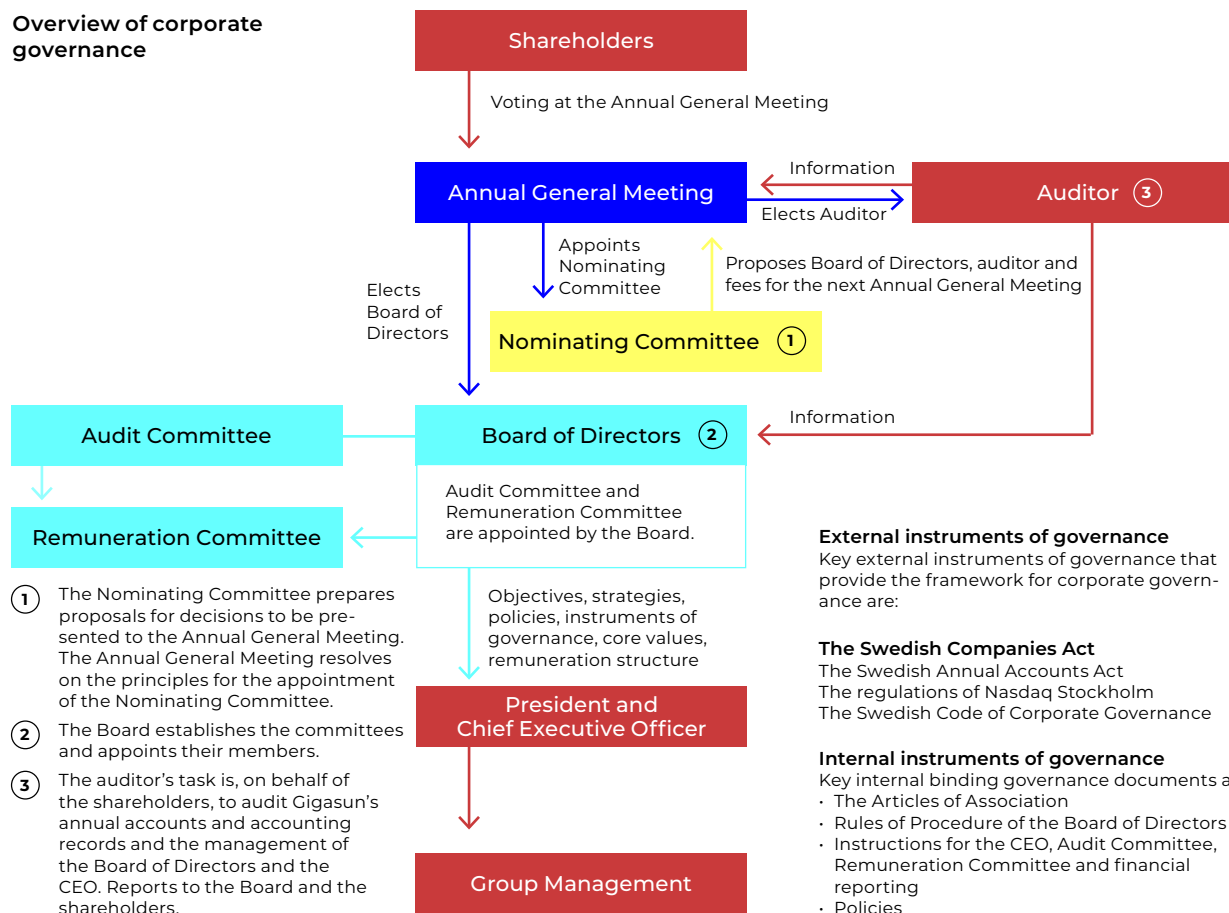
## GOVERNING DOCUMENTS

External instruments of governance include the Swedish Companies Act, the Swedish Annual Accounts Act and Nasdaq Stockholm's Regulations for Issuers. Internal instruments of governance include the Articles of Association, the Board of Directors' and the Chief Executive Officer's rules of procedure, instructions, policies and guidelines.

## THE ARTICLES OF ASSOCIATION

The Company's Articles of Association state that the object of the Company's operations is inter alia to finance the Group's solar energy installations. Full information on the Articles of Association is available at <https://gigasun.se/investors/corporate-governance>.

## Overview of corporate governance



## External instruments of governance

Key external instruments of governance that provide the framework for corporate governance are:

### The Swedish Companies Act

The Swedish Annual Accounts Act  
The regulations of Nasdaq Stockholm  
The Swedish Code of Corporate Governance

## Internal instruments of governance

Key internal binding governance documents are:

- The Articles of Association
- Rules of Procedure of the Board of Directors
- Instructions for the CEO, Audit Committee, Remuneration Committee and financial reporting
- Policies

## SHAREHOLDERS

Every shareholder has the right to vote for all the shares held by the shareholder in the Company. The shares are listed for trading on Nasdaq OMX Stockholm, First North Growth Market. The number of shares on 31 December 2024 amounted to 57,197,225.

## ANNUAL GENERAL MEETING

Shareholders have the opportunity to exercise their influence through the Annual General Meeting, which is the highest decision-making body in Gigasun. The rules governing the Annual General Meeting are set out in the Swedish Companies Act and in the Articles of Association. The regular annual general meeting – the AGM – appoints the members of the Board of Directors, the Chairman of the Board and the Company's auditor, as well as determining their fees. The AGM also resolves on adoption of the income statement and the balance sheet and on appropriation of the Company's unappropriated earnings; discharges the Board and CEO from liability; and resolves on the composition of the Nominating Committee and the terms and conditions for remuneration and employment of Group Management.

Gigasun's financial year is from 1 January to 31 December. The AGM shall be held within six months of the financial year-end and shall, as stipulated by the Articles of Association, be held in Stockholm. The time and place of the AGM will be announced no later than at the time of the third quarterly report.

Notice of the AGM will be given no earlier than six weeks and no later than four weeks before the meeting through a notice in Post- och Inrikes Tidningar and via [www.gigasun.se](http://www.gigasun.se). The fact that a notice has been issued shall be advertised in Dagens Nyheter.

Shareholders have the right to have a matter dealt with at the AGM and to exercise their right must submit a request to that effect in writing to the Board of Directors. The request must be received by the Board no less than seven weeks before the AGM.

## Annual General Meeting 2024

The AGM was held on June, 12th 2024 in Stockholm. The AGM resolved as to:

- adoption of the income statement and balance sheet
- appropriation of the Company's profit by carrying forward to a new account
- discharge of the Board of Directors and CEO from liability
- re-election of the regular members of the Board Frederic Telander, Stefan Ölander, Ben Wu, Gang Bao, and Patrick de Muynck. Vivianne Holm chose to resign from the board for the upcoming period.
- re-election of the Chairman of the Board Frederic Telander
- re-election of the auditing firm Ernst & Young AB as auditor. The auditing firm advised that Anders Rodéhn is the lead auditor
- Decision on two new share option programs for key employees and board members. The general meeting also decided on the repurchase of four share option programs at a market value of 0 SEK per issued option. The four share option programs have subsequently been canceled.
- authorisation for the Board of Directors to resolve, on one or more occasions, during the period until the next AGM, with or without preferential rights for the shareholders, on new share issues, warrants and/or convertibles.

## Annual General Meeting 2025

The 2025 AGM will be held on May 22, 2025.

## NOMINATING COMMITTEE

### The work of the Nominating Committee

The Nominating Committee is responsible for preparing and presenting proposals for Chairman of the Board, Board members, remuneration of the Board (to Chairman, members and committees), Chairman of the meeting and election and remuneration of the auditors, as well as rules for the Nominating Committee. The Nominating Committee's proposals are presented in connection with the notice of the forthcoming AGM. The Nominating Committee shall consist of three members. In December, the Chairman of the Board will contact the three largest shareholders (based

on the shareholding according to Euroclear Sweden AB as per the last business day in September) in order to appoint a Nominating Committee. If any such shareholder declines to appoint a member, the fourth largest shareholder shall be consulted and so on, in descending order. Each member of the Nominating Committee shall carefully consider whether there is any conflict of interest, or any other circumstance that renders membership of the Nominating Committee inappropriate, before accepting the position. No fees are paid to members of the Nominating Committee.

The Nominating Committee is tasked with preparing proposals on the following matters that are to be submitted to the AGM for resolution:

- proposal for Chairman of the AGM
- proposal for number of directors on the Company's Board
- proposal for election of Board members and Chairman of the Board
- proposal for Board fees, including allocations to the Chairman and the other Board members, as well as any remuneration for committee work
- proposal for election of statutory auditors, based on proposals from the Audit Committee
- proposal for the fees of the statutory auditors and
- proposal for procedure for the appointment of the Nominating Committee (if applicable).

## Shareholders' proposals

All shareholders have the right to present the Nominating Committee with proposals for Board members. Such proposals are to be sent to the Chairman of the Nominating Committee by e-mail to [info@gigasun.se](mailto:info@gigasun.se).

## Board of Directors

The principal task of the Board is to safeguard the interests of the Company and its shareholders. It is required to appoint the Chief Executive Officer, be responsible for management and organisation of the Company, which includes being responsible for setting objectives and strategies, ensuring

procedures and systems for the evaluation of set objectives are in place, continuously evaluating the Company's performance, financial position and operational management. The Board is also responsible for ensuring that fit-for-purpose systems are in place to monitor and control the Company's activities and risks involved. Furthermore, the Board is responsible for the Company's compliance with applicable laws and its Articles of Association.

The Board meets according to schedule that is established annually. Over and above these meetings, further meetings may be convened and such meetings may also be held by telephone or per capsulam. Meetings are prepared by the Chairman and the CEO, who jointly propose an agenda for each meeting. The CEO shall provide Board members with written reports and supporting documents for each meeting. Meetings of the Board are attended by the Company's Group Management. Other officials participate as necessary in a reporting function on specific cases.

### Composition of the Board

The Board of Directors is elected by the AGM for the period until the next AGM. The Board shall consist of no less than three and no more than nine members elected by the AGM. At the AGM held on June, 12th 2024, Frederic Telander, Stefan Ölander, Ben Wu, Gang Bao, and Patrick de Myunck were re-elected for the period until the next AGM. Vivianne Holm chose to resign from the board for the upcoming period. A presentation of all Board members is available at <https://gigasun.se/about-us/board-of-directors/>.

### Chairman of the Board

The Chairman of the Board is elected by the AGM for the period until the next AGM. At the AGM held on June, 12th 2024, Frederic Telander was re-elected. The Chairman of the Board is tasked with directing the work of the Board and ensuring that the Board performs its duties and has specific responsibility for ensuring that its work is well organised and performed efficiently, as well as for monitoring developments in its activities.

### Independence of the Board

See section "Board of Directors".

### Rules of Procedure of, and Instructions applying to, the Board

The work of the Board of Directors is inter alia governed by the Swedish Companies Act and the Company's Articles of Association. At the statutory meeting, the Board resolves on its rules of procedure, which shall apply until the end of the next Annual General Meeting. The rules of procedure govern, for example, the overarching tasks of the Board, rules for Board meetings, the division of functions between the Board and the CEO and the procedures for day-to-day financial reporting. The statutory meeting of the Board of Directors also determines the instructions for the CEO, including financial reporting, and determines who is authorised to sign on behalf of the Company.

### Regular meetings of the Board

The agenda includes standing items concerning areas such as finance, market, personnel, operations and ongoing investments. In addition to these standing items and other business, the agenda for each meeting is structured as follows.

#### January–February

Approval of the year-end report and the dividend to be proposed to the Annual General Meeting.

#### March–April

Approval of the annual report, notice of the AGM, together with matters requiring the approval of the AGM, including the appropriation of unappropriated profit proposed by the Board of Directors. This meeting will also receive a report containing the results of the audit by the Audit Committee.

#### April–May

Approval of the report for the first quarter of the year, adoption of and changes to the Group's policies and annual assessment of whether the dividend policy should be changed.

#### July–August

Approval of the half-year report.

#### October–November

Approval of the report for the third quarter of the year.

#### December

Approval of the budget. Resolution on the annual adjustment of the remuneration of Group Management, based on proposals by the Remuneration Committee.

### THE BOARD'S COMMITTEES ETC.

The Board appoints the members of the Committees.

#### Audit Committee

During the financial year until June 12th, 2024, the Audit Committee of the Board of Directors consisted of Vivianne Holm (Chair) and Patrick de Myunck. From June 12th, 2024 and onwards the Audit Committee consisted of Patrick de Myunck (Chair). For independence, see section "Board of Directors".

The work of the Audit Committee is governed by specific instructions adopted by the Board as part of its Rules of Procedure.

Without prejudice to the other responsibilities and duties of the Board, the Audit Committee is required:

- to oversee the Company's financial reporting
- to monitor the effectiveness of the Company's internal control and risk management
- to participate in decisions concerning the scope of the audit
- to keep informed as to the audit of the annual accounts and consolidated accounts
- to review and monitor the impartiality and independence of the auditor, paying particular attention as to whether the auditor provides the Company with services other than audit services, and to assist in the preparation of proposals for the election of the auditor by the AGM.



### Remuneration Committee

During the financial year, the Remuneration Committee of the Board consisted of Frederic Telander (Chairman), Stefan Ölander and Ben Wu. For independence, see section "Board of Directors".

The work of the Remuneration Committee is governed by specific instructions adopted by the Board as part of its Rules of Procedure.

The duties of the Remuneration Committee include:

- preparing the Board's decisions on matters relating to remuneration principles, remuneration and other terms and conditions of employment of Group Management
- monitoring and assessing ongoing programmes and those ended during the year for variable remuneration to Group Management
- evaluating implementation of the remuneration policy and the guidelines on remuneration for senior executives that the AGM is legally required to resolve on.

### PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO)

The President and Chief Executive Officer reports to the Board of Directors and is responsible for day-to-day management of the Company. The allocation of tasks between the Board of Directors and the CEO is set out in the Rules of Procedure of the Board and the Instructions to the CEO.

The CEO is responsible for preparing reports and compiling information from management for Board meetings and serves in a reporting capacity for that material at Board meetings. According to the financial reporting instructions, the Chief Executive Officer is responsible for financial reporting in the Company and is therefore required to ensure that the Board, primarily through the Chief Financial Officer,

receives sufficient information to enable the Board to evaluate the financial position of the Company on an ongoing basis. The CEO must keep the Board continuously informed as to developments in the Company's business, developments in sales, the Company's performance and financial position, liquidity and credit situation, major business events and any other circumstance that may be of material importance to the Company. Max Metelius has served as Group CEO and CEO for the parent company since 2020.

Powers and responsibilities of the Chief Executive Officer, Group Management and managers are defined in policies, guidelines, job descriptions and attestation instructions.

### AUDITOR

The auditor is appointed by the Annual General Meeting to audit the annual report and accounts of the Company and the Group and the administration by the Board of Directors and the Chief Executive Officer. After each financial year, the auditor shall submit an audit report and a Group audit report to the Annual General Meeting.

According to its Articles of Association, Gigasun shall appoint one or two auditors. At the Annual General Meeting held on June, 12th 2024, the authorised firm of public accountants Ernst & Young AB was appointed as auditor until the end of the Annual General Meeting 2025. Anders Rodéhn is lead auditor.

### INTERNAL CONTROL

Under the Swedish Companies Act, the Board of Directors is responsible for internal control, the overall purpose of which is to safeguard the Company's assets and thereby the owners' investment. The Swedish Annual Accounts Act requires the Company to describe annually the Company's and the Group's system of internal control and risk management in relation to financial reporting.

Internal control is based on a fit-for-purpose and effective control environment. Gigasun's control environment consists of the organisational structure, job descriptions, decision paths, powers and responsibilities that are defined and communicated through governing documents such as internal policies and guidelines:

- Rules of procedure for the Board and its committees and instructions to the Chief Executive Officer
- Finance policy
- Financial handbook
- Attestation instructions and decision-making procedure for investments

# Risks

This section describes the risk factors and circumstances that are considered material to the business and future development of Gigasun AB (publ) and the Group of which it, as parent company, operates and represents.

The risks are specific and material to the Group's market and business activities in Sweden and China. When a risk factor is relevant to more than one category, it is presented only under the category that is considered to be the most relevant. The risk factor currently considered to be the most significant is presented first in each category. Other risk factors are not ranked in order of materiality.

## **RISKS RELATED TO THE MARKET AND BUSINESS ACTIVITIES** **Global macroeconomic and geopolitical conditions and their impact on China's economy**

Geopolitical tensions between China and Western countries, or a continued or escalated trade war between China and the United States, could also lead to reduced demand for assets in China and negatively impact the Group's financing opportunities. As a result of the deteriorating relations between China and Western countries, China may also implement regulations on foreign companies that may constitute an obstacle to the Group's operations and the financing of its operations.

Increased tensions may lead to reduced trade between China and the Western countries may lead to a weakened global economy, prolonged economic recession, may lead to a slowdown in industrial development in China, which in turn may lead to a reduced demand for electricity, which may have a negative impact on the Group's operations, financial position or results.

## **Policy decisions related to renewable energy**

The Group operates in different geographical areas in China that prioritize environmental issues in electricity generation and provide various types of policy incentives that favor investments in renewable energy. These incentives may take the form of various financial grants and/or subsidies for certain types of energy sources. In 2024, the Group's total subsidies received amounted to SEK 32 millions of total revenues of SEK 218 million. An important factor in the Group's revenue estimates is expected subsidies from the Chinese government and from regional and local governments. However, the above applies primarily to projects approved before 31 December 2018 and the Group's later projects are not dependent on government subsidies. In recent years, the Chinese government has issued a series of laws, regulations, and policies to support and encourage the development of solar energy. These laws, regulations and policies have a direct impact on the future prospects of the domestic solar industry and are factors that may affect the demand for the Group's offering and thus operations. The level of acceptance of solar energy as a sustainable form of renewable energy by the authorities implementing energy policy as well as by the general public in the markets in which the Group operates has a significant effect on the Group's operations, financial position and results. There is always a risk of changes to these systems, which could have a negative effect on the Group's operations, results of operations and financial position.

While the Chinese government's latest five-year plan (2021–2026) has clear directions for China to continue to decarbonise and continue to promote the development of renewable energy sources in order to address China's acute pollution problems and thus reduce China's dependence on fossil fuels, a direct or indirect reduction or cessation of government support may have a negative effect on the solar

energy market in China. Any changes in the Chinese government's support for the industry in which the Group operates, or changes in the policies related to the Group's industry, could adversely affect the Group's operations. In the event of changes in the Chinese government's policies favorable to the solar industry, solar energy and photovoltaic installations may become less attractive in the future, which could have a negative effect on the Group's operations, results of operations and financial condition.

## **Changes in the economic, political and social conditions in China**

The Chinese economy differs from most of the developed countries' economies in many respects, including the degree of government involvement, control of capital investment, and the overall level of development. The Chinese government has been working in recent years to continue reforming the economic system as well as the system of governance and administration of the country. For example, the Government of the People's Republic of China's reform policies have emphasized the autonomy of companies and the use of market mechanisms. Nevertheless, any future actions and policies adopted by the Government of the People's Republic of China and any changes in China's political, economic, and social conditions could have a material adverse effect on the Group's current and future business operations, results of operations and financial condition.

## **OPERATIONAL RISKS**

### **Operational risks related to variations in electricity prices**

The revenues of the Chinese operations are largely dependent on the development of the electricity market in China. Majority of all contracts concluded by the Group with its customers use a pricing mechanism with a discount on the official electricity price applied by the relevant electricity

network operator. A decrease in the price of electricity would have a significant negative effect on the Group's ability to pay interest and pay any loan repayments. There is no way to hedge against the risks associated with fluctuations in the price of electricity. However, volatility in electricity prices has historically been low. The revenues of The Group's direct subsidiaries in China or one of their subsidiaries are largely dependent on the development of the electricity market in China. All contracts entered into by the Group with its customers use a pricing mechanism with a discount on the official electricity price applied by the relevant electricity network company. Consequently, there are risks associated with fluctuations in the price of electricity. A decrease in the price of electricity would have a significant negative effect on The Group's direct subsidiaries in China or one of their subsidiaries ability to pay interest and other costs and to pay any loan repayments. There is no possibility of hedging against the risks associated with fluctuations in the price of electricity. However, volatility in electricity prices has historically been low.

## LEGAL AND REGULATORY RISKS IN CHINA

### Legal system

The Group's direct subsidiaries in China or one of their subsidiaries are established under Chinese law and conduct their business in China. China's laws and regulations are based on written constitutions, and previous court decisions can only be relied upon as a reference. As these laws and regulations are still under development, and there are a limited number of published cases that are also of a non-binding nature, there is some uncertainty as to the interpretation and enforceability of the laws.

China's legal system is based in part on state political decisions and internal rules (some of which are not published on time or at all). As a result, The Group's direct subsidiaries in China or one of their subsidiaries may not be aware of a possible violation of these policies and rules until after the breach has occurred. Although the electricity market in China is heavily regulated by laws, government policies and internal

rules, there is still uncertainty about the meaning and limits of the rules, which can affect The Group's direct subsidiaries in China or one of their subsidiaries operations and pose a risk of potential violations of policies and regulations in China. This may lead to government sanctions that may adversely affect the Group's operations, results of operations and financial position.

If a property owner is declared bankrupt, the Chinese companies, or any of their subsidiaries, can terminate the Power Purchase Agreement ("PPA") and dismantle and remove the solar energy installation. If a bankruptcy administrator then chooses no longer to be bound by the PPA, the owner of the solar energy installation will incur a cost for the removal, which corresponds to about 20-25 percent of the original cost of the solar energy facilities. The same risk exists if the bankruptcy administrator concerned, or other official, decides to sell the property as a result of the previous owner's bankruptcy or payment difficulties and the new owner does not want to take over the installations. The Group always retains the option to sell the generated electricity to the grid as long as the installation is in place and the Group is the owner of the system.

## FINANCIAL RISKS

### Financing

The company has an issued bond, SOLT4, which is to be repaid by November 2025 with approximately 70 MSEK in addition to the agreed interest.

In 2023 and 2024, the Group companies entered into several lease financing agreements with, among others, Jiangsu Financial Leasing Corp. Ltd. and Agricultural Bank Financial Leasing Co., Ltd. In the event that the Group does not pay overdue lease payments, there may be a risk that the right to repurchase previously transferred solar energy installations to the leasing companies is no longer possible to exercise in whole or in part. However, the lease financing does not contain any so-called covenants for the Group.

The amounts in this section follow from the Group's financial statements as of December 31, 2024 and its used exchange rates when translated on the same date.

The Group is partly financed by the Company's two largest owners, Soltech and ASP and its related parties, through loans, supplier credits and not yet invoiced products and services that are provided to the Group of a total of approximately SEK 545 million, of which Soltech approximately SEK 35 million and ASP approximately SEK 510 million. Of ASP's supplier credits to the Group amounted to approximately SEK 374 million, approximately SEK 119 million are due for payment with payment deferred. The amounts in this section follow from the Group's financial statements as of December 31, 2024 and its used exchange rates when translated on the same date. ASP's supplier credits and other liabilities to ASP consist of current loans that can be equated with an "overdraft facility" without a fixed maturity date. The Group companies and the ASP have not specifically regulated the terms and conditions for outstanding accounts payable, except that overdue supplier credits of approximately SEK 119 million carry an annual interest rate of approximately 3 percent until further notice. Otherwise, these supplier credits run free of interest. In the event that supplier credits and other liabilities to ASP are not extended, the Company assesses that these can be replaced by bank financing, but at a higher interest cost.

The Group has short-term bank loans in China amounting to approximately SEK 75 million. The bank loans mature between April 2025 and October 2025.

In the event that the Group is unable to repay the SOLT4 bond in full, that the credits from ASP do not continue and the Company is obliged to pay these credits, and/or that the short-term bank loans are not renewed, the Company may be forced to seek alternative financing opportunities, such as an extension of the SOLT4 bond, additional capital raising, supplier financing, advances from customers, short-term loans or other debt financing, and/or combined with cost reductions, asset sales, limited or no investments in new solar



energy facilities installations, or otherwise operating at a more prudent pace than planned until additional capital can be raised, which may lead to higher interest expenses and other costs, limited growth, dilution of ownership due to necessary new share issues, downsizing or discontinuation of all or part of the Group's operations through the sale of assets, etc.

In the event that all alternative financing options were to fail, there is a risk that the Company would be forced to significantly revise current development plans, which would have a negative impact on the Company's development, or even pose a risk to the continued operation and survival of the Company, and in the worst case that the Company goes bankrupt. This could have a material adverse effect on the Group's operations, earnings, and financial position.

#### **Interest rate risk**

The Group's financing may generate interest expenses that may be higher than the profit generated by the Group's investments. Debt financing to make investments will increase the Group's exposure to capital losses and higher interest expenses. In addition, the Group is exposed to changes in interest rates in the financing agreements entered into variable interest rates and at the end of the fixed-rate financing. The interest rate is affected, for example, by the interest rate policies of governments and central banks.

The lease financing has a variable interest rate, based on the China Loan Prime Rate 5 Year plus a margin to the leasing company. As of 31 December, the Group had a loan liability to leasing companies of SEK 1,189 million. There is a risk that lease financing fees will increase at the increase in China Loan Prime Rate 5 Year.

In addition, the Group has short-term bank loans in China amounting to approximately SEK 75 million with a fixed interest rate, as well as other short-term loans of approximately SEK 224 million with a fixed interest rate, of which approximately SEK 154 million refers to credits from Soltech and ASP. An increase in interest thus means an increase in

the Group's interest payments, which could have a material adverse effect on the Group's operations, results of operations and financial position.

#### **Currency restrictions in China**

The Chinese currency CNY cannot be freely converted into other currencies. All actions relating to the payment and receipt of foreign currency, as well as the conversion of foreign currency into CNY and vice versa, are regulated. All foreign currency transactions are controlled or monitored in some form by the State Administration of Foreign Exchange ("SAFE"). Foreign currency may not be circulated or used for payment in China. In payment of interest under a credit facility and payment of dividends, all domestic institutions making a foreign currency payment in excess of USD 50,000 abroad must first notify SAFE in China. Such a process may cause delays and require administrative work, which may have a negative impact on the Group's business, operations, and financial position. In repayment of loans under a credit facility, there is no requirement to make a prior notification to SAFE in China. The Chinese government may temporarily restrict certain payments in relation to, for example, dividends.

#### **VAT AND OTHER TAX-RELATED ITEMS**

##### **Risks related to tax regulations in China**

The Group conducts its main business via direct and indirect subsidiaries in China. The tax strategies applied by the Group are based on its interpretation of applicable tax regulations in China. The Group may, from time to time, be subject to tax audits and other investigations by the tax authority concerned. A risk exists that the tax authority concerned will arrive at assessments and take decisions that differ from the Group's understanding and interpretation of the relevant tax legislation, which may in turn adversely affect the Group's tax expense and effective tax rate.

## Board of directors

According to the Company's registered articles of association, the Board of Directors shall consist of a minimum of three and a maximum of nine members. The members of the Board of Directors are elected annually at the Annual General Meeting for the period until the end of the next Annual General Meeting. As of the date of publication of the Annual Report 2024, the Board of Directors

consists of six members elected by the Annual General Meeting without deputies, elected for the period until the end of the Annual General Meeting 2025. The table below shows the members of the Board of Directors of the Company, when they were first elected and whether they are considered independent in relation to the Company and its management and/or major shareholders.

Name	Position	Member since	Independent in relation to the Company and its management	Independent in relation to the Company's major shareholders
Frederic Telander	Chairman	2016	No	Yes
Ben Wu	Member	2016	No	No
Stefan Ölander	Member	2016	Yes	No
Gang Bao	Member	2016	No	Yes
Patrick de Muynck	Member	2020	Yes	Yes



### Frederic Telander

#### Working Chairman of the Board

Born in 1964.

Working Chairman of the Board since 2020. Board member since 2016.

**Experience:** Former partner of EIG Venture Capital Ltd, an investment company focusing on cleantech investments. During the period 2001-2008, senior executives (CEO and Vice Chairman) of the Gas Turbine Efficiency Group, which was listed on the London Stock Exchange's AIM list in 2005. During 2007-2009 and 2018-2020, Frederic was Chairman of the Board of Soltech Energy Sweden AB (publ), and between 2009-2018, Frederic was CEO of Soltech Energy Sweden AB (publ). During the years 2016-2020, Frederic was CEO of Advanced Soltech Sweden AB, now Gigasun AB (publ).

**Education:** University studies in business administration.

**Other current assignments:** Chairman of the board at Ambusol AB (publ), board member of Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd., Longrui Solar Energy (Suqian) Co., Ltd, Suqian Ruiyan New Energy Co., Ltd., and Sactum AB..

**Holding in Company:** 208,483 shares, whereof 16,006 through company. 602,076 warrants of series LTIP 2024/2026 II.

**Independent:** Not independent in relation to the Company and Executive Management. Independent in relation to the Company's major shareholders.



### Stefan Ölander

#### Board member

Born in 1964.

Board member since 2016.

**Experience:** Head of Communications at SEB and Kinnevik. Founder of Rewir. CEO and Chairman of the Board of Swedish and Danish companies within the Intellecta Group. During various periods, Stefan has been both CEO and Chairman of the Board of Zacco. During the years 2012-2018, Stefan was Chairman of the Board of Soltech Energy Sweden AB (publ) and during the years 2016-2020, Stefan was Chairman of the Board of Gigasun Sweden AB.

**Education:** Upper secondary school Economics.

**Other current assignments:** Chairman of the Board of Directors of SolTech Energy Sweden AB (publ). Chairman of the Board of Directors of Soltech Energy Swedens subsidiaries in Spain and the Netherlands. Chairman of the Board of Directors Territorium AB and Janua Invest AB. Board member of SEPSSOLT AB and Galileus AB.

**Holding in Company:** 2,581 shares, whereof 1,851 through company.

**Independent:** Independent in relation to the Company and Executive Management. Not independent in relation to the Company's major shareholders.

## Board of Directors



### Ben Wu

#### Board member

Born in 1973.  
Board member since 2016.

**Experience:** Analyst at Himalaya Capital 2002-2004. Management consultant at McKinsey 2004-2006. Assistant to Lenovo's Chairman 2007-2008. Co-founder of Advanced Solar Power Hangzhou in 2008.

**Education:** MBA Finance and Marketing, Columbia Business School. M.Sc. and B.Sc. in Mathematics and Computer Science, Colorado School of Mines.

**Other current assignments:** VDI CEO of Advanced Solar Power (Hangzhou) Inc. Board member of Advanced Solar Power (Hong Kong) Limited, Advanced Solar Power Cayman Limited and HuBei KaiLong Longyan Energy Technology Co Ltd. Executive Partner of Hangzhou Shengri Enterprise Management Consulting Partnership (Limited Partnership), Hangzhou Dingxi Enterprise Management Consulting Partnership (Limited Partnership) and Jiayun Xuanyi (Hangzhou) Enterprise Management Consulting Co., Ltd.

**Holding in Company:** 0 shares. 451,557 warrants of series LTIP 2024/2026 II.

**Independent:** Not independent in relation to the Company and Executive Management. Not independent in relation to the Company's major shareholders.



### Gang Bao

#### Board member

Born in 1969.  
Board member since 2016.

**Experience:** Since 2015, Gang has worked with sales and business development in Group companies. In 2012-2015, Gang was the sales and marketing manager of Advanced Solar Power Hangzhou. Between 2008-2012, Gang was Engineering Director at Advanced Solar Power Hangzhou.

**Education:** M.Sc. in Mathematics and Computer Science, Colorado School of Mines. B.Sc. in Mathematics, ShanDong University, JiNan.

**Other current assignments:** CEO and board member of Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd. Board member of Longrui Solar Energy (Suqian) Co., Ltd, Suqian Ruiyan New Energy Co., Ltd. and HuBei KaiLong Longyan Energy Technology Co. Ltd.

**Holding in Company:** 0 shares. 602,076 warrants of series LTIP 2024/2026 II.

**Independent:** Not independent in relation to the Company and Executive Management. Independent in relation to the Company's major shareholders.



### Patrick de Muynck

#### Board member

Born in 1956.  
Board member since 2020.

**Experience:** Patrick has worked in the financial sector for more than 35 years, mostly based in London and New York. From 2000 to 2015, Patrick was a partner at EQT, serving as Head of Credit and a member of the management team. For a few years now, Patrick has been working on Board assignments and on his own investments.

**Education:** Commercial Engineer, Solvay College, University of Brussels.

**Other current assignments:** Chairman of the Board of Ymer SC AB, Ymer SC Fund 1 AB, Ymer SC AC AB, Brocc Holding AB, Skalmsta Ridcenter AB and Dagar hf. Board member of Kara Connect IVS, Kara Connect ehf., Skogsliden Finance AB, Brocc Finance AB and Brocc AB (publ). Owner of Patrick Guy Francis de Muynck sole proprietorship.

**Holding in Company:** 64,031 shares.

**Independent:** Independent in relation to the Company and the Executive Management. Independent in relation to the Company's major shareholders.



## Management



### Max Metelius CEO

Född 1969.  
CEO since 2020. Employed by Gigasun since August 2018.

**Experience:** Max has worked for the past eight years with various roles in renewable energy and was a co-founder of Alight in 2012-2017, business developer in solar energy at BMI in 2017-2018 and CFO/COO at the Company in 2018-2019. Prior to that, Max gained experience from the financial sector at Carnegie and HQ Bank during the years 1998-2012, primarily focusing on investments in emerging markets.

**Education:** Bachelor of Laws, Stockholm University. Master of Law and Economics, University of Hamburg. Studies in Economics and Earth Sciences, Stockholm University.

**Other current assignments:** Board member of Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd., Longrui Solar Energy (Suqian) Co., Ltd, Suqian Ruiyan New Energy Co., Ltd., and ST-Solar Holding AB.

**Holding in Company:** 119,200 shares through companies and insurances. 602,076 warrants of series LTIP 2024/2026 I.



### Stefan Salomonsson CFO

Born in 1980.  
CFO since 2023. Employed by Gigasun since December 2023.

**Experience:** Stefan was most recently CFO at P.F.C., a company he co-founded and which was acquired by Svea Bank in 2021. He was also co-founder and CFO of Betalo, which was divested in 2020. Prior to that, Stefan was at EY Transaction Advisory Services for eight years in Stockholm and New York.

**Education:** MSc in Business Administration, Uppsala University.

**Other current assignments:** Board member of Crownstone Capital AB, Crownstone Consulting AB, NS Capital AB, I-Sport Retail 54 AB, PFC Technology AB and Rahnsäter AB. Deputy member of the Board of Directors of ST-Solar Holding AB

**Holding in Company:** 355,967 shares and 210,727 warrants of series LTIP 2024/2026 I.



### Cecilia Markborn Xia General Counsel

Born in 1992.  
Company lawyer since 2021. Employed by Gigasun since February 2021.

**Experience:** Cecilia has worked as a lawyer at Setterwalls Law Firm and has been active in the areas of mergers and acquisitions, venture capital and corporate law for Swedish and international companies.

**Education:** Law degree, Uppsala University.

**Other current assignments:** None.

**Holding in Company:** 0 shares. 150,519 warrants of series LTIP 2024/2026 I.



### Gang Bao CEO of the Chinese subsidiaries

Born in 1969.  
Employee since 2015, CEO since 2020.

**Experience:** Since 2015, Gang has worked with sales and business development in Group companies. In 2012-2015, Gang was the sales and marketing manager of Advanced Solar Power Hangzhou. Between 2008-2012, Gang was Engineering Director at Advanced Solar Power Hangzhou.

**Education:** Sc. in Mathematics and Computer Science, Colorado School of Mines. B.Sc. in Mathematics, ShanDong University, JiNan.

**Other current assignments:** Board member of Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd., Longrui Solar Energy (Suqian) Co., Ltd, Suqian Ruiyan New Energy Co., Ltd. and HuBei KaiLong Longyan Energy Technology Co. Ltd.

**Holding in Company:** 0 shares. 602,076 warrants of series LTIP 2024/2026 II.



### Frederic Telander Working Chairman of the Board

Born in 1964.  
Working Chairman of the Board since 2020. Board member since 2016.

**Experience:** Former partner of EIG Venture Capital Ltd, an investment company focusing on cleantech investments. During the period 2001-2008, senior executives (CEO and Vice Chairman) of the Gas Turbine Efficiency Group, which was listed on the London Stock Exchange's AIM list in 2005. During 2007-2009 and 2018-2020, Frederic was Chairman of the Board of Soltech Energy Sweden AB (publ), and between 2009-2018, Frederic was CEO of Soltech Energy Sweden AB (publ). During the years 2016-2020, Frederic was CEO of Advanced Soltech Sweden AB, now Gigasun AB (publ).

**Education:** University studies in business administration.

**Other current assignments:** Chairman of the board at Ambusol AB (publ), board member of Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd., Longrui Solar Energy (Suqian) Co., Ltd, Suqian Ruiyan New Energy Co., Ltd., and Sactum AB.

**Holding in Company:** 208,483 shares, whereof 16,006 through company. 602,076 warrants of series LTIP 2024/2026 II.

# The Gigasun share and shareholders

The shares are listed for trading on Nasdaq OMX Stockholm, First North Growth Market. The number of shares in issue on 31 December 2024 was 57,197,225. See the share capital development in the table.

## Development of share capital

	Date	Share capital (SEK)	Number of shares (*)
Opening balance	January 2020	500,000	5,000
Share issue	February 2020	3,800,000	38,000
Split 1:10	May 2020	0	387,000
Share issue of preference shares (*)	October-November 2020	15,670	1,567
Split 1:50	May 2021	0	21,146,783
Share issue of preference shares (*)	July/September 2021	7,090	35,450
Share issue in conjunction with IPO (**)	November 2021	3,426,748	17,133,739
Share issue	June 2022	178,570	892,851
Directed share issue	June-August 2023	2,820,752	14,103,762
Share issue (repair issue)	August-October 2023	690,615	3,453,073
<b>Closing balance</b>		<b>11,439,445</b>	<b>57,197,225</b>

(\*) 1 preference share counts as 1 common share

(\*\*) Preference shares convert into common shares

**WARRANT PROGRAM**

On June 12, 2024, the company's general meeting decided on two new stock option programs, according to the table below.

Warrant program	Decided year	Number of warrants	Number of shares	Subscription period	Subscription price, SEK	Target group
LTIP 2024/2026 I	2024	1,354,671	1,354,671	261115-261130	5.60	Employees
LTIP 2024/2026 II	2024	1,655,709	1,655,709	261115-261130	5.60	Board of Directors
		<b>3,010,380</b>	<b>3,010,380</b>			

The company's general meeting also decided on the repurchase of the existing four stock option programs, according to the table below, at a market value of 0 SEK per issued option. The four stock option programs have subsequently been cancelled.

Warrant program	Decided year	Number of warrants	Number of shares	Subscription period	Subscription price, SEK	Target group
LTIP 2021/2024 I EC	2021	542,466	542,466	241115-241216	36.45	Employees Sweden
LTIP 2021/2024 II EC	2021	406,849	406,849	241115-241216	36.45	Board of Directors Sweden
LTIP 2021/2024 I	2021	193,738	193,738	241115-241216	36.45	Employees China
LTIP 2021/2024 II	2021	794,324	794,324	241115-241216	36.45	Board of Directors China
		<b>1,937,377</b>	<b>1,937,377</b>			

As of 31 December 2024, the Company has two outstanding warrant programs (LTIP 2024/2026 I and LTIP 2024/2026 II) directed to the board of directors and senior executives with the purpose of ensuring consistent incentives between shareholders and persons operating in the Company.

In addition to these warrants, as of 31 December 2024, the Company has no other outstanding warrants, convertibles or similar financial instruments that may entitle to subscription of shares or otherwise affect the share capital of the Company. The total number of warrants as of 31 December 2024 amounts to 3,010,380.

The warrant program LTIP 2024/2026 I was directed to the CEO and certain other key employees in the Company and LTIP 2024/2026 II was directed to the board members Frederic Telander, Gang Bao and Ben Wu. The terms and conditions of the warrant program directed to the members of the board of directors correspond to the terms and conditions of the warrants directed to other key employees in the Company.

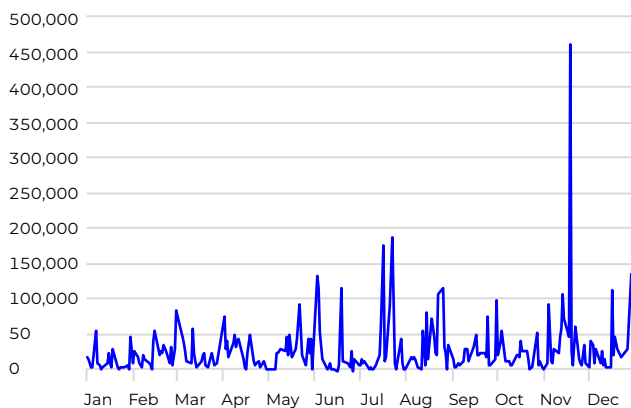
If the warrants are exercised in full, the share capital may increase by a maximum of SEK 602,076.00 through the issuance of a total of 3,010,380 new shares, entailing a dilution of approximately 5.00 percent.

For more information, see Note 3.

### The share, closing price per day (SEK)



### The share, volume per trading day (SEK)



### TRADING ON THE FIRST NORTH GROWTH MARKET

During the period 1 January to 31 December, a total of 7.5 million shares were traded. On average, 29,777 shares were traded per trading day.

The highest price paid during the year was SEK 6.52 (19.25) and the closing price on 31 December 2024 was SEK 2.60 (6.15), indicating a market cap of approximately SEK 149 (352) million.

### OWNERS

The total number of shareholders on 31 December 2024 was slightly less than 16,000. Soltech Energy Sweden AB (publ.) was the largest shareholder with 30.42 percent of the shares. The table below shows the 10 largest shareholders.

Largest shareholders	Number of shares	Capital share	Vote share
SolTech Energy Sweden AB (publ.)	17,401,830	30.42%	30.42%
Advanced Solar Power Hangzhou Inc.	16,743,940	29.27%	29.27%
Isac Brandberg AB	2,016,665	3.53%	3.53%
The World We Want Foundation	1,580,767	2.76%	2.76%
Nordnet Pensionsförsäkring AB	1,196,580	2.09%	2.09%
Avanza Pension	1,082,322	1.89%	1.89%
Cozios Enterprises	428,925	0.75%	0.75%
Investment AB Balticum	255,785	0.45%	0.45%
Futur Pension	253,332	0.44%	0.44%
Jim Ranåsen	234,219	0.41%	0.41%
Other	16,002,860	27.98%	27.98%
<b>Total</b>	<b>57,197,225</b>	<b>100.00%</b>	<b>100.00%</b>

### DIVIDEND

For the foreseeable future, Gigasun will focus on growth and does not intend to pay a dividend in the next few years. The Board will evaluate the dividend issue annually. The Board of Directors proposes that no dividend be paid for 2024.

### LIQUIDITY PROVIDER

The company has engaged Carnegie Investment Bank AB as liquidity provider. The arrangement is in accordance with the framework of Nasdaq Stockholm's rules on liquidity providers.



# Financial reporting

## Contents

- 39. Board of Director's Report
- 41. Multi-year overview

### FINANCIAL STATEMENTS FOR THE GROUP

- 42. Income Statement
- 43. Balance Sheet
- 45. Changes in Equity
- 46. Statement of cash flow

### FINANCIAL STATEMENTS FOR THE PARENT COMPANY

- 47. Income Statement
- 48. Balance Sheet
- 49. Changes in Equity
- 50. Notes to the Financial Statements
- 69. Definitions

# Board of directors' report

The Board of Directors and the CEO of Gigasun AB (publ) ("Gigasun") may hereby submit an annual report and Group accounts for the financial year 2024.

## BOARD OF DIRECTORS' REPORT

### INFORMATION ABOUT THE BUSINESS

Gigasun, through its wholly owned subsidiaries in China, offers Chinese customers electricity from solar energy plants placed on the roofs of customers' properties. Gigasun's offer means that the company invests in, owns and operates the solar energy plant, for the customer who is buying the electricity that the plant produces at a pre-agreed price during a contract period of 20 years. The electricity that the customer does not buy is sold to the electricity grid.

The group consists of the Swedish parent company Gigasun AB (publ) and the wholly owned subsidiaries:

- Advanced SolTech Renewable Energy (Hangzhou) Co., Ltd
- Longrui Solar Energy (Suqian) Co., Ltd
- Suqian Ruiyan New Energy Co., Ltd
- ST-Solar Holding AB

The Chinese subsidiaries are in their turn the parent companies of local Chinese companies, established in different regions of China. ST-Solar Holding manages the Group's employee warrants. The parent company's operations are to finance the Group's solar energy facilities in China.

### EVENTS DURING THE YEAR 2024

- The company has initiated a strategic review with the goal of securing capital for the company's long-term growth objectives and creating shareholder value for existing shareholders.
- The company has entered into an agreement with the Chinese company Agricultural Bank Financial Leasing Co., Ltd to refinance approximately SEK 870 million (CNY 600 million). The capital will primarily be used to repay the sale and leaseback facility with Jiangsu Financial Leasing Co., Ltd.
- The bond SOLT4 was extended in accordance with the company's request, which means that the last day for repayment of the bond is postponed to 8 November 2025. The interest rate has increased by 2 percentage points, to 12.25 percent, as of November 8, 2024. The interest rate will increase by an additional 2 percentage points, to 14.25 percent starting from May 8, 2025.
- The general meeting decided to introduce a new option program for the management team and board members, totaling about 3.0 million options. At the same time, a decision was made to repurchase option programs issued in 2021 concerning approximately 1.9 million options at a market value of 0 SEK per option.
- The company signed 15 (18) contracts amounting to a total installed capacity of 56.6 (48.9) MW.
- In 2024, the company installed a total of 57.5 (30.8) MW of roof-based solar energy facilities and had 340.1 (282.6) MW installed and revenue-generating capacity at the end of the year.

- During the year, 252.6 (227.6) million kWh were produced, an increase with 11 percent, which reduced CO2-related emissions by approximately 124,000 (142,000) tons. Based on the most recent available calculations of emissions in China, the savings between solar power-generated energy and China's average emissions for its electricity production have decreased from 622 grams per kWh to 490 grams per kWh. Historical comparative figures remain unchanged and are calculated based on the previous savings of 622 grams per kWh.
- At the end of 2024, the company had 39 (44) MW in signed orders.
- The number of employees at the end of the year was 22 (19), of which 18 (15) in China.

### REVENUES FOR THE GROUP FOR THE FULL YEAR 2024

- Revenues amounted to SEK 218.3 (219.1) million, an decrease of 0.4 percent compared with the previous year. The decrease is due to lower other income from subsidiaries and resale of electricity. Currency effects impacted revenues by SEK 4.5 (-0.6) million.
- Revenues amounted to SEK 184.8 (178.4) million, an increase of 3.6 percent compared with the previous year. Currency effects impacted revenues by SEK -3.8 (-0.5) million.
- Other operating income amounted to SEK 33.5 (40.7) million. Currency effects impacted revenues by SEK -0.7 (-0.1) million.

## RESULT FOR THE GROUP FOR THE FULL YEAR 2024

- Operating expenses amounted to SEK 157.6 (146.9) million, an increase of 7.3 percent. Last year's costs include expenses affecting the comparability of SEK 7.2 million related to the extension of the bonds SOLT2 and SOLT5. Excluding this item, operating costs increased by 12.8% compared to the previous year. During the year, one-time maintenance was performed on several projects at a total cost of SEK 12.9 million, which was SEK 9.1 million higher than the previous year. In addition, scheduled depreciation and maintenance costs for solar installations have increased as a result of a higher installed base. Currency effects impacted operating costs by SEK 2.9 (0.3) million.
- Operating profit amounted to SEK 60.7 (72.2) million, a decrease of 15.9 percent compared with the previous year.
- Interest expenses and similar profit/loss items amounted to SEK 88.7 (120.9) million. The major differences from the previous year are that the bond loans SOLT2, SOLT3, and SOLT5 were repaid in 2023 and replaced with local loans in China with better terms, which resulted in significantly lower interest expenses. The refinancing with Agri Bank, which began in the summer of 2024 and is expected to continue throughout 2025, also reduces interest costs.
- The exchange rate difference amounted to SEK 1.8 (-29.4) million. After the Swedish bonds were paid off in 2023 and replaced with loan financing in China, the currency exchange differences have decreased.
- Profit after tax amounted to SEK -32.9 (-76.3) million. The result was affected by a non-cash impacting tax expense of SEK -7.0 (1.7) million in connection with the restructuring of loans in China.

## CASH FLOW FOR THE GROUP FOR THE FULL YEAR 2024

- The Group's total cash flow amounted to SEK 68.3 (-41.2) million.
- Current operations generated a cash flow of SEK 133.8 (29.4) million, where the largest change consists of an lower interest payments and increased cash flow from working capital.
- Investment activities generated a cash flow of SEK -289.6

- (-257.5) million, which for the most part consists of investment in ongoing and new solar panels, SEK -301.7 (-248.3) million.
- Financing activities generated a cash flow of SEK 224.1 (186.9) million. During the year, the company has taken out new loans in China to finance new projects and initiated refinancing with Agricultural Bank Financial Leasing Co., Ltd.

## FINANCIAL POSITION AND LIQUIDITY FOR THE GROUP AT THE END OF THE FINANCIAL YEAR

- Total assets amounted to SEK 2,528 (2,034) million.
- Tangible fixed assets amounted to SEK 2,123 (1,789) million, which for the most part consists of solar energy facilities.
- Financial fixed assets amounted to SEK 52 (70) million, which mainly consists of VAT receivables, which arose when the company invested in ongoing and new solar energy facilities.
- Cash and bank amounted to SEK 90 (19) million.
- Equity amounted to SEK 577 (570) million.
- Long-term liabilities amounted to SEK 1,034 (800) million, mainly consisting of loans from leasing companies.
- Current liabilities amounted to SEK 889 (643) million, where the largest items consist of the short-term portion of loans from leasing companies in China, the SOLT4 bond in Sweden, accounts payable and accrued costs for solar PV installations.

## EVENTS AFTER THE END OF THE PERIOD

- The company signed 3 contracts amounting to an installed capacity of 14.0 MW.

## THE PARENT COMPANY

- Total revenue amounted to SEK 7.3 (4.0) million, mainly invoiced service to the Chinese subsidiaries.
- Operating expenses amounted to SEK 14.8 (27.0) million. The reduced costs are primarily explained by expenses affecting the comparability of SEK 7.2 million last year associated with the extension of the bonds SOLT2 and SOLT5, and no bonus payout for 2024.
- Operating profit amounted to -7.5 (-23.0) MSEK.
- Interest income and similar income items amounted to

SEK 0.2 (39.0) million and are now limited because of all the group-wide loans concerning ASRE and SQ being repaid in 2023. As a result of these transactions, interest income has ceased as of August 2023.

- Interest expenses and similar income items amounted to SEK 8.7 (65.8) million. The bonds SOLT2, SOLT3 and SOLT5 were repaid in 2023. It is mainly the interest expense for SOLT4 that remains.
- Exchange rate difference amounted to SEK 0.4 (20.2) million. In connection with the refinancing of the bond loans 2023, as the intercompany loans between Gigasun and ASRE and SQ have also been repaid, the currency exposure has been significantly reduced, and as a result the exchange rate difference has been reduced to a minimum as of August, 2023.
- Profit after tax amounted to SEK -15.5 (-29.7) million.

## OWNER INFORMATION

The company's largest owners as of December 31st are:

	Number of shares	Capital share	Vote share
SolTech Energy Sweden AB (publ.)	17,401,830	30.42%	30.42%
Advanced Solar Power Hangzhou Inc.	16,743,940	29.27%	29.27%

## PROPOSAL FOR PROFIT DISTRIBUTION

Available unrestricted equity in the Parent Company at the Annual General Meeting:

Retained earnings	-96,928,320
Share premium fund	749,866,785
Profit for the year	-15,547,578
<b>Total (SEK)</b>	<b>637,390,887</b>

The Board of Directors proposes that the accumulated profit be treated as follows:

Transferred to a new account: SEK 637,390,887.

# Multi-year overview

## Group

(SEK 000')	240101-241231	230101-231231	220101-221231	210101-211231	200101-201231
Total revenue	218,264	219,064	203,849	153,526	138,794
Net revenue share of total revenue	85%	81%	77%	76%	62%
EBITDA	145,760	146,744	149,115	110,759	115,251
EBITDA%	67%	67%	73%	72%	83%
EBIT	60,677	72,178	79,428	60,674	76,179
EBIT%	28%	33%	39%	40%	55%
Amortization of capitalised borrowing costs	1,882	8,989	27,793	26,800	22,945
Interest expenses	84,165	102,286	94,308	87,085	85,656
Average number of employees	21	18	16	14	14
(SEK 000')	2024-12-31	2023-12-31	2023-12-31	2021-12-31	2020-12-31
Interest-bearing debt	1,483,061	1,136,669	1,127,561	1,031,130	977,322
Equity ratio	23%	28%	26%	28%	16%

## Parent Company

(SEK 000')	240101-241231	230101-231231	220101-221231	210101-211231	200101-201231
EBIT	-7,496	-23,046	-13,488	-11,658	-8,465
Average number of employees	4	4	4	4	2
(SEK 000')	2024-12-31	2023-12-31	2022-12-31	2021-12-31	2020-12-31
Total assets	765,053	777,427	1,556,227	1,491,927	1,267,849
Equity ratio	85%	85%	34%	34%	24%



## Group reports

# Income Statement

(SEK 000')	Note	240101-241231	230101-231231
Net revenue		184,795	178,388
Other operating income		33,469	40,676
<b>Total revenue</b>	1, 4	<b>218,264</b>	<b>219,064</b>
<b>Operating expenses</b>			
Other external expenses	5, 21	-56,287	-53,014
Personnel expenses	1, 3	-16,217	-19,306
Depreciation, amortization and write-downs	1, 6	-85,083	-74,567
<b>Total operating expenses</b>		<b>-157,587</b>	<b>-146,887</b>
<b>Operating profit / EBIT</b>		<b>60,677</b>	<b>72,178</b>

(SEK 000')	Note	240101-241231	230101-231231
<b>Result from financial items</b>	1, 7		
Interest income and similar income items		296	128
Interest expenses and similar charges		-88,658	-120,871
Currency gains and losses		1,758	-29,351
<b>Profit after financial items</b>		<b>-25,927</b>	<b>-77,916</b>
Tax	1, 8	-7,017	1,653
<b>The result for the period</b>		<b>-32,944</b>	<b>-76,263</b>
Attributable to the parent company's owners		-32,944	-76,136
Minority interest		0	-127
Earnings per share for the period before dilution, SEK	24	-0.58	-1.62
Earnings per share for the period after dilution, SEK	24	-0.58	-1.62
Weighted average number of outstanding ordinary shares	24	57,197,225	46,932,241
Weighted average number of outstanding ordinary shares after dilution	24	59,721,773	48,869,618

## Group reports

# Balance Sheet

(SEK 000')	Note	2024	2023
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>	1, 2, 9		
Total intangible fixed assets		39,868	39,958
<b>Total intangible fixed assets</b>		<b>39,868</b>	<b>39,958</b>
<b>Tangible fixed assets</b>	1, 2, 10, 20		
Solar PV installations		2,028,264	1,650,984
Solar PV installations under construction		91,994	136,135
Other tangible assets		2,983	2,120
<b>Total tangible fixed assets</b>		<b>2,123,241</b>	<b>1,789,238</b>
<b>Financial assets</b>			
Other long-term receivables	2, 11	36,186	52,633
Deferred tax assets	1, 2, 22	15,510	16,895
<b>Total financial fixed assets</b>		<b>51,696</b>	<b>69,528</b>
<b>Total fixed assets</b>		<b>2,214,804</b>	<b>1,898,725</b>

(SEK 000')	Note	2024	2023
<b>Current assets</b>			
<b>Short-term receivables</b>			
Accounts receivable	2	44,574	40,971
Inventory		22,733	0
Other receivables		70,870	14,993
Prepaid expenses and accrued income	12	85,222	59,697
<b>Total current receivables</b>		<b>223,399</b>	<b>115,660</b>
<b>Cash and bank balances</b>			
Cash and bank balances	13	89,889	19,143
<b>Total cash and bank balances</b>		<b>89,889</b>	<b>19,143</b>
<b>Total current assets</b>		<b>313,288</b>	<b>134,803</b>
<b>TOTAL ASSETS</b>		<b>2,528,093</b>	<b>2,033,528</b>

## Group reports

# Balance Sheet, continued

(SEK 000')	Note	2024	2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	23	11,439	11,439
Additional paid in capital		736,541	736,541
Retained earnings including profit/loss for the period		-170,644	-178,268
<i>Equity related to:</i>			
Owners of the parent company		577,336	569,713
<b>Total equity</b>		<b>577,336</b>	<b>569,713</b>
<b>Provisions</b>			
Deferred tax liability	1, 2, 22	27,306	21,109
<b>Total provisions</b>		<b>27,306</b>	<b>21,109</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	15, 18	1,034,327	800,041
<b>Total non-current liabilities</b>		<b>1,034,327</b>	<b>800,041</b>

(SEK 000')	Note	2024	2023
<b>Current liabilities</b>			
Liabilities to credit institutions	18	219,977	159,039
Bond loan	16, 17	70,370	70,370
Accounts payable		407,841	246,546
Tax liabilities		614	891
Other current liabilities		73,848	103,238
Accrued expenses and prepaid income	14	116,473	62,581
<b>Total current liabilities</b>		<b>889,123</b>	<b>642,665</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,528,093</b>	<b>2,033,528</b>

## Group reports

# Changes in equity

240101-241231

(SEK 000')	Share capital	Other contributed equity	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	11,439	736,541	33,528	-211,796	569,713	0	569,713
Result for the period	0	0	0	-32,944	-32,944	0	-32,944
Translation differences	0	0	40,566	0	40,566	0	40,566
Rights issue	0	0	0	0	0	0	0
Issue cost	0	0	0	0	0	0	0
Transactions with minority interest	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>11,439</b>	<b>736,541</b>	<b>74,094</b>	<b>-244,739</b>	<b>577,336</b>	<b>0</b>	<b>577,336</b>

230101-231231

(SEK 000')	Share capital	Other contributed equity	Translation reserve	Retained earnings including profit for the period	Total	Minority share	Total equity
Opening balance	7,928	569,427	72,330	-135,660	514,025	6,885	520,910
Result for the period	0	0	0	-76,136	-76,136	-127	-76,263
Translation differences	0	0	-38,802	0	-38,802	-398	-39,200
Rights issue	3,511	172,057	0	0	175,568	0	175,568
Issue cost	0	-5,971	0	0	-5,971	0	-5,971
Transactions with minority interest	0	1,028	0	0	1,028	-6,360	-5,332
<b>Closing balance</b>	<b>11,439</b>	<b>736,541</b>	<b>33,528</b>	<b>-211,796</b>	<b>569,713</b>	<b>0</b>	<b>569,713</b>



## Group reports

# Statement of cash flow

(SEK 000')	Note	240101-241231	230101-231231
<b>Cash flow from operating activities</b>			
Operating profit (EBIT)		60,677	72,178
Adjustment for depreciation, amortization and write-downs		85,083	74,567
Adjustment for items not included in the cash flow	19	-25,286	30,113
		<b>120,474</b>	<b>176,857</b>
Interest received		296	128
Interest paid		-93,528	-165,788
Income tax paid		-228	-208
		<b>-93,460</b>	<b>-165,868</b>
Change in accounts receivables		-872	-7,146
Change in inventory		-18,218	0
Change in other short-term receivables		-43,321	-14,138
Change in accounts payables		146,723	34,365
Change in other current liabilities		22,459	5,317
<b>Cash flow from working capital</b>		<b>106,771</b>	<b>18,399</b>
<b>Cash flow from operating activities</b>		<b>133,785</b>	<b>29,388</b>

(SEK 000')	Note	240101-241231	230101-231231
<b>Investing activities</b>			
Investments in tangible fixed assets		-301,699	-248,303
Change in other financial fixed assets		12,073	-9,242
<b>Cash flow from investing activities</b>		<b>-289,625</b>	<b>-257,545</b>
<b>Financing activities</b>			
Shareholders' contributions		0	175,566
Share issue cost		0	-5,971
Net proceeds from new loans		583,471	1,015,398
Repayment of loans		-359,326	-992,333
Transactions with minority interest		0	-5,714
<b>Cash flow from financing activities</b>		<b>224,145</b>	<b>186,945</b>
<b>Cash flow for the period</b>		<b>68,305</b>	<b>-41,211</b>
Translation difference in cash and cash equivalents		2,442	-440
Cash and cash equivalents opening balance		19,142	60,794
Cash and cash equivalents closing balance	13	89,889	19,142

## Parent company's reports

# Income Statement

(SEK 000')	Note	240101-241231	230101-231231
<b>OPERATING INCOME</b>			
Net revenue		7,349	3,966
Other operating income		0	0
<b>Total revenue</b>	1, 4	<b>7,349</b>	<b>3,966</b>
<b>OPERATING EXPENSES</b>			
Other external expenses	5, 21	-3,828	-12,893
Personnel expenses	1, 3	-10,997	-14,103
Depreciation, amortization and write-downs	1, 6	-20	-16
<b>Total operating expenses</b>		<b>-14,845</b>	<b>-27,012</b>
<b>Operating profit / EBIT</b>		<b>-7,496</b>	<b>-23,046</b>
<b>RESULT FROM FINANCIAL ITEMS</b>	1, 7		
Interest income and similar income items		185	38,980
Interest expenses and similar charges		-8,713	-65,828
Currency gains and losses		434	20,173
<b>Profit after financial items</b>		<b>-15,590</b>	<b>-29,721</b>
Group contributions		42	49
<b>Profit before tax</b>		<b>-15,548</b>	<b>-29,672</b>
Tax	1.8	0	0
<b>The result for the period</b>		<b>-15,548</b>	<b>-29,672</b>

## Parent company's reports

# Balance Sheet

(SEK 000')	Note	2024	2023
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Tangible fixed assets</b>	1, 2, 10, 20		
Other tangible assets		37	57
<b>Total tangible fixed assets</b>		<b>37</b>	<b>57</b>
<b>Financial assets</b>			
Shares in group companies	2, 11	715,788	715,788
Receivables from group companies	1, 2, 22	43,667	42,182
<b>Total financial fixed assets</b>		<b>759,455</b>	<b>757,971</b>
<b>Total fixed assets</b>		<b>759,492</b>	<b>758,028</b>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group companies		1,461	4,169
Other receivables		972	761
Prepaid expenses and accrued income		703	496
<b>Total current receivables</b>	12	<b>3,136</b>	<b>5,426</b>
<b>Cash and bank balances</b>			
Cash and bank balances		2,425	13,972
<b>Total cash and bank balances</b>	13	<b>2,425</b>	<b>13,972</b>
<b>Total current assets</b>		<b>5,561</b>	<b>19,399</b>
<b>TOTAL ASSETS</b>		<b>765,053</b>	<b>777,427</b>

(SEK 000')	Note	2024	2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	23	11,439	11,439
<i>Unrestricted equity</i>			
Share premium fund		749,867	749,867
Retained earnings		-96,928	-67,256
Profit (loss) for the year		-15,548	-29,672
<b>TOTAL EQUITY</b>		<b>648,830</b>	<b>664,378</b>
<b>Long-term liabilities</b>			
Other long-term liabilities	15	0	0
<b>Total long-term liabilities</b>		<b>0</b>	<b>0</b>
<b>Current liabilities</b>			
Bond loan	16, 17	70,370	70,370
Accounts payable		540	512
Other current liabilities		37,267	35,234
Accrued expenses and prepaid income	14	8,046	6,933
<b>Total current liabilities</b>		<b>116,223</b>	<b>113,049</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>765,053</b>	<b>777,427</b>



## Parent company's reports

# Changes in equity

### 240101-241231

(SEK 000')	Restricted equity	Unrestricted equity			Total equity
	Share capital	Retained earnings	Share premium fund	Result for the period	
Opening balance	11,439	-67,256	749,867	-29,672	664,378
Disposition of results	0	-29,672	0	29,672	0
Rights issue	0	0	0	0	0
Issue cost	0	0	0	0	0
Result for the period	0	0	0	-15,548	-15,548
<b>Closing balance</b>	<b>11,439</b>	<b>-96,928</b>	<b>749,867</b>	<b>-15,548</b>	<b>648,830</b>

### 230101-231231

(SEK 000')	Restricted equity	Unrestricted equity			Total equity
	Share capital	Retained earnings	Share premium fund	Result for the period	
Opening balance	7,928	-69,339	583,779	2,084	524,452
Disposition of results	0	2,084	0	-2,084	0
Rights issue	3,689	0	171,879	0	175,568
Issue cost	0	0	-5,970	0	-5,970
Result for the period	0	0	0	-29,672	-29,672
<b>Closing balance</b>	<b>11,618</b>	<b>-67,255</b>	<b>749,688</b>	<b>-29,672</b>	<b>664,378</b>

# Notes

## Note 1. Accounting and valuation principles

### GENERAL ACCOUNTING PRINCIPLES

The annual report and group accounting have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general guidelines BFAR 2012:1 Annual Report and Consolidated Financial Statements ("K3"). The Financial Statements are stated in thousands of kronor (kSEK) unless otherwise stated. Rounding errors may occur. The parent company's accounting currency is Swedish kronor, which also constitutes the accounting currency for the group.

Assets are divided into current assets and fixed assets. An asset is considered a current asset if it is expected to be realized within twelve months from the balance sheet date or within the company's business cycle. With business cycle refers to the time from the start of production until the company receives payment for delivered services or goods. The group's business cycle is estimated to be less than one year. If an asset does not meet the requirement for a current asset it is classified as a fixed asset. Offsetting of receivables and liabilities has not been made.

Liabilities are divided into current and non-current liabilities. Liabilities that are due within twelve months from the balance sheet Date, are reported as current liabilities. Everything else constitutes long-term liabilities.

### CONSOLIDATED FINANCIAL STATEMENTS

The Annual report cover the parent company Gigasun AB (publ) and the companies over which the parent company directly or indirectly has a controlling influence. Controlling influence means a right to decide on another company's financial and operational strategies in order to obtain economic benefits. In assessing whether a controlling influence exists, consideration shall be given to holdings of

financial instruments with potential voting rights and which can be, without delay, utilised or converted into financial instruments with voting rights. Consideration shall also be taken of whether the company through an agent has the possibility to control the business.

Controlling influence normally exists when the parent company directly or indirectly holds shares that represent more than 50 percent of the votes. A subsidiary's income and expenses are included in the consolidated financial statements from the time of the acquisition of the controlling influence until the time when the parent company no longer has a controlling influence over the subsidiary.

All intra-group transactions, balances and unrealised gains and losses attributable to intra-group transactions have been eliminated in the preparation of the Annual report. The Group's earnings and components in equity are attributable to the parent company's owners and minority interests. Minority interests are reported separately in equity in the consolidated balance sheet and in direct connection with the item "Profit for the year" in the consolidated income statement.

If consolidated equity regarding the subsidiary is negative, the minority interest in the subsidiary is reported as a claim on the minority, a negative item within equity, only if the minority has a binding obligation to cover the capital deficit and is able to fulfill the obligation.

### BUSINESS ACQUISITIONS

Business acquisitions are reported in accordance with acquisition accounting. The purchase price for the business is measured at fair value at the time of acquisition, which is calculated as the total of the fair values at the time of acquisition for paid assets, incurred or assumed liabilities and issued equity instruments and expenses that are directly attributable to the business acquisition. An example of expenses is transaction costs. The purchase price includes a contingent purchase price, provided that at the time of the acquisition, it is probable that the purchase price will be adjusted at a later date and that the amount can be estimated in a reliable manner. The acquisition value of the acquired unit is adjusted on the balance sheet date and when the final purchase price is

determined, however not later than one year after the acquisition date.

The combined financial statements have been prepared in accordance with acquisition accounting. The time of acquisition is the time when the controlling influence is obtained. Identifiable assets and liabilities are initially valued at fair values at the time of acquisition. Goodwill consists of the difference between the acquired identifiable net assets at the time of acquisition and the acquisition value, including the value of the minority interest, and is initially valued at acquisition value. When acquiring less than all shares in the acquired entity, the value of the minority's share is added to the acquisition value. At the time of acquisition, goodwill is reported at acquisition value and after the first accounting after the acquisition, it is valued as acquisition value after deductions for depreciation and any write-downs.

Other intangible assets refer to acquired customer contact. These intangible assets are amortized in accordance with the remaining maturity of the underlying contract.

### FOREIGN CURRENCY

Receivables and liabilities in foreign currency are translated into Swedish kronor at the exchange rate on the balance sheet date. Income and expenses in a foreign operation are translated into Swedish kronor at an average exchange rate that approximates the exchange rates at the time of the respective transaction. Exchange rate differences that arise from currency translation of foreign operations are reported as equity. Gains and losses on receivables and liabilities of an operating nature are reported net among other operating income or other operating expenses. Gains and losses on receivables and liabilities of a financial nature are reported under "Profit from financial investments" as exchange rate differences. Currency hedging has not been applied.

### INCOME

#### Sale of solar energy

Revenues from solar energy are calculated on the basis of produced watts and are reported after deductions for VAT and any discounts.

### Grants and subsidies

ASRE receives various forms of grants from Chinese authorities, so-called subsidies (state, regional and local subsidies), from the production of electricity. Grants are received per watt produced and are reported as income of the period in which the production of electricity takes place. This income is reported as other operating income, which also includes other items, such as the resale of purchased electricity.

### REMUNERATION TO EMPLOYEES

Short-term remuneration in the group consists of salary, social security contributions, paid vacation, paid sick leave, medical care and, where applicable, bonuses. Short-term remuneration is reported as an expense and a liability when there is a legal or informal obligation to pay such remuneration.

In Gigasun, there are individual, defined contribution pension payments. In defined contribution plans, the company pays fixed fees to another company and has no legal or informal obligation to pay anything additional after termination of employment. The group's earnings are charged for costs as the employees' pensionable services are performed. There is no pension plan in the Chinese operation.

### INCOME TAX

#### Current tax

Current tax is calculated on the taxable income for the period. Taxable income differs from what is reported as result in the income statement as it has been adjusted for non-taxable income and non-deductible expenses and for income and expenses that are taxable or deductible in other periods. The Group's current tax liability is calculated according to the tax rates that apply as of the balance sheet date. The state income tax for Swedish legal persons who are their own tax subjects regarding income tax is 20.6 percent of the taxable profit before tax. For legal entities in China, the corresponding tax rate is 25.0 percent, however, with the following reductions of the tax rate:

- 100 percent reduction during the company's first three financial years,
- 50 percent reduction during the company's next three financial years.

#### Deferred tax

Deferred tax is reported in liabilities in the Financial Statements and the tax value used in calculating taxable income. Deferred tax is reported according to the so-called balance sheet method. Deferred tax liabilities are reported for essentially all taxable temporary differences, and deferred tax liabilities are reported in principle for all deductible temporary differences to the extent that it is probable that the amounts can be utilized against future taxable surpluses.

#### INTANGIBLE FIXED ASSETS

Intangible fixed assets are reported at acquisition value less accumulated depreciation and any amortization. Amortization is made on a straight-line basis over the estimated useful life. Other intangible assets refer to acquired customer contracts. These intangible assets are amortized in accordance with the remaining maturity of the underlying contract. Amortization of intangible assets are reported in the consolidated income statement within the item "Depreciation and amortization".

The following amortization period is applied:

- Customer contracts 20 years

#### TANGIBLE FIXED ASSETS

Tangible fixed assets are reported at acquisition value reduced with accumulated depreciation and write-downs. The acquisition value consists of the purchase price, expenses that are directly attributable to the acquisition to bring it into place and in condition to be used, as well as estimated expenses for dismantling and removal of the asset and restoration of the place where it is located. Additional expenses are only included in the asset or are reported as a separate asset, when it is probable that future economic benefits associated with the item will accrue to the Group and that the acquisition

value for it can be measured reliably. All other costs for repairs and maintenance as well as additional expenses are reported in the income statement in the period in which they arise.

The following depreciation periods are applied:

- Motor vehicles 4–5 years
- Solar PV installations 20–25 years
- Other fixed assets 3–5 years

Regarding the group's loan financing with leasing companies, the group has sold tangible fixed assets to the leasing company. The group continues to be responsible for, among other things, operations, insurance and invoicing. In addition, there is a repurchase clause at a symbolic value after the end of the loan agreement. The group has therefore not seen the legal sale of the solar cell installations as an accounting sale. In terms of accounting, these solar PV installations are still reported as tangible fixed assets, with depreciation according to plan. Regarding the loan from leasing companies, see "loan liabilities and accounts payables".

#### FINANCIAL FIXED ASSETS

Financial fixed assets consist of shares in subsidiaries, VAT receivables in the Chinese operation and deferred tax assets.

- Shares in subsidiaries are reported at acquisition value after deductions for any amortization. The acquisition value includes the purchase price paid for the shares as well as acquisition costs and estimated, not determined additional purchase price.
- The Chinese companies have a VAT receivable, which has mostly arisen when investment in solar panels has been made during the installation of each customer project. This VAT receivable is settled on an ongoing basis as the Company offsets the VAT receivable against outgoing VAT incurred when invoicing electricity to the customer.
- Deferred tax assets are calculated annually and consist for the most part of loss carried forward in the Chinese operation.

## FINANCIAL INSTRUMENTS

Financial instruments are reported in accordance with the rules in K3, Chapter 11, which means that valuation takes place in accordance with the acquisition value. Financial instruments reported in the balance sheet include securities, accounts receivable and other receivables, accounts payable and liabilities. The instruments are reported in the balance sheet when Gigasun becomes a party to the instrument's contractual terms.

Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or transferred and the group has transferred virtually all risks and benefits associated with ownership. Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise ceased. Costs for raising bond debt is accrued over the term of the loan.

## ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

Receivables are reported as current assets with exceptions for items maturing more than 12 months after the balance sheet date, which are classified as fixed assets. Receivables are taken up to the amount that is expected to be paid after deduction for individual assessed doubtful receivables.

## INVENTORY

Inventory consists of solar panels that the company uses to replace solar panels when damages occur to existing solar PV installations. Inventory is recorded at acquisition cost. When solar panels from the inventory are used, the cost is expensed and the inventory is reduced accordingly.

## LOAN LIABILITIES AND ACCOUNTS PAYABLE

Loan liabilities are initially reported at acquisition value after deductions for transaction costs (accrued acquisition value). Differences the reported amount from the amount to be repaid at the due date, the difference is accrued as interest expense over the term of the loan using the instrument effective interest rate. This is consistent at the due date the reported amount and the amount to be repaid. Costs for raising bond loans are accrued over term of the loan.

Regarding the loan from leasing companies should the part of the loan that must be amortized within 12 months from the report date be classified as short-term, while the remaining amount is classified as long-term. Costs for taking on long-term loan liabilities are accrued over the term of the loan.

Short-term accounts payable are reported at acquisition value.

## LEASING

In the group, there is only operational leasing. Leasing fees in the case of operational leasing agreements, expenses are expensed linearly over the leasing period, unless another systematic way better reflects the user's financial benefit over time.

## CASH FLOW ANALYSIS

The cash flow analysis is prepared according to an indirect method. The reported cash flow only includes transactions such as entailed inflows or outflows. In addition to cash, the company classifies available balances with banks and other credit institutions as cash and cash equivalents.

## PROVISIONS

Provisions are reported when the group has an existing obligation (legal or informal) as a result of an event that has occurred, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. A provision is reviewed each balance sheet date and adjusted to reflect the best estimate of the amount required to settle the existing obligation on the balance sheet date, taking into account the risks and uncertainties associated with the obligation. When a provision is calculated by estimating the payments that are expected to be required to settle the obligation, the carrying amount corresponds to the present value of these payments.

## THE PARENT COMPANY'S ACCOUNTING AND VALUATION PRINCIPLES

The same accounting and valuation principles are applied in the parent company as in the Group, except in the cases listed below.

### Leasing

All leasing agreements where the company is the lessee are reported as operational leasing (lease agreement), regardless of whether the agreements are financial Notes or operational. The leasing fee is reported as an expense linearly over the lease term.

### Year-end appropriations

Changes in untaxed reserves are reported as appropriations in the income statement. Group contributions are reported as appropriations. Group contribution which is submitted to a subsidiary is, however, reported as one increase in the carrying amount of the share.

### Shares in subsidiaries

Shares in subsidiaries are reported at acquisition value after deduction of any write-downs. In the acquisition value includes the purchase price paid for the shares and acquisition costs. Any capital injections and group contributions are added the acquisition value when they are provided. Dividend from subsidiaries reported as income.

### Equity

Equity is divided into restricted and unrestricted capital, in accordance with the Annual Accounts Act division.

### Untaxed reserves

Untaxed reserves are reported with gross amounts in the balance sheet, including the deferred tax liability attributable to reserves.



## Note 2. Estimates and assessments

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under current circumstances. The estimates for accounting purposes that result from these, will by definition rarely correspond to the actual result. The estimates and assumptions that entail a significant risk of significant adjustments in the reported values of assets and liabilities in the coming years are dealt with in outline below.

### INTANGIBLE FIXED ASSETS

The Group reports intangible assets that consist of customer contracts in the Group's operation in China. An examination of whether there is a need for impairment is made when there is an indication. If such an indication exists and the decline is assessed to be permanent, the need for impairment is determined after calculation of the asset's recoverable amount, which consists of the higher of the value in use and fair value. Impairment is made if the recoverable amount is less than the carrying amount. The value in use is calculated as the present value of future payments that the Company is expected to take advantage of by using the asset. No impairment losses have been identified.

### TANGIBLE FIXED ASSETS

Solar power plants are reported at acquisition value reduced with accumulated depreciation and write-downs. The Company's applied depreciation period is based on the Company's assessment of the life of the products, and that the depreciation period correlates with the life of the customer contracts. An examination of whether there is a need for impairment is made when there is an indication. Impairment is reported in cases where the value of the facility exceeds the value of the existing underlying contract. No impairment losses have been identified.

### FINANCIAL FIXED ASSETS

At each balance sheet date, the company assesses whether there is any indication of impairment in any of the group's financial fixed assets. If such an indication exists and the decline is assessed to be permanent, the need for impairment is determined after calculation of the asset's recoverable amount, which consists of the higher of the value in use and fair value. Impairment is made if the recoverable amount is less than the carrying amount. The value in use is calculated as the present value of future payments that the Company is expected to take advantage of by utilizing the asset.

### Shares in subsidiaries

The group makes an annual forecast for future discounted cash flows regarding operations in China, in order to assess any need for impairment. No impairment requirements have been identified.

### VAT Receivable

The Chinese companies have a VAT receivable, which has mostly arisen when investment in solar panels has been made when installing customer projects. In Chinese tax legislation, VAT surpluses from the Company are not paid out, but set-off can be made against outgoing VAT when invoicing electricity to the customer. There is no time limit regarding set-off of VAT. An examination of whether there is a need for impairment is made when there is an indication. No impairment losses have been identified.

### DEFERRED TAX

#### Deferred tax assets

In the Chinese part of the business, there is a reported deferred tax asset regarding deficits and allowance for doubtful accounts receivable. Regarding the loss carried forward, this only applies to the Chinese subsidiaries and is expected to be utilized against accumulated profits over the next five years. Deficit deductions in China are forfeited five years after their occurrence. Regarding allowance for doubtful accounts receivable, the company estimates that these accounts receivable will be settled by customers within the next calendar year.

### Deferred tax liability

In the Chinese part of the business, deferred tax liabilities are reported regarding tax overwriting of tangible fixed assets.

### ACCOUNTS RECEIVABLE

Accounts receivable occurs when selling electricity to Chinese customers. The Group makes an ongoing assessment of accounts receivable, and this have resulted in a provision for bad debts, SEK 3.7 (3.2) million. The Company's assessment is that the Company's customers are financially healthy, and that payment of outstanding accounts receivable will take place.

### GOING CONCERN ASSUMPTION

A basic accounting principle is the so-called principle of going concern where the parent company and the group's financial statements are prepared based on the assumption of continued operations.

In July 2024, the outstanding bond SOLT4 was extended, at the company's request, which means that the final repayment date of the bond has been moved to November 8, 2025. The debt for SOLT4 amounts to SEK 70.4 million. In addition, the company has financing through bank loans in China totaling SEK 75.4 million, due in 2025.

The group is partly financed by the company's two largest owners, Soltech and ASP and their related companies, through loans, supplier credits, and unbilled products and services provided to the group totaling approximately SEK 545 million, of which Soltech approximately SEK 35 million and ASP approximately SEK 510 million.

Based on the financing work that has been carried out, management and the Board of Directors judge that new financing can be secured in 2025, for the implementation of the company's business plan for the coming years. Important parameters in this assessment have been assessed to be financing needs based on cash flow forecasts, ongoing work with new financiers and the company's current and expected earnings trend during the year. If the company is not successful with new financing, the company believes that there is significant uncertainty regarding going concern in the current business plan.

## Note 3. Employees

### REMUNERATION TO EXECUTIVE MANAGEMENT

Proposals for remuneration to the CEO and senior executives are submitted by the remuneration committee to the board, which is the decision-making body regarding remuneration and other terms of employment for the CEO.

The CEO, Max Metelius has received remuneration of TSEK 2,063 (2,051) plus a variable part of TSEK 0 (930). In addition to salary and, where applicable, variable salary, the CEO receives a pension provision of 30% of the fixed gross salary. Max Metelius has a notice period of six months in the event of termination by the employee and twelve months in the event of termination by the company. Max Metelius is not entitled to severance pay.

The CFO, Stefan Salomonsson, received remuneration of TSEK 1,144 (95) plus a variable part of TSEK 0 (0). In addition to salary and, where applicable, variable salary, Stefan Salomonsson receives a pension provision of 20% of the fixed gross salary. The CFO has a notice period of six months in the event of termination by the employee and six months in the event of termination by the company. Stefan Salomonsson is not entitled to severance pay.

Legal Counsel, Cecilia Markborn Xia, has received remuneration of TSEK 829 (817) plus a variable part of TSEK 0 (117). In addition to salary and, where applicable, variable salary, Cecilia Markborn Xia receives a pension provision of 20% of the fixed gross salary. The Legal Counsel has a notice period of three months in the event of termination by the employee and three months in the event of termination by the company. Cecilia Markborn Xia is not entitled to severance pay.

CEO of the Group's Chinese subsidiaries, Gang Bao, has received remuneration of TSEK 966 (957) plus a variable part of TSEK 352 (365). No pension is paid. Gang Bao has a notice period of one month in the event of termination by the employee and six months in the event of termination by the company. Gang Bao is not entitled to severance pay.

### REMUNERATION TO THE BOARD OF DIRECTORS

The board's remuneration is resolved by the annual general meeting. Remuneration to the chairman of the board amounts to TSEK 400 per year and TSEK 200 for each of the other board members. A board member who has been paid by the company due to employment shall not, however, receive board remuneration, either in the parent company or another company within the Group.

Working chairman of the board, Frederic Telander received remuneration of TSEK 2,201 (2,199) plus a variable part of TSEK 0 (990). In addition to salary and, where applicable, variable salary, the chairman receives a pension provision of 30% of the fixed gross salary. Frederic Telander has a notice period of six months in the event of termination by Frederic Telander and twelve months in the event of termination by the company. Frederic Telander is not entitled to severance pay.

### Average number of employees

	Group		Parent company	
	2024	2023	2024	2023
Men	9	8	3	3
Women	12	11	1	1
	21	19	4	4
China	17	15	0	0
Sweden	4	4	4	4
	21	19	4	4

### Salaries, other benefits and social security contribution

	Group		Parent company	
	2024	2023	2024	2023
Salaries and other remuneration	11,068	12,856	6,720	8,597
Social security contribution	5,148	6,253	4,275	5,310
Social security contribution, whereof pensions costs	1,773	2,131	1,773	2,131
	16,216	19,109	10,996	13,906

### Remuneration to executive management – Group

	2024		2023	
	Salaries and other remuneration	Pension costs	Salaries and other remuneration	Pension costs
Frederic Telander, chairman of the board	2,201	658	3,189	693
Whereof variable remuneration	0	0	990	0
Max Metelius, CEO	2,063	658	2,981	651
Whereof variable remuneration	0	0	930	0
Patrick de Myunck, boardmember (*)	200	0	200	0
Vivianne Holm, boardmember (*)	83	0	200	0
Stefan Ölander, boardmember (*)	200	0	200	0
Other executive management	3,291	457	3,149	787
Whereof variable remuneration	352	0	640	0
	8,039	1,773	9,919	2,131

## Remuneration to executive management - Parent company

	2024		2023	
	Salaries and other remuneration	Pension costs	Salaries and other remuneration	Pension costs
Frederic Telander, chairman of the board	2,201	658	3,189	693
Whereof variable remuneration	0	0	990	0
Max Metelius, CEO	2,063	658	2,981	651
Whereof variable remuneration	0	0	930	0
Patrick de Myunck, boardmember (*)	200	0	200	0
Vivianne Holm, boardmember (*)	83	0	200	0
Stefan Ölander, boardmember (*)	200	0	200	0
Other executive management	1,973	457	1,827	787
Whereof variable remuneration	0	0	275	0
	<b>6,720</b>	<b>1,773</b>	<b>8,597</b>	<b>2,131</b>

(\*) No remuneration for Board of Directors has been paid out during 2024.

## WARRANTS PROGRAM

On June 12, 2024, the Annual General Meeting decided on two new warrant programs, LTIP 2024/2026 I and LTIP 2024/2026 II. The first program is aimed at key personnel in the company in Sweden and China, and the second program is aimed at board members.

The Annual General Meeting also decided on the repurchase of four existing warrant programs, at a market value of 0 SEK per issued warrant. The four warrant programs have subsequently been canceled. As of December 31, 2024, the total number of warrants issued in the warrant programs corresponds to 5 percent of the share capital. This creates a potential dilution effect of 5 percent of the share capital after the completion of the issuance. Subscription of shares using the warrants can take place during the period from November 15, 2026, to November 30, 2026.

## Change in the number of outstanding warrants in incentive programs

	2024	2023
Opening balance	1,937,377	1,937,377
Assigned	3,010,380	0
Redeemed	0	0
Forfeited / expired	-1,937,377	0
<b>Closing balance</b>	<b>3,010,380</b>	<b>1,937,377</b>

## Note 4. Revenue distribution by business area and geographic markets

## Net revenue distributed by business area

	Group		Parent company	
	2024	2023	2024	2023
Electricity sales	184,795	178,388	0	0
Service fee	0	0	7,349	3,966
	<b>184,795</b>	<b>178,388</b>	<b>7,349</b>	<b>3,966</b>

## Net revenue distributed by geographic markets

	Group		Parent company	
	2024	2023	2024	2023
China	184,795	178,388	7,349	3,966
Sweden	0	0	0	0
	<b>184,795</b>	<b>178,388</b>	<b>7,349</b>	<b>3,966</b>

## Other operating income

	Group		Parent company	
	2024	2023	2024	2023
Subsidies for green electricity	32,044	36,309	0	0
Investment contribution	176	545	0	0
Insurance compensation	0	50	0	0
Resale of electricity	0	3,772	0	0
Other	1,249	0	0	0
	<b>33,469</b>	<b>40,676</b>	<b>0</b>	<b>0</b>

Other types of income: interest income is reported in accordance with the effective interest rate method.

## Note 5. Remuneration to the auditors

	Group		Parent company	
	2024	2023	2024	2023
<b>E&amp;Y</b>				
Audit assignment	2,495	2,362	631	564
Audit activities in addition to audit assignment	0	0	0	0
Tax advice	11	18	11	18
Other assignments	0	40	0	40
<b>Total E&amp;Y</b>	<b>2,506</b>	<b>2,420</b>	<b>642</b>	<b>622</b>
<b>ZhengRui</b>				
Audit assignment	206	0	0	0
Audit activities in addition to audit assignment	0	0	0	0
Tax advice	0	0	0	0
Other assignments	0	0	0	0
<b>Total ZhengRui</b>	<b>206</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2,712</b>	<b>2,420</b>	<b>642</b>	<b>622</b>

## Note 6. Depreciation, amortization and write-downs

### Depreciation, amortization and write-downs by asset class

	Group		Parent company	
	2024	2023	2024	2023
Other intangible fixed assets	2,662	2,717	0	0
Other tangible fixed assets	1,117	1,025	20	16
Solar PV installations	81,304	70,825	0	0
	<b>85,083</b>	<b>74,567</b>	<b>20</b>	<b>16</b>

## Note 7. Result from financial investments

	Group		Parent company	
	2024	2023	2024	2023
Interest income	296	128	0	0
Currency gains	9,670	77,782	8,347	77,782
<b>Financial income</b>	<b>9,966</b>	<b>77,911</b>	<b>8,347</b>	<b>77,782</b>
Interest expenses	-84,165	-102,286	-8,417	-64,525
Amortize of capitalized borrowing expenses	-1,882	-8,989	0	-1,303
Taxes related to intragroup interest expenses	-2,611	-9,596	0	0
Currency losses	-7,913	-107,133	-7,913	-57,610
<b>Financial expenses</b>	<b>-96,570</b>	<b>-228,004</b>	<b>-16,329</b>	<b>-123,438</b>
<b>Total result from financial investments</b>	<b>-86,604</b>	<b>-150,094</b>	<b>-7,983</b>	<b>-45,656</b>

## Note 8. Tax on profit for the year

	Group		Parent company	
	2024	2023	2024	2023
Current tax	99	-371	0	0
Deferred tax	-7,116	2,024	0	0
<b>Sum tax</b>	<b>-7,017</b>	<b>1,653</b>	<b>0</b>	<b>0</b>
Earnings before tax	-25,927	-77,916	-15,548	-29,672
Tax calculated according to current tax rate	5,341	16,051	3,203	6,112
Tax effect of non-deductible expenses	-1,151	1,072	-1,166	-5,640
Tax effect of non-taxable income	12,682	-873	0	5
Tax attributable to previous years result	0	0	0	0
Tax effect of losses carry forward	0	0	0	0
Non reported deferred tax	-1,896	6,003	-2,037	-478
Effect of foreign tax rates	-14,877	-22,623	0	0
Other	-7,116	2,024	0	0
<b>Reported tax expense</b>	<b>-7,017</b>	<b>1,653</b>	<b>0</b>	<b>0</b>



## Note 9. Intangible fixed assets

### Other intangible assets

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	51,756	54,993	0	0
Conversion difference	3,422	-3,237	0	0
Increase through company acquisition	0	0	0	0
Reclassifications	0	0	0	0
Closing balance accumulated acquisitions	55,178	51,756	0	0
Opening balance accumulated amortization	-11,798	-9,813	0	0
Conversion difference	-850	732	0	0
Amortization for the period	-2,662	-2,717	0	0
Closing balance accumulated amortization	-15,310	-11,798	0	0
<b>Closing balance</b>	<b>39,867</b>	<b>39,958</b>	<b>0</b>	<b>0</b>

The above table derives from customer contracts related to acquired customer contracts.

## Note 10. Tangible fixed assets

### Other intangible assets

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	7,295	7,432	83	58
Conversion difference	525	-450	0	0
Investments for the period	1,825	570	0	25
Sales/disposals	0	-257	0	0
<i>Closing balance accumulated acquisitions</i>	<i>9,645</i>	<i>7,295</i>	<i>83</i>	<i>83</i>
Opening balance accumulated depreciation	-5,176	-4,698	-26	-10
Conversion difference	-369	320	0	0
Amortization for the period	-1,117	-1,025	-20	-16
Sales/disposals	0	227	0	0
<i>Closing balance accumulated depreciation</i>	<i>-6,662</i>	<i>-5,176</i>	<i>-46</i>	<i>-26</i>
<b>Closing balance</b>	<b>2,983</b>	<b>2,119</b>	<b>37</b>	<b>57</b>

### Solar PV installations

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	1,929,185	1,820,293	0	0
Conversion difference	127,544	-107,244	0	0
Investments for the period	-227	1,570	0	0
Write-downs	0	0	0	0
Sales/Disposals	-5,423	0	0	0
Reclassifications	355,924	214,565	0	0
<i>Closing balance accumulated acquisitions</i>	<i>2,407,003</i>	<i>1,929,185</i>	<i>0</i>	<i>0</i>
Opening balance accumulated depreciation	-278,204	-224,615	0	0
Conversion difference	-20,539	17,236	0	0
Amortization for the period	-80,250	-70,825	0	0
Write-downs	-1,053	0	0	0
Sales/Disposals	0	0	0	0
Reclassifications	1,307	0	0	0
<i>Closing balance accumulated depreciation</i>	<i>-378,740</i>	<i>-278,204</i>	<i>0</i>	<i>0</i>
<b>Closing balance</b>	<b>2,028,264</b>	<b>1,650,981</b>	<b>0</b>	<b>0</b>

## Solar PV installations under construction

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	136,803	126,567	0	0
Conversion difference	16,920	-21,361	0	0
Investments for the period	300,101	246,163	0	0
Sales/disposals	0	0	0	0
Reclassifications	-361,162	-214,565	0	0
<i>Closing balance accumulated acquisitions</i>	<i>92,662</i>	<i>136,803</i>	<i>0</i>	<i>0</i>
Opening balance accumulated write-downs	-666	-666	0	0
Conversion difference	0	0	0	0
Write-downs for the period	0	0	0	0
<i>Closing balance accumulated depreciation</i>	<i>-666</i>	<i>-666</i>	<i>0</i>	<i>0</i>
<b>Closing balance</b>	<b>91,996</b>	<b>136,137</b>	<b>0</b>	<b>0</b>

## Total tangible fixed assets

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	2,073,284	1,954,292	83	58
Conversion difference	144,989	-129,055	0	0
Investments for the period	301,699	248,303	0	25
Write-downs	0	0	0	0
Sales/disposals	-5,423	-257	0	0
Reclassifications	-5,238	0	0	0
<i>Closing balance accumulated acquisitions</i>	<i>2,509,310</i>	<i>2,073,284</i>	<i>83</i>	<i>83</i>
Opening balance accumulated depreciation	-283,380	-229,313	-26	-10
Conversion difference	-20,908	17,556	0	0
Depreciation for the period	-81,368	-71,850	-20	-16
Write-downs	-1,053	0	0	0
Sales/disposals	0	227	0	0
Reclassifications	1,307	0	0	0
<i>Closing balance accumulated depreciation</i>	<i>-385,402</i>	<i>-283,380</i>	<i>-46</i>	<i>-26</i>
Opening balance accumulated write-downs	-666	-666	0	0
Conversion difference	0	0	0	0
Write-downs for the period	0	0	0	0
<i>Closing balance accumulated write-downs</i>	<i>-666</i>	<i>-666</i>	<i>0</i>	<i>0</i>
<b>Closing balance</b>	<b>2,123,243</b>	<b>1,789,238</b>	<b>37</b>	<b>57</b>

## Note 11. Financial assets

### Shares in subsidiaries

	Parent company	
	2024	2023
Opening balance accumulated acquisitions	715,788	698,410
Additions	0	17,379
Closing balance accumulated acquisitions	715,788	715,788
<b>Closing balance</b>	<b>715,788</b>	<b>715,788</b>
<b>Loans to group companies</b>		
Opening balance	42,182	805,306
Repayments	0	-801,443
Currency gains and losses	1,485	38,320
Closing balance accumulated acquisitions	43,667	42,182
<b>Closing balance</b>	<b>43,667</b>	<b>42,182</b>

### Other long-term receivables

	Group		Parent company	
VAT receivables	2024	2023	2024	2023
Opening balance accumulated acquisitions	52,633	42,590	0	0
Conversion difference	4,349	4,116	0	0
Additions	112,097	34,268	0	0
Settlements	-107,177	-28,340	0	0
Write-off	0	0	0	0
Reclassifications	-25,716	0	0	0
Closing balance accumulated acquisitions	36,186	52,633	0	0
<b>Closing balance</b>	<b>36,186</b>	<b>52,633</b>	<b>0</b>	<b>0</b>

The line for reclassification derives from the classification short-term and long-term receivables, respectively.

### Deferred tax assets

	Group		Parent company	
	2024	2023	2024	2023
Opening balance accumulated acquisitions	16,895	6,421	0	0
Conversion difference	1,053	-1,030	0	0
Additions	-2,438	12,309	0	0
Settlements	0	-226	0	0
Write-off	0	-580	0	0
Closing balance accumulated acquisitions	15,510	16,895	0	0
<b>Closing balance</b>	<b>15,510</b>	<b>16,895</b>	<b>0</b>	<b>0</b>

## Specification of shares in subsidiaries

Company	Company number	Location	Number of shares	Capital share	Vote share	Net result	Total equity
<b>ST-Solar Holding AB</b>	559228-9432	Stockholm	50,000	100%	100%	0	50
<b>Advanced SolTech Renewable Energy (Hangzhou) Co. Ltd.</b>	91330100MA27W37JXD	Hangzhou	400,000,000	100%	100%	8,623	478,181
Hangzhou Chengrui Power Technology Co., Ltd.	91330110397206436M	HangZhou	125,000,000	100%	100%		
Nanjing Haonan New Energy Engineering Co., Ltd.	91320117MA1NN6TQ9R	NanJing	30,000,000	100%	100%		
Wenzhou Haorui Solar Energy Engineering Co., Ltd.	91330381MA285WTK0A	RuiAn	20,000,000	100%	100%		
Taizhou Changrui New Energy Technology Co., Ltd.	91331001MA2DW43K0A	TaiZhou	10,000,000	100%	100%		
Hangzhou Changxu New Energy Engineering Co., Ltd.	91330183MA2CGUAG5N	HangZhou	10,000,000	100%	100%		
Suzhou Changhe New Energy Co., Ltd.	91341300MA2TD2CW1X	AnHui SuZhou	10,000,000	100%	100%		
Suzhou Changyu New Energy Engineering Co., Ltd.	91320581MA1XKLQT8P	SuZhou	10,000,000	100%	100%		
Jingjiang Haojing New Energy Engineering Co., Ltd.	91321282MA1X8EQ81A	JingJiang	10,000,000	100%	100%		
Suqian Haoyang Solar Energy Engineering Co., Ltd.	91321393MA1TE0Q31R	SuQian	10,000,000	100%	100%		
Ningbo Haowan New Energy Engineering Co., Ltd.	91330201MA2AFUL23A	NingBo	10,000,000	100%	100%		
Nantong Haoru Solar Energy Engineering Co., Ltd.	91320682MA1T9K3R9R	RuBu	10,000,000	100%	100%		
Shaoxing Haosheng New Energy Engineering Co., Ltd.	91330683MA29CAMG24	ShengZhou	10,000,000	100%	100%		
Shanghai Haoqu Solar Engineering Co., Ltd.	91310114MA1GTKM65C	ShangHai	10,000,000	100%	100%		
Ningbo Haoci Solar Energy Engineering Co., Ltd.	91330282MA282LK383	CiXi	10,000,000	100%	100%		
Ningbo Haofeng New Energy Engineering Co., Ltd.	91330283MA282LBX6Q	FengHua	10,000,000	100%	100%		
Huzhou Haohan Solar Energy Engineering Co., Ltd.	91330521MA28CC495J	HuZhou	10,000,000	100%	100%		
Shaoxing Haotian Solar Energy Engineering Co., Ltd.	91330604MA2886KH44	ShaoXing	10,000,000	100%	100%		
Ningbo Haori New Energy Engineering Co., Ltd.	91330212MA281GDMXK	NingBo	10,000,000	100%	100%		
Zhangjiagang Zhihe New Energy Co., Ltd.	91320582MA1UYRH893	ZhangJiaGang	5,000,000	100%	100%		
Nantong Langsheng New Energy Co., Ltd.	91320600MA1NJY1P78	NanTong	5,000,000	100%	100%		
Nanjing Yihui Energy Technology Co., Ltd.	91320117MA1UTL6BXR	NanJing	3,000,000	100%	100%		
Shaoxing Shangyu Hongji New Energy Technology Co., Ltd.	91330604MA288M8H1Q	ShaoXing	1,000,000	100%	100%		
Ningbo Haoyan New Energy Engineering Co., Ltd.	91330226MA2827CW6X	NingHai	1,000,000	100%	100%		
Ningbo Haolong Solar Energy Engineering Co., Ltd.	91330206MA28166D48	MingBo	1,000,000	100%	100%		
Huizhou Zhiyuan New Energy Co., Ltd.	91441322MA513D391X	BoLuo	500,000	100%	100%		
Shanxi Haozhiyan Solar Power Engineering Co., Ltd.	91140522MA0K6WTL1Q	JinCheng	10,000,000	100%	100%		



Company	Company number	Location	Number of shares	Capital share	Vote share	Net result	Total equity
Shanghai Haofu New Energy Technology Co., Ltd.	91310115MA1H9K1X4W	ShangHai	10,000,000	100%	100%		
Shaoxing Changjin Solar Technology Co., Ltd.	91330600MA2889GK1P	ShaoXing	10,000,000	100%	100%		
Shaoxing Dongzhan New Energy Development Co, Ltd.	91330600MA288R6628	ShaoXing	5,000,000	100%	100%		
Shaoxing Shundian New Energy Development Co., Ltd.	913306043440848182	ShaoXing	1,666,667	100%	100%		
Shaoxing Xinkai photovoltaic power Co., Ltd	91330600MA2BDD1E8E	ShaoXing	1,000,000	100%	100%		
Zhejiang Xinrui Power Sales Co., Ltd	91330205MA284DPW6R	NingBo	20,000,000	100%	100%		
Shaoxing Huasheng new energy Co., Ltd	91330683MA2D68410B	ShaoXing	5,000,000	100%	100%		
Huai'an Hongxing New Energy Engineering Co., Ltd	91320829MA1YC6NE2T	HuaiAn	1,000,000	100%	100%		
Huai'an honghang New Energy Engineering Co., Ltd	91320829MA1Y3PKK5D	HuanAi	1,000,000	100%	100%		
Shenzhen Fanzai Longrui Electric Power Co., Ltd	91440300MA5G9MYP09	ShenZhen	1,000,000	70%	70%		
Shaoxing Shangyu Fuhong New Energy Technology Co., Ltd.	91330604MA288MHQ26	ShaoXing	1,000,000	100%	100%		
Fuyang Guoning Photovoltaic Power Generation Co., Ltd	91341204MA2RCDD099	Fuyang	5,000,000	100%	100%		
Fuyang Runquan Electricity Engineering Co., Ltd.	91341200MA2RCB991T	Fuyang	10,000,000	100%	100%		
Zhangzhou Yongxin New Energy Technology Co., Ltd	91350603MA33QFY559	Zhangzhou	5,000,000	100%	100%		
Wuhu Huajin Photovoltaic Power Generation Co., Ltd	91340203MA2UMET19B	Wuhu	5,000,000	100%	100%		
Zhangzhou Huasheng New Energy Technology Co., Ltd	91350603MA2YCGJRG39	Zhangzhou	1,000,000	100%	100%		
Bozhou Huabo New Energy Co., Ltd	91341600MA8LA1DU6Q	Haozhou	5,000,000	100%	100%		
Anhui Sila New Energy Technology Co., Ltd	91341700MA2WLU508K	Wuhu	5,000,000	100%	100%		
Qingyuan Haoyuan Power Technology Co., Ltd	91441827MA573QG79F	Qingyuan	3,000,000	100%	100%		
Yingtian Cairn New Energy Co., Ltd	91360681MA39T63T1A	Yingtian	5,000,000	100%	100%		
Longyan Longsheng New Energy Technology Co., Ltd	91350800MA2YYGCP1D	Longyan	1,000,000	100%	100%		
Hefei Chishi New Energy Co., Ltd	91340123MA8NAP9U8G	Hefei	5,000,000	100%	100%		
Hangzhou Xuxu New Energy Technology Co., Ltd	91330100MA7C2U1J51	Hanzghou	1,000,000	100%	100%		
Huaibei Steno New Energy Co., Ltd	91340621MA8N0J944P	Chuzhou	1,000,000	100%	100%		
Quanjiao Zhuoran New Energy Co., Ltd	91341124MA8NC73U1F	Huaibei	5,000,000	100%	100%		
Wuhu Bofeng New Energy Co., Ltd	91340208MA2WMBXN84	Wuhu	5,000,000	100%	100%		
Wenzhou Haoming Solar Energy Co., Ltd	91330302MABNL2WJ71	Wenzhou	500,000	100%	100%		

Company	Company number	Location	Number of shares	Capital share	Vote share	Net result	Total equity
Xiangyang Youyi Photovoltaic Power Generation Co., Ltd	91420600MA4F0WJT3W	Xiangyang	600,000	100%	100%		
Chuzhou Xinkai Photovoltaic Power Generation Co., Ltd	91341171MA8PN6M9XL	Chuzhou	5,000,000	100%	100%		
Xiangyang Xinkai New Energy Co., Ltd	91420600MADB9C336Q	Xiangyang	2,000,000	100%	100%		
Xiangyang Xinyang New Energy Co., Ltd	91420600MAD33UJE7M	Xiangyang	10,000,000	100%	100%		
Carbon Harmony Ruijialong New Energy (Xiangyang) Co., Ltd	91420625MADPGNAX73	Xiangyang	500,000	100%	100%		
<b>Longrui Solar Energy (Suqian) Co. Ltd</b>	91321300MAIYCBR74G	SuQian	240,000,000	100%	100%	-4,400	114,619
Hebei Haoji New Energy Technology Co., Ltd.	91130104MA0CL09MX5	ShiJiaZhuang	5,000,000	100%	100%		
Shanxian hengneng photovoltaic power generation Co., Ltd	91371722MA3T1NCY1N	HeZe	15,000,000	100%	100%		
Wuhu zhongxinhe New Energy Technology Co., Ltd.	91340222MA2W3HHN9B	WuHu	3,000,000	100%	100%		
Tianchang Mingneng Photovoltaic Technology Co., Ltd.	91341181MA2RUC44XG	TianChang	25,000,000	100%	100%		
Wuhu Longyan New Energy Co., Ltd.	91340208MA2WENFM4G	WuHu	5,000,000	100%	100%		
Wuhu County Kaida Photovoltaic Power Co., Ltd.	91340221MA2UP3686R	WuHu	5,000,000	100%	100%		
NanLing County JinKai Photovoltaic Power Co., Ltd.	91340223MA2UP4HL5M	WuHu	5,000,000	100%	100%		
Jingdezhen Jinfei New Energy Co., Ltd.	91360206MA39BAT02M	Jingdezhen	10,000,000	100%	100%		
Wuhu QingCheng New Energy Co., Ltd.	91340207MA2W79T90K	WuHu	5,000,000	100%	100%		
Wuxi Kaiyang New Energy Co., Ltd.	91320205MA22EBG94K	Wuxi	30,000,000	100%	100%		
Suzhou Aorunqi Energy Engineering Co., Ltd	91320581MA1YMA621W	Suzhou	16,880,000	100%	100%		
<b>Suqian Ruiyan New Energy Co., Ltd.</b>	91321300MA27TQH98N	SuQian	3,000,000	100%	100%	395	33,426
Huoqiu County Yujue New Energy Co., Ltd	91341522MA8PUEQL3N	anhui	2,000,000	100%	100%		
Zhejiang Zhenyang New Energy Development Co., Ltd	91330902MAC964AK8L	zhejiang	10,000,000	100%	100%		

## Note 12. Prepaid expenses and accrued income

	Group		Parent company	
	2024	2023	2024	2023
Accrued revenue	76,878	54,174	0	0
Prepaid rents	3,332	2,123	71	164
Other prepaid expenses	5,011	3,399	632	332
	<b>85,222</b>	<b>59,697</b>	<b>703</b>	<b>496</b>

Of the accrued revenue, SEK 68.6 million is related to subsidies from various districts and provinces.

## Note 13. Cash and bank balance

	Group		Parent company	
	2024	2023	2024	2023
Cash and bank balances	89,209	18,860	2,425	13,972
Bank notes	681	283	0	0
	<b>89,889</b>	<b>19,143</b>	<b>2,425</b>	<b>13,972</b>

## Note 14. Accrued expenses and prepaid income

	Group		Parent company	
	2024	2023	2024	2023
Accrued salaries	3,591	3,223	2,678	2,195
Accrued holiday pay debt	1,102	1,159	1,102	1,159
Accrued social security contributions	2,273	2,183	2,273	2,183
Accrued interest	4,614	5,282	1,703	1,082
Capitalized, uninvoiced expenses	102,223	44,302	0	0
Other accrued expenses	2,671	6,431	290	314
	<b>116,473</b>	<b>62,581</b>	<b>8,046</b>	<b>6,933</b>

## Note 15. Long-term liabilities

	Group		Parent company	
	2024	2023	2024	2023
Leasing	1,034,327	800,041	0	0
Other long-term liabilities	0	0	0	0
<b>Sum long-term liabilities</b>	<b>1,034,327</b>	<b>800,041</b>	<b>0</b>	<b>0</b>
<i>Whereof due later than 1 year and no longer than 5 years</i>	708,639	523,916	0	0
<i>Whereof due later than 5 years</i>	325,688	276,125	0	0

## Note 16. Specification of bond loan

Bond loan	ISIN	Currency	Booked value MSEK	Initial issue date	Redemption day	Interest rate	Interest payment periodicity (months)	Secured
SOLT4 (*)	SE0011721380	SEK	70.4	2018-11-10	2025-11-08	12.25%	6	No
			70.4					

(\*) The interest rate for SOLT4 SEK was originally 8.25%. In connection with the first extension interest rate increased with 2 percent units, from 2023-11-09. In connection with the second extension, the interest rate increased to 12,25% from 2024-11-09. The interest rate will be increased to 14,25% on 2025-05-09.

## Note 17. Pledged assets

The terms of the "Sale and leaseback" have the following pledge.

**Jiangsu Financial Leasing Corp. Ltd., Haitong UniFortune Financial Leasing (Shanghai) Corporation, and Yongying Financial Leasing Co., Ltd.**

The company have pledged the shares of ASRE and SQ as well as their subsidiaries (SPV's) and the corresponding account receivables.

### For own provisions and liabilities

	Group		Parent company	
	2024	2023	2024	2023
Pledged fixed assets	2,006,447	0	0	0
Pledged accounts receivable	46,478	44,636	0	0
Pledged shares in subsidiaries	1,002,141	683,024	0	683,024
	<b>3,055,066</b>	<b>727,660</b>	<b>0</b>	<b>683,024</b>

## Note 18. Liabilities to credit institutions

Bank loans

Bank	Principal SEK	Interest Rate	Repayment Date
China Zheshang Bank	15,067,400	5.70%	2025-04-25
China Merchant Bank	18,080,880	3.50%	2025-02-25
China Merchant Bank	12,053,920	3.85%	2025-02-25
Industrial and Commercial Bank of China	7,533,700	3.50%	2025-09-04
Hangzhou United Bank	15,067,400	4.50%	2025-04-24
Bank of Nanjing	7,533,700	3.50%	2025-10-23
	<b>75,337,000</b>		

These bank loans have previously been extended on an ongoing basis at intervals of six to twelve months, which the company expects to take place in connection with the expiry dates set out below. All loans are unsecured and on short-term basis.



## Sale and leaseback

Leasing company	Principal SEK 000's	Whereof short-term liabilities SEK 000's	Pledged assets, MW	Duration, years	Redemption date	Repurchase option CNY	Interest- rate
Jiangsu Financial Leasing Corp. Ltd.	352,568	54,489	121	7	2030-08-01	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	57,828	8,777	24	9	2032-10-01	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	1,618	189		8	2031-11-01	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	5,734	798	3	7	2030-12-08	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	7,160	977		7	2031-01-30	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	3,065	512	1	6	2030-03-02	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	5,062	814	1	6	2030-05-16	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	3,411	431	1	7	2031-06-05	1,000	6.83%
Jiangsu Financial Leasing Corp. Ltd.	2,700	411	1	6	3030-07-11	1,000	6.83%
Jiangsu Financial Leasing Corp. Ltd.	5,094	452		9	2033-07-25	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	2,911	258		9	2033-07-25	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	7,329	642		9	2033-08-09	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	9,235	809	16	9	2033-08-09	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	10,333	894		9	2033-09-06	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	11,973	1,010		9	2033-11-18	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	5,986	505		9	2033-11-18	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	4,068	707	2	5	2029-12-25	1,000	6.81%
Jiangsu Financial Leasing Corp. Ltd.	42,096	6,506	38	7	2030-08-01	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	58,495	8,878		9	2032-10-01	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	13,416	1,837	4	7	2031-01-25	1,000	6.95%
Jiangsu Financial Leasing Corp. Ltd.	26,295	3,326	11	7	2031-02-12	1,000	6.83%
Jiangsu Financial Leasing Corp. Ltd.	2,855	345		7	2031-09-09	1,000	6.80%
Jiangsu Financial Leasing Corp. Ltd.	7,463	874	5	7	2031-09-09	1,000	6.80%
Jiangsu Financial Leasing Corp. Ltd.	4,520	522		7	2031-12-05	1,000	6.80%
Jiangsu Financial Leasing Corp. Ltd.	7,986	922	6	7	2031-12-25	1,000	6.80%
Jiangsu Financial Leasing Corp. Ltd.	5,274	609	13	7	2031-12-25	1,000	6.80%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	25,351	3,344	6	8	2031-10-01	100	6.00%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	23,914	3,200	6	8	2031-09-01	100	6.00%

Leasing company	Principal SEK 000's	Whereof short-term liabilities SEK 000's	Pledged assets, MW	Duration, years	Redemption date	Repurchase option CNY	Interest- rate
Haitong UniFortune Financial Leasing (Shanghai) Corporation	2,516	278	1	8	2032-03-19	100	6.00%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	87,896	11,651	17	8	2031-11-01	100	6.00%
Yongying Financial Leasing Co., Ltd	6,857	779	2	8	2032-01-01	100	6.75%
Yongying Financial Leasing Co., Ltd	29,080	1,651	7	8	2032-12-01	100	6.50%
Yongying Financial Leasing Co., Ltd	32,344	3,787	8	8	2031-11-01	100	6.75%
Yongying Financial Leasing Co., Ltd	19,046	2,197	4	8	2031-12-20	100	6.75%
Agricultural Bank Financial Leasing Co., Ltd	21,858	2,301	4	10	2034-06-28	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	15,107	1,590	3	10	2034-06-28	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	23,196	2,442	4	10	2034-07-26	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	29,656	3,122	5	10	2034-07-26	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	39,345	4,142	8	10	2034-08-09	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	24,958	2,627	5	10	2034-09-06	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	41,107	4,327	9	10	2034-09-27	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	30,830	3,245	6	10	2034-10-25	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	34,794	3,663	10	10	2034-11-18	100	4.05%
Agricultural Bank Financial Leasing Co., Ltd	36,703	3,863	7	10	2034-06-19	100	4.05%
	<b>1,189,031</b>	<b>154,704</b>	<b>360</b>				

In June 2024, the company entered into an agreement for a refinancing of approximately SEK 870 million (CNY 600 million). The capital will primarily be used to repay the sale and lease-back facility with JiangSu Financial Leasing Co., Ltd. The new refinancing structure includes the sale of a portfolio of solar installations with a capacity of 250 MW. Payments will be made in equal amounts consisting of principal and interest over ten years, with a variable annual interest rate of 4.05%. At the end of the 10-year period, Gigasun has a right to repurchase the sold solar installations at a price of CNY 100 (approximately SEK 150). The agreed refinancing has commenced and is expected to continue throughout 2025.

## Note 19. Adjustment items cash flow

	Group		Parent company	
	2024	2023	2024	2023
Unrealized exchange rate differences	-25,286	30,113	0	0
	<b>-25,286</b>	<b>30,113</b>	<b>0</b>	<b>0</b>

## Note 20. Related party transactions

The Group has loan liabilities to its main owner Soltech Energy Sweden AB (publ), for SEK 29,291 thousand, and Advanced Solar Power (Hangzhou) Inc. ("ASP"), for SEK 28,118 thousand. In 2024, the interest rates for the loans were three percent respectively zero percent. Accrued interest expense, per December 31, 2024 amounted to SEK 5,492 thousand respectively SEK 1,638 thousand. The capital debt and accrued interest are in EUR respectively CNY and are as of the closing currency rate on December 31, 2024. During the year, the company incurred interest expenses based on overdue accounts payable to Advanced Solar Power, with an interest rate of approximately 3 percent, amounted to SEK 2,323 thousand. The transactions have taken place on a market basis. The following related party transactions took place during the financial year.

The nature of the transaction	Counterpart	Group		Parent company	
		2024	2023	2024	2023
Purchase of solar panels	Advanced Solar Power (Hangzhou) Inc.	131,369	268,722	0	0
Purchase of service	Advanced Solar Power (Hangzhou) Inc.	20,012	18,508	0	0
Charged interest	Advanced Solar Power (Hangzhou) Inc.	2,323	3,205	0	0
Rental of office	Advanced Solar Power (Hangzhou) Inc.	0	48	0	0
Charged interest	SolTech Energy Sweden AB (publ)	876	878	876	878
		<b>154,580</b>	<b>291,361</b>	<b>876</b>	<b>878</b>

### Accounts payable other short-term liabilities and accrued expenses

As of December 31, 2024, the Group has outstanding accounts payable to ASP, amounting to SEK 374 million, which constitutes a current credit facility equivalent to an "overdraft facility". Of this SEK 374 million, SEK 119 million is due accounts payable, where ASP charges interest.

In addition, the Group has accrued costs for the construction of new projects to ASP, of SEK 107 million. The company also has a loan to ASP of SEK 30 million, including accrued interest, described above. The original amounts are in CNY, are as of the closing currency rate on December 31, 2024.

## Not 21. Leasing agreements

In the consolidated accounts, the operational leasing consists of everything significantly of roof rent for some of the Group's customer agreements. Maturity is designed with the same length as the customer agreement, 20 years.

	Group		Parent company	
	2024	2023	2024	2023
Due for payment within one year	7,848	4,691	970	653
Due for payment later than one year but within 3 years	16,978	9,566	888	1,252
Due for payment later than 3 years	94,202	59,267	0	0
	<b>119,028</b>	<b>73,524</b>	<b>1,858</b>	<b>1,904</b>
Leasing agreements expensed during the period	6,941	4,270	840	889

## Note 22. Deferred tax

Temporary differences exist in cases of assets or liabilities reported and tax values are different. Temporary differences exist regarding the following items have resulted in deferred tax assets or tax liabilities. The company Deferred tax, according to the table below, applies only to the Chinese the business.

### Deferred tax assets

	Group		Parent company	
	2024	2023	2024	2023
Losses carried forward	15,034	16,379	0	0
Provision for bad debt	476	516	0	0
<b>Deferred tax assets, reported in the balance sheet</b>	<b>15,510</b>	<b>16,895</b>	<b>0</b>	<b>0</b>

### Deferred tax liabilities, reported in the balance sheet

	Group		Parent company	
	2024	2023	2024	2023
Depreciation exceeding plan	7,208	3,354	0	0
Intangible fixed assets	4,875	6,189	0	0
Other	15,223	11,566	0	0
<b>Deferred tax liabilities, reported in the balance sheet</b>	<b>27,306</b>	<b>21,109</b>	<b>0</b>	<b>0</b>

## Note 23. The share

At the end of 2024, the total number of shares outstanding was 57,197,225, with a quota value of SEK 0.20. In 2024, there were no share issues. For more information, see section "the share and shareholders".

The number of shares	Group	
	2024	2023
At the beginning of the year	57,197,225	39,640,390
Share issues	0	17,556,835
<b>At the end of the year</b>	<b>57,197,225</b>	<b>57,197,225</b>

## Note 24. Earnings per share

### Earnings per share before dilution

	2024	2023
Profit for the period attributable to the parent company's ordinary shares, SEK 000'	-32,944	-76,136
Weighted number of outstanding ordinary shares	57,197,225	46,932,241
Earnings per share before dilution, SEK	-0.58	-1.62

### Earnings per share after dilution

	2024	2023
Profit for the period attributable to the parent company's ordinary shares, SEK 000'	-32,944	-76,136
Weighted number of outstanding ordinary shares after dilution	60,207,605	48,869,618
Earnings per share after dilution, SEK	-0.58	-1.62

Dilution occurs when earnings per share are negatively affected by outstanding potential ordinary shares. As the Group's result for the year is negative, the estimated dilution effect will be positive for the shareholders. In such a case, the same amount is reported for earnings per share before dilution and after dilution.

### Weighted number of outstanding ordinary shares after dilution

	2024	2023
Weighted number of outstanding ordinary shares before dilution	57,197,225	46,932,241
Effect of outstanding potential shares in the Group's incentive program	3,010,380	1,937,377
<b>Weighted number of outstanding ordinary shares after dilution</b>	<b>60,207,605</b>	<b>48,869,618</b>

## Note 25. Proposal for profit distribution for the parent company

Available at the Annual General Meeting (SEK)

Retained earnings	-96,928,320
Share premium fund	749,866,785
Results for the year	-15,547,578
<b></b>	<b>637,390,887</b>

The Board of Directors proposes that the accumulated profit be treated as follows:

Transferred to a new account SEK 637,390,887



# Definitions

## NET REVENUE

Revenues related to sales of electricity to customers and the electricity grid. Net VAT and any discounts. The measure is used because it shows Gigasun's revenues of electricity sales from own solar energy facilities.

## OTHER OPERATING INCOME

Mainly income related to subsidies. To a lesser extent also other income such as investment grants from Chinese authorities, insurance claims and resale of purchased electricity. The measure is used because it shows Gigasun's revenues from subsidies and income other than direct electricity sales from own solar energy facilities.

## NET REVENUE SHARE OF TOTAL REVENUE, %

Net revenue as a share of total revenue. The measure is used since it helps to assess Gigasun's reliance on electricity sales from own solar energy facilities in relation to other operating income, notably subsidies.

(SEK 000')	2024	2023
Net revenue	184,795	178,388
Total revenue	218,264	219,064
	85%	81%

## GROSS PROFIT

Total revenue less costs directly attributable to the company's solar energy facilities. The direct costs consist of, among other things, maintenance, roof rent and insurance. The measure is used to follow up direct profitability at the project level.

(SEK 000')	2024	2023
Total revenue	218,264	219,064
Direct cost	39,045	32,632
Gross margin	179,219	186,432

## GROSS MARGIN%

Gross margin as a percentage of total revenue. The measure is used to follow up direct profitability in relation to total revenue.

(SEK 000')	2024	2023
Gross margin	179,219	186,432
Total revenue	218,264	219,064
Gross margin%	82%	85%

## EBITDA

Earnings before depreciation and amortization, financial items, and taxes. The measure is used to follow up the business's results generated by the day-to-day business and facilitates comparisons of profitability between different companies and industries.

(SEK 000')	2024	2023
EBIT	60,677	72,178
Depreciation, amortization and write-downs	85,083	74,567
EBITDA	145,760	146,744

## EBITDA%

EBITDA as a percentage of total revenue. The measure is used since it shows operational profitability over time, regardless of financing, depreciation and amortization.

(SEK 000')	2024	2023
EBITDA	145,760	146,744
Total revenue	218,264	219,064
EBITDA%	67%	67%

## OPERATING PROFIT (EBIT)

Earnings before interest and taxes. The measure is used since it provides an overview of the profitability of the operations.

## EBIT MARGIN%

Earnings before interest and taxes as a percentage of total revenue. The measure is used since it shows operational profitability over time.

(SEK 000')	2024	2023
EBIT	60,677	72,178
Total revenue	218,264	219,064
EBIT%	28%	33%

## AMORTIZATION OF CAPITALISED BORROWING COSTS

The item "Interest expenses and similar income items" includes this item as part and shows the cost of amortized borrowing costs attributable to, among other things, bond loans. The measure is used since it shows Gigasun's expenses related to borrowings, excluding interest expenses.

(SEK 000')	2024	2023
Interest expenses and similar charges	88,658	120,871
Interest expenses	84,165	102,286
WHT, VAT & other taxes	2,611	9,596
Amortisation of capitalised borrowing costs	1,882	8,989

**INTEREST EXPENSE**

Interest expense and similar charges less amortization of capitalized borrowing costs, taxes relating to intra-group interest payments and withholding tax on interest payments from China. The measure is used since it enables assessment of whether Gigasun can fulfil the commitments under its debt agreements.

(SEK 000')	2024	2023
Interest expenses and similar charges	88,658	120,871
WHT, VAT & other taxes	2,611	9,596
Capitalised borrowing costs	1,882	8,989
<b>Interest expenses</b>	<b>84,165</b>	<b>102,286</b>

**RESULT PER SHARE**

Profit after tax divided by the weighted average total of shares in the period.

**INTEREST-BEARING DEBT**

The sum of current and non-current portion of bond debt, liabilities to credit institutions, liabilities to Group companies and other non-current interest-bearing debts. The measure is used since it shows Gigasun's gross interest-bearing indebtedness.

(SEK 000')	2024-12-31	2023-12-31
Short-term interest-bearing debt		
- Bank loan in China	75,337	50,879
- Loan Soltech Energy Sweden AB	29,291	28,295
- Loan Private Investors China	0	11,416
- Overdue Accounts Payable Advanced Solar Power (Hangzhou) Inc	119,032	67,838
- JS Leasing	96,495	93,758
- HT Leasing	18,473	8,838
- YY Leasing	8,415	5,233
- Agri Leasing	31,321	0
- Bond loans	70,370	70,370
<b>Sum short-term interest-bearing debt</b>	<b>448,734</b>	<b>336,628</b>
Long-term interest-bearing debt		
- Loan Soltech Energy Sweden AB	0	0
- Loan private investors in China	0	0
- JS Leasing	567,980	657,844
- HT Leasing	121,203	93,994
- YY Leasing	78,912	48,203
- Agri Leasing	266,232	0
<b>Sum long-term interest-bearing debt</b>	<b>1,034,327</b>	<b>800,041</b>
<b>Sum interest-bearing debt</b>	<b>1,483,061</b>	<b>1,136,669</b>

**NET INTEREST-BEARING DEBT**

Interest-bearing debt less cash and bank balances. The measure is used because it enables assessment of whether Gigasun has an appropriate financing structure and can fulfil the commitments according to its debt agreements.

(SEK 000')	2024	2023
Interest-bearing debt	1,483,061	1,136,669
Cash and bank	-89,889	-19,143
	<b>1,393,172</b>	<b>1,117,526</b>

**EQUITY RATIO**

Equity divided by total assets per closing balance for each reporting period. The measure is calculated based upon closing balance for each reporting period. The measure is used since it helps to assess Gigasun's financial stability.

(SEK 000')	2024	2023
Total equity	577,336	569,713
Total assets	2,528,093	2,033,528
	<b>23%</b>	<b>28%</b>

**EQUITY RATIO, ROLLING 12 MONTHS**

Equity divided by total assets per closing balance for each reporting period. The measure is calculated based upon the average of closing balance for the latest four quarters. The measure is used since it helps to assess Gigasun's financial stability.

(SEK 000')	2024-12-31	2023-12-31
Total equity 2023-03-31	0	488,685
Total equity 2023-06-30	0	471,536
Total equity 2023-09-30	0	608,919
Total equity 2023-12-31	0	569,713
Total equity 2024-03-31	580,591	0
Total equity 2024-06-30	580,730	0
Total equity 2024-09-30	576,651	0
Total equity 2024-12-31	577,336	0
Total assets 2023-03-31	0	1,983,224
Total assets 2023-06-30	0	2,005,599
Total assets 2023-09-30	0	2,020,199
Total assets 2023-12-31	0	2,033,528
Total assets 2024-03-31	2,128,319	0
Total assets 2024-06-30	2,159,474	0
Total assets 2024-09-30	2,264,947	0
Total assets 2024-12-31	2,528,093	0
	<b>25%</b>	<b>27%</b>

**INSTALLED CAPACITY, MW**

Maximum amount of electric energy output that all operational solar energy plants in Gigasun's portfolio can produce, expressed in megawatts. The measure is used since it helps to assess Gigasun's earnings capacity.

**ELECTRICITY PRODUCED, MILLIONS OF KWH**

Electric energy generated by all operational solar energy facilities in Gigasun's portfolio and sold to customers over the period, expressed in millions of kilowatt hours. The measure is used because it allows for comparison of sold volumes over time, as Gigasun's customers are invoiced per kWh of electricity used.

**REDUCTION OF CO2-RELATED EMISSIONS, TONNES**

Electricity produced multiplied by saved CO2 emissions per kWh. The measure is used because it shows Gigasun's environmental benefits.

**SIGNED AGREEMENTS, MW**

Planned installed capacity of all signed contracts in Gigasun's project pipeline. The measure is used since it helps to assess Gigasun's future earnings capacity and required investments from its near-term project pipeline.

**AVERAGE REMAINING CONTRACT LENGTH, YEARS**

Average remaining contract length for Rooftop Agreements across all of Gigasun's installed solar energy facilities. The measure is used since it helps assess the remaining contract value in Gigasun's portfolio of solar energy facilities.

