# Gigasun signs a new 10-year fixed loan facility of 3.2%

**Gigasun AB (publ) announces that the Company's Chinese operations have entered into a small loan facility with a Chinese commercial bank. The facility term is ten years and the interest rate is fixed at 3.2 percent per year. The fixed-rate loan constitutes a new financing structure for the company and confirms continued interest from Chinese banks in Gigasun's portfolio of rooftop solar panel systems.**

The facility is smaller, but its significance lies in its structure and terms. A fixed interest rate of 3.2 percent over ten years provides predictable financing costs over a large part of the facilities' 20-year PPA agreements and matches well with the portfolio's long-term and stable cash flows. The terms show that Gigasun's assets can be financed at attractive levels and open up the possibility to refinance more parts of the portfolio at lower interest rates over time.

CEO Max Metelius comments:
"It is not the size of the loan that matters, but the structure and interest rate level. That a Chinese bank is willing to lend with a ten-year term and a fixed interest rate of 3.2 percent shows that the interest in financing our portfolio remains. It also gives us a clear reference point in the continued work to lower the company's average interest cost."

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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) in the medium term.

## Attachments

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