

Gigasun signs an order in China that generates a total of approx. SEK 40 million during the contract period

Gigasun's subsidiary in China, has signed an order with a company active in the automotive industry. The order is for the installation of a solar energy system of approx. 4.15 megawatts and is estimated to provide annual revenues from electricity sales of approx. 2 MSEK, or approx. SEK 40 million during the 20-year term of the agreement. The investment in the plant, which will be owned by Gigasun's wholly-owned subsidiary in China, amounts to approx. SEK 18.2 million and construction is planned to start in the fourth quarter of 2024. In this case, all electricity produced will be sold directly to the grid, which also reduces counterparty risk. The project is in Hubei province and is profitable without any subsidies. The annual savings of carbon dioxide emissions are estimated at approx. 2000 tons.

Gigasun's CEO Max Metelius comments:

The fact that we have won this project is a good grade for our sales organization and our offering to the market. This shows that in a competitive market, we continue to have access to large projects with low risk and good profitability. This project will also be financed to approximately 80% with loans from our Chinese partner JiangSu Leasing.

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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.

Attachments

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