

Gigasun AB (publ) enters into a refinancing agreement of approx. SEK 870 million with an interest rate between 4% and 5%.

Gigasun AB (publ) has entered into a refinancing agreement with the leasing division of a major Chinese bank, totaling approximately SEK 870 million (CNY 600 million) with an interest rate between 4 and 5 percent and a term of ten years. The new financing increases the loan-to-value ratio per installed MW by 11 percent.

The capital will primarily be used to repay the sale and leaseback facility with JiangSu Financial Leasing Co., Ltd. The new refinancing structure involves the sale of a portfolio of solar PV installations with a capacity of 250 MW. Payments will be made in equal installments over ten years, covering both principal and interest, with a variable annual interest rate between 4% and 5%. Gigasun has a right, at the end of the 10-year period, to repurchase the sold solar PV installations at a price of CNY 1,000 (approximately SEK 1,500).

The agreed refinancing has begun and is expected to continue for 6-12 months. The sale and leaseback financing is similar to a traditional bank loan, but instead of providing collateral to the lender, ownership of the solar PV installations is transferred to the lender against a purchase price. The lessee has the right to repurchase the solar PV installations for a symbolic amount once the entire purchase price and associated interest have been paid as lease payments.

CEO Max Metelius comments:

"The new financing in China is very positive news. We receive a significantly lower interest rate and extended term, as well as a higher loan-to-value ratio, which is highly beneficial for both our profitability and cash flow. The new financing creates value and increases Gigasun's attractiveness in the market. This transaction will contribute to a positive outcome of our ongoing strategic review."

For more information, please contact:

Max Metelius, CEO Gigasun AB (publ)
Phone: +46 (0) 72 316 04 44
E-mail: max.metelius@gigasun.se

Stefan Salomonsson, CFO Gigasun AB (publ)
Phone: +46 (0) 70 220 80 00
E-mail: stefan.salomonsson@gigasun.se

Certified Advisor is FNCA Sweden AB

About the operation

Gigasun operates in China through its wholly owned subsidiaries Advanced Soltech Renewable Energy (Hangzhou) Co. Ltd ("**ASRE**") and Longrui Solar Energy (Suqian) Co. Ltd. ("**SQ**"), and Suqian Ruiyan New Energy Co., Ltd. ("**RY**").

The business model consists of financing, installing, owning and managing solar PV installations on customers' roofs in China. The customer does not pay for the solar PV installation, but instead enters an agreement to buy the electricity that the solar PV installation produces under a 20-year agreement. Current income comes from the sale of electricity to customers and governmental subsidies.

The goal is to have an installed capacity of 1,000 megawatts (MW) which is fully connected to the electricity grid by 2026.

This information is information that Gigasun AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-06-19 11:25 CEST.

Attachments

[Gigasun AB \(publ\) enters into a refinancing agreement of approx. SEK 870 million with an interest rate between 4% and 5%.](#)