

Interim report

January–March 2024

WORK ON A NEW CAPITAL STRUCTURE IS UNDERWAY

Installed capacity in line with our target

The company installed 4.5 (0.0) MW of solar power plants, which contributed to a reduction in CO₂ emissions of approximately 2,000 (0) tons on an annual basis and signed new contracts for an additional 4.1 (13.5) MW. Financially, the quarter showed sales of SEK 40.5 (40.7) million and a profit after financial items and tax of SEK -15.9 (-35.3) million, affected by a positive currency effect of SEK 0.8 (-0.9) million.

The quarter, in short

JANUARY 1ST – MARCH 31ST

- The company installed a total of 4.5 (0.0) MW of roof-based solar energy plants and had 286.3 (250.3) MW installed capacity at the end of the quarter.
- 46 (43) million kWh were produced which reduced CO₂-related emissions by approximately 23,000 (27,000) tonnes. Starting from Q1 2024, we are using updated figures to calculate the savings of CO₂-related emissions. 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.
- At the end of the quarter, the company had 43 (58) MW in subscribed orders, as well as projects in the pipeline of 131 (118) MW.
- The company signed 3 (3) contracts amounting to a total installed capacity of 4.1 (13.5) MW.

The quarter, in numbers

JANUARY 1ST – MARCH 31ST

- Revenues (sales of electricity and subsidies) amounted to SEK 40.5 (40.7) million.
- Net sales (sales of electricity to customers and Grid) amounted to SEK 33.8 (33.2) million.
- Other operating income (subsidies and resale of electricity) amounted to SEK 6.7 (7.5) million.
- Operating expenses amounted to 36.3 (37.8) MSEK.
- Operating profit for the quarter amounted to SEK 4.2 (2.9) million.
- Interest expenses and similar income items amounted to SEK 21.0 (37.4) million.
- Profit for the quarter after financial items and tax amounted to SEK -15.9 (-35.3) million and was impacted by a currency effect of SEK 0.8 (-0.9) million. Adjusted for this item, profit for the quarter amounted to SEK -16.7 (-34.4) million. • Total cash flow for the quarter amounted to SEK 4.4 (-8.2) million.

- Earnings per share before dilution amounted to SEK -0.28 (-0.89).
- The number of employees at the end of the period was 19 (18).

Significant events

AFTER THE END OF THE PERIOD

- The company installed 5.3 MW of capacity and total installed capacity is now 291.6 MW.
- The company signed 1 contract amounting to an installed capacity of 0.8 MW.

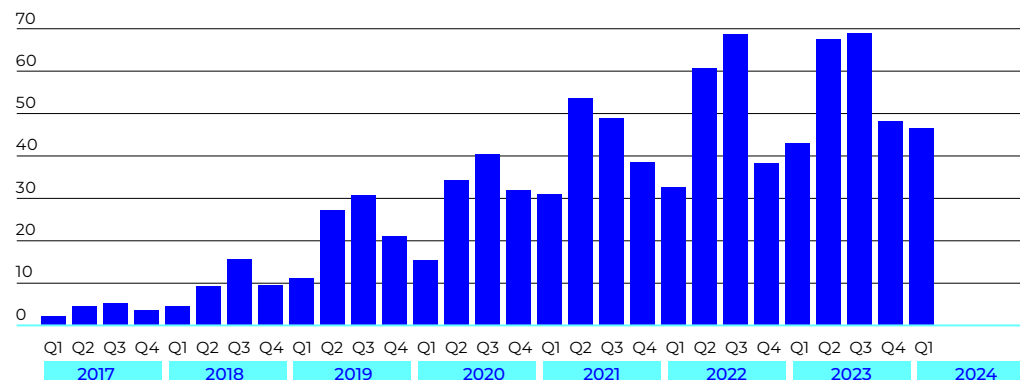
Key performance measures

Financial Key performance measures (*)	240101-240331	230101-230331	230101-231231
Total revenue	40,543	40,704	219,064
Net revenue	33,843	33,161	178,388
Net revenue share of total revenue	83%	81%	81%
EBIT	4,235	2,922	72,178
EBIT%	10%	7%	33%
EBITDA	24,187	21,699	146,744
EBITDA%	60%	53%	67%
Gross profit	32,099	33,310	186,432
Gross margin%	79%	82%	85%
Amortization of capitalised borrowing costs	473	3,880	8,989
Interest expenses	19,939	29,703	102,286
Earnings per share for the period before dilution, SEK	-0.28	-0.89	-1.62
Earnings per share for the period after dilution, SEK	-0.28	-0.89	-1.62
Operational Key performance measures (*)			
Produced electricity, millions of kWh	46	43	228
Reduction of CO2-related emissions, tonnes	23,000	27,000	142,000

(*) Definitions of Key Performance Measures, see note 3

Financial Key performance measures (*)	2024-03-31	2023-03-31	2023-12-31
Interest-bearing debt	1,194,745	1,137,010	1,136,669
Net interest-bearing debt	1,170,806	1,084,054	1,117,526
Equity ratio	27%	25%	28%
Equity ratio, rolling 12 months	26%	30%	26%
Operational Key performance measures			
Installed capacity, MW	286.3	250.3	282.6
Average remaining contract time, years	16.2	16.4	16.3
Signed orders, MW	43	58	44

PRODUCED ELECTRICITY, MILLIONS OF KWH



We are actively working on the strategic overview.

Our installed capacity is now 292 MW. The production from our facilities corresponds to approximately 55 000 households in Sweden.

I am happy to share the latest developments in Gigasun AB (publ) with you. We are now working intensively to create a new, better capital structure for our company.

I am proud to announce that we now have an installed capacity of 292 MW. Production from our facilities corresponds to approximately 55 000 households in Sweden. At the end of the quarter, the installed capacity was 286 MW. Electricity production was 3.8% lower per installed MW, compared to the same quarter in 2023. This is mainly due to poorer solar irradiation, especially in January and February. The first quarter always accounts for a smaller share of production and revenue due to less electricity production in the winter and the Chinese New Year, when many industries are shut down. Lower activity among our customers means that a larger proportion of electricity is sold to the grid at a lower price, compared to when we sell the electricity directly to customers.

Despite the difficulties in the Chinese real estate sector and challenges faced by the indebted local governments, the Chinese economy showed growth of 5.3% in the first quarter, exceeding expectations. To achieve the Chinese government's target of 5% growth in 2024, it is likely that the central bank will continue with interest rate cuts and that there will be several stimulus measures during the year.

Sino-Western relations over the past quarter remain marked by tensions and challenges are expected to remain as both sides continue to seek a balance in their relations. The tense relations continue to make it difficult to find financing for new projects in Scandinavia.

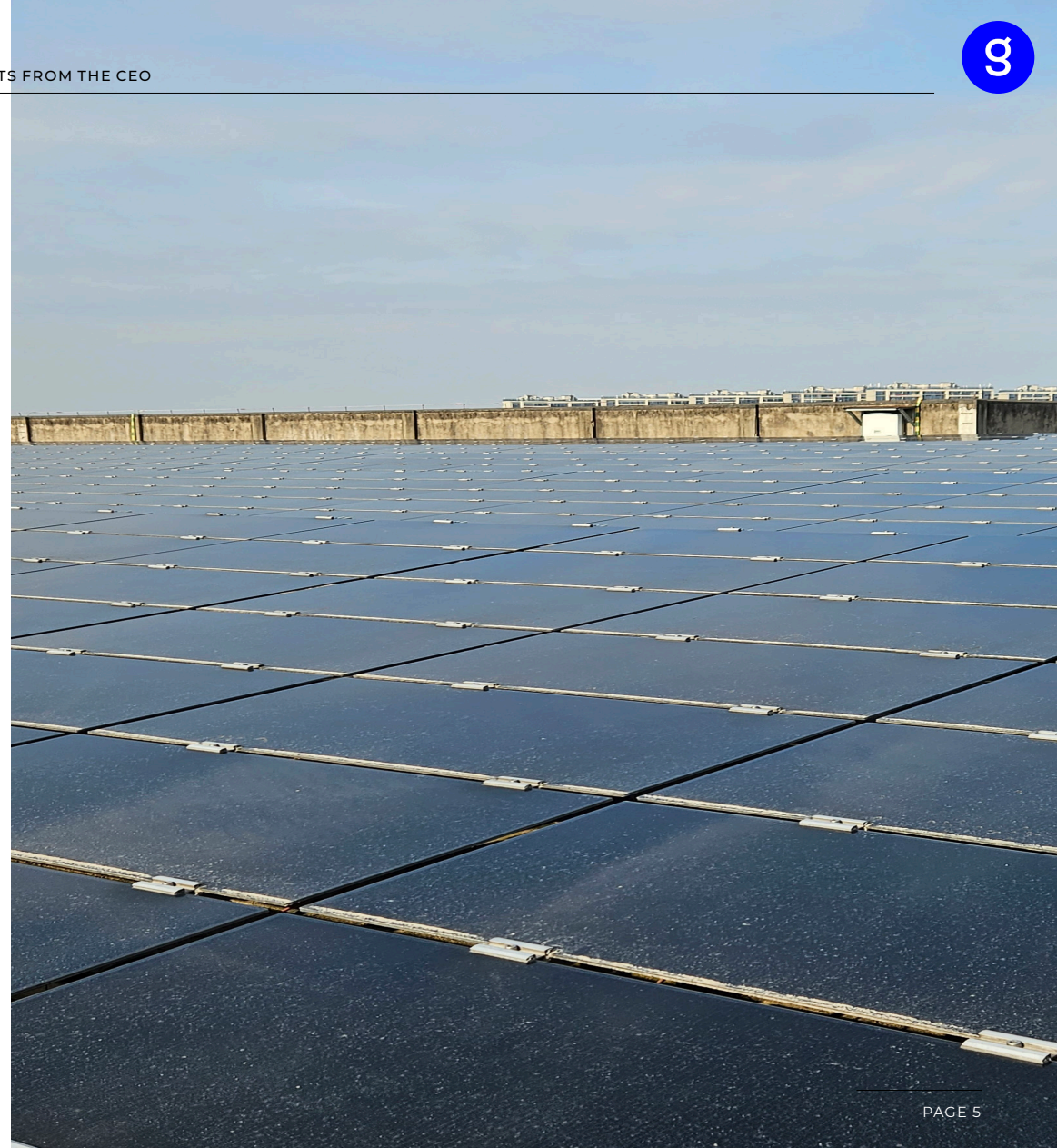


We have made good progress in negotiations with a local bank in China to significantly improve our financial loan terms. Our ambition is to replace our current financing with significantly more favorable terms, both in terms of interest rates, tenure, and loan to value ratio. This will increase our profitability and enable continued growth.

Gigasun is in the final stages of negotiation with a financial adviser for a strategic review. This review aims to evaluate various options available to Gigasun with a goal to support its long-term growth objectives and enhance shareholders' value. Soltech Energy is exploring a potential sale of their ownership in Gigasun in order to focus on its core business in Sweden and Europe. The potential adviser is a leading international banking group.

Our focus is now on finding a good solution for our long-term capital needs. We look forward to continuing to work to deliver climate benefits and shareholder value.

Max Metelius
CEO



Business model, market and customers

Gigasun AB (publ) (“Gigasun”) has a clear cut business model and access to a very large market with many potential customers, both among private companies and state-owned businesses.

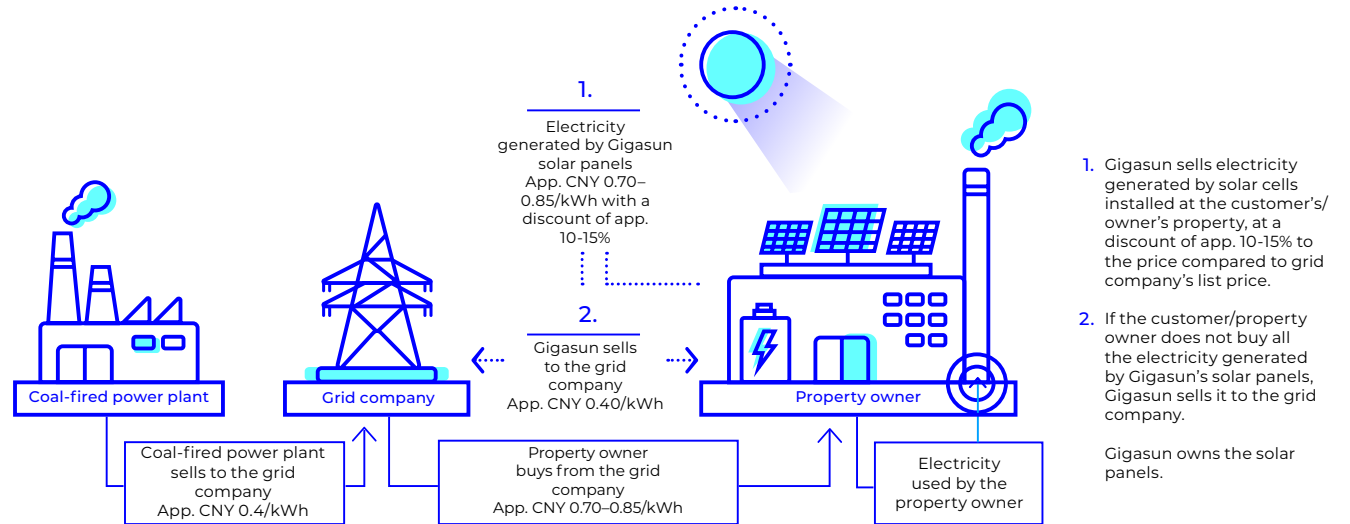
Vision
Gigasun was founded with the goal of accelerating the transition to renewable energy in China by offering electricity generated from solar energy as a service. The vision is to become a driving force in sustainable energy production to secure a better future for the planet and future generations.

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.

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 10–15 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 an 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

Although Gigasun's business model is commercially feasible, subsidies are another source of income. The subsidy amount for a specific project is determined before the construction of the solar energy plant begins, when the local grid operator evaluates the design of the project. The commitment of the authorities to pay subsidies includes both an interest rate, the CNY amount per kWh generated and a duration, the number of years that the state unit undertakes to pay subsidies. 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 the state or regional level.

In April 2021, new rules were introduced which mean that no new facilities receive subsidies. This was an expected

development, as the facilities currently show a good return without subsidies. Already approved subsidies, however, remain in place for the lifetime of the contract.

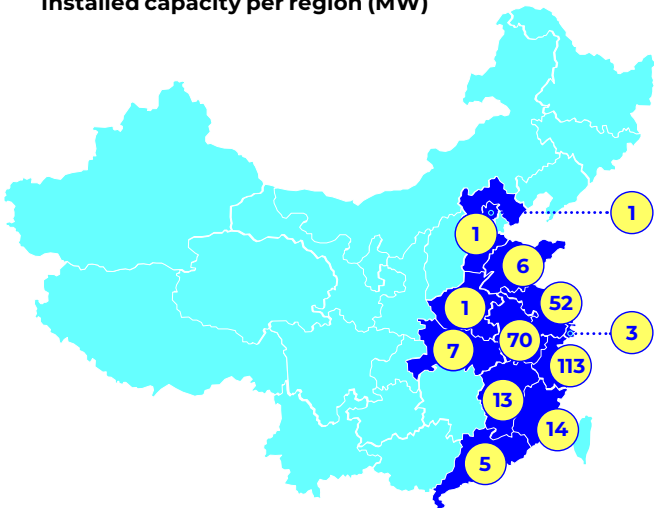
Market

When Gigasun evaluates which regions the company wants to be present in, there are three main factors to take into consideration, solar irradiation, the local electricity price and the accessible customer base. All of these factors are important for Gigasun to achieve long-term profitability in its operations. Gigasun's market consists entirely of China, primarily the country's eastern regions, which are also the most industrialized and economically developed. This region provides an ideal mix of customer base, electricity prices and solar irradiation.

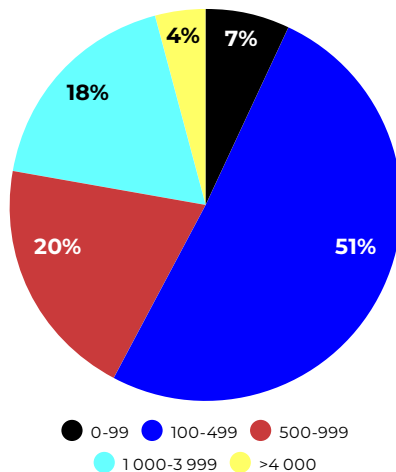
China's political leadership has over time made several decisions aimed at reducing the country's dependence on coal, a resource that today supplies more than 60 percent of the electricity production. The so-called 30-60 target means that carbon dioxide emissions will begin to decrease from 2030 and that the country will be completely climate-neutral by 2060.

An important part of the transition to carbon neutral economy will be based on solar energy, and in June 2021 a directive was issued stating that a large part of the suitable roof surfaces that are available will be covered with solar panels. The directive, issued by the Chinese Energy Agency, sets a goal that at least 50 percent of the available roof area of buildings that house government operations should be covered with solar panels. For public buildings, such as schools and hospitals, the corresponding target is at least 40 percent and for commercial and industrial buildings at least 30 percent. Although Gigasun does not yet know the details of how this will be put into practice, the general perception in the market is that the directive is very positive for the solar energy sector.

Installed capacity per region (MW)



Gigasun's customers – number of employees (FTE)



Gigasun also sees that both foreign and Chinese investors are now beginning to take an interest in the business model with roof-based solar energy that the company offers. Although this will in the long run mean increased competition, Gigasun sees it primarily as a confirmation that the company is working according to the right strategy. Gigasun also has an advantage in the form of an established and functioning organization with great trust among customers, something that takes time to build.

Customers

Gigasun's customers are active in a wide range of areas, from the automotive and textile industries to brewing operations, but also in government operations. In total, just over 80

percent of customers are active in the private sector. What the customers have in common is that they are extensive organizations with a large number of employees. A customer base with mainly large customers, also spread across different industries, gives Gigasun's operations long-term stability. A prerequisite for Gigasun, however, is that customers have access to large free roof areas, as a photovoltaic system on average takes up approximately 15,000 square meters. Those of Gigasun's customers who today have the largest installed capacity are found in machine manufacturing and the basic industry and are in the range of 100 to 500 employees (for more detailed information, see the tables below).

The reason why customers choose Gigasun is that they get access to green electricity in an easy way and at a lower price than the electricity they can buy from the grid. Today, the company has 174 customers, which means that the counterparty risk is very diversified, something that distinguishes Gigasun from similar companies which sell to the public electricity grid and thus has a weaker negotiating position and only one off-taker.

The rapid growth and conversion to alternative energy sources give Gigasun, which has proven experience in identifying suitable solar energy projects, coupled with efficient installation methods, good opportunities for continued profitable development. The risks that exist in the market are mainly associated with the fact that the infrastructure, including electricity production, is strongly regulated and dependent on permits and ultimately political decisions. Another driving force is environmental benefits. Through its operations, Gigasun contributes to a way of reducing climate emissions and major environmental benefits through reducing air pollution.

Financial Information

The Board of Directors and the CEO for Gigasun AB (publ) ("Gigasun") may hereby submit an interim report for the period January - March 2024.

The Group's net sales and results for the quarter

- Revenues (sales of electricity and subsidies) amounted to SEK 40.5 (40.7) million, a decrease of 0.4 percent compared with the previous year. The average installed base has been 12.7 percent higher in 2024 than in 2023, but the solar irradiation has been poorer in 2024 than in 2023. Currency effects impacted revenues by SEK -2.2 (1.4) million.
- Net sales (sales of electricity to customer and Grid) amounted to SEK 33.8 (33.2) million. Currency effects impacted net sales by SEK -1.8 (1.1) million.
- Other operating income (subsidies and resale of electricity) amounted to SEK 6.7 (7.5) million. Currency effects impacted other operating income by SEK -0.4 (0.3) million.
- Operating expenses amounted to 36.3 (37.8) MSEK, a decrease of 3.9 percent compared to the previous year. The major cost items are depreciation according to plan and increased maintenance costs because of a larger installed base. Currency effects impacted operating expenses by 1.7 (-1.0) MSEK.
- Operating profit for the quarter amounted to SEK 4.2 (2.9) million, an increase of 45.0 percent compared with the previous year.
- Interest expenses and similar income items amounted to SEK 21.0 (37.4) million. The main differences compared to the previous year are that the bonds SOLT5, SOLT2 and SOLT3 were repaid in June, July and August 2023, respectively,

which resulted in significantly lower interest expenses. Interest expense from JS Leasing among other leasing companies, with a lower interest rate, has replaced the bond loans. In addition, the expense of amortization of capitalised borrowing costs and Chinese withholding tax, VAT and other taxes have decreased. The main differences compared to the previous year are:

- SOLT5 20.1 MSEK, repaid in June 2023
- Expensing amortization of capitalised borrowing costs of SEK 3.9 million
- Chinese withholding tax, VAT and other taxes SEK 3.2 million, due to repayment of intercompany loans and interest expenses largely discontinued, as a result of the refinancing of the bonds
- SOLT2 3.0 MSEK, repaid in July 2023
- SOLT3 3.2 MSEK, repaid in August 2023
- JS Leasing among other leasing companies SEK -16.2 million, which started in June 2023.
- The exchange rate difference amounted to SEK 0.8 (-0.9).
- Profit after financial items and tax amounted to SEK -15.9 (-35.3) million.

The Group's cashflow for the quarter

- The Group's total cash flow amounted to SEK 4.4 (-8.2) million.
- Current operations generated a cash flow of SEK 12.0 (14.9) million, where the largest change consists of a decrease in paid interest and decrease in accounts payable.
- Investment activities generated a cash flow of SEK -12.3 (-27.7) million, which for the most part consists of investment in new solar energy plants, SEK 11.9 (-30.1) million.
- Financing activities generated a cash flow of SEK 4.7 (4.6) million, due to new loans in China to finance new solar energy plants.

The Group's financial standing and liquidity at the end of the period

- Total assets amounted to SEK 2,128 (1,987) million.
- Tangible fixed assets amounted to SEK 1,856 (1,743) million, which for the most part consists of solar energy plants.
- Financial fixed assets amounted to SEK 76 (60) million, which mainly consists of VAT receivables, which arose when the company invested in ongoing and new solar energy plants.
- Cash and bank amounted to SEK 24 (53) million.
- Equity amounted to SEK 581 (489) million.
- Long-term liabilities amounted to SEK 836 (75) million, mainly consisting of loans from leasing companies.
- Current liabilities amounted to SEK 689 (1,411) million, where the largest items consist of bond loan SOLT4, short-term part of loans from leasing companies, accounts payable and accrued costs for installation projects.

The parent company's numbers for the quarter

- Revenues amounted to SEK 1.2 (1.0) million, mainly invoiced service to the Chinese subsidiaries.
- Operating expenses amounted to SEK 4.4 (7.4) million. The reduced costs are mainly explained by significant expenses incurred in the previous year in connection with the extension of the bonds SOLT2 and SOLT5.
- Operating profit amounted to SEK -3.2 (-6.4) million.
- Interest income and similar income items amounted to SEK 0.1 (20.0) million, which are now extremely limited because of all the group-wide loans regarding ASRE and SQ being repaid in June and July 2023, respectively. Due to these transactions, the interest income has ceased as of August 2023.
- Interest expenses and similar income items amounted to SEK 2.0 (29.3) million. The company's bond loan was repaid in June 2023 for SOLT5, in July 2023 for SOLT2 and in August 2023 for SOLT3. It is only the interest cost for SOLT4 that remains.
- Exchange rate difference amounted to SEK 0.5 (6.4) million.
- Profit after tax amounted to SEK -4.6 (-9.3) million.
- The number of employees at the end of the period was 4 (4).

Bond loans

As of March 31, 2024 Gigasun's remaining, not due, bond loan is SOLT4. Principal is 70.4 MSEK and the interest rate is 10.25%. Accrued interest expense as of March 31, 2024 is 2.9 MSEK. The bond SOLT4 was extended in accordance with the company's request, which means that the last day for repayment of the bond is extended to 8 November 2024. As of November 9, 2023, the interest rate has changed to 10.25%.

Loans from leasing companies in China

The company has entered into financing agreements with several leasing companies through so-called "sale and leaseback" arrangements. Interest rate as of March 31, 2024, consists of a variable interest rate of 4.30 percent (China Loan Prime Rate 5 Year - LPR) plus a margin. It is only when the LPR has changed by at least +/- 0.25 percent that the interest rate of the loan is adjusted. In addition to installed capacity, some of the ongoing projects are used for pledged. The terms of the financing agreements are as follows:

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.	482,616	63,833	159	7	2030-08-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	70,062	9,116	28	9	2032-10-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	8,407	742	2	8	2031-11-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	1,714	175	0	8	2031-11-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	6,164	742	3	7	2030-12-08	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	12,627	1,518	3	7	2030-12-25	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	7,684	908	3	7	2031-01-30	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	3,354	476	1	6	2024-03-02	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	97,937	12,954	36	7	2030-08-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	78,330	10,192	28	9	2032-10-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	964	123	1	8	2031-11-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	1,693	173	0	8	2031-11-01	1 000	6,95%
Jiangsu Financial Leasing Corp. Ltd.	14,401	1,708	4	7	2031-01-25	1 000	6,95%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	27,211	3,190	6	8	2031-10-01	100	6,00%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	26,385	3,736	6	8	2031-09-01	100	6,00%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	2,655	258	1	8	2032-03-19	100	6,00%
Haitong UniFortune Financial Leasing (Shanghai) Corporation	53,094	4,658	18	8	2031-11-01	100	6,00%
Yongying Financial Leasing Co., Ltd	7,250	723	2	8	2032-01-01	100	6,75%
Yongying Financial Leasing Co., Ltd	34,270	3,521	8	8	2031-11-01	100	6,75%
Yongying Financial Leasing Co., Ltd	20,157	2,043	4	8	2031-12-20	100	6,75%
	956,974	120,792	314				

Bank loans in China

ASRE has the following bank loans, as of March 31, 2024, according to the specification below. The capital debt is in CNY, and the amount is as of the closing currency rate on March 31, 2024. These loans have previously been continuously extended in six to twelve-month intervals, which we also expect will happen in connection with the maturity dates specified below. All loans are unsecured and short-term.

Bank	Principal SEK	Interest Rate	Repayment Date
China Zheshang Bank	14,748,400	3.95%	2024-05-09
China Merchant Bank	17,698,080	3.95%	2024-08-27
Industrial and Commercial Bank of China	7,374,200	4.57%	2024-09-10
Bank of China	13,273,560	4.60%	2024-05-05
	53,094,240		

Other loans

ASRE has three outstanding loans to sellers of solar cell installations in China that were acquired in 2018. The three loans amount to SEK 6,752 thousand with an interest rate of ten percent, which is paid out annually. The capital debt is in CNY, and the amount is as of the closing currency rate on March 31, 2024. As of December 31, 2023, the loans have been reclassified from non-current to current debt, as the loans will be repaid in 2024.

Related party transactions

The Group has loan liabilities to its main owner Soltech Energy Sweden AB (publ), for SEK 29,389 thousand, and Advanced Solar Power (Hangzhou) Inc., for SEK 27,523 thousand. In 2024, the interest rates for the loans were three percent respectively zero percent. Accrued interest expense, per March 31, 2024 amounted to SEK 4,849 thousand respectively SEK 1,603 thousand. The capital debt and accrued interest are in EUR respectively CNY and are as of the closing currency rate on March 31, 2024. During the year, the company incurred interest expenses based on overdue accounts payable to Advanced Solar Power, with an interest rate of approx. 3 percent, amounted to SEK 668 thousand. All related party transactions have taken place on a market basis. The following related party transactions took place during the financial year.

Transaction	Counterpart	240101-240331	230101-230331	230101-231231
Purchase of solar panels	Advanced Solar Power (Hangzhou) Inc.	13,134	4,393	268,722
Purchase of service	Advanced Solar Power (Hangzhou) Inc.	4,925	4,706	18,508
Charged interest	Advanced Solar Power (Hangzhou) Inc.	668	652	3,205
Office rental	Advanced Solar Power (Hangzhou) Inc.	0	49	48
Charged interest	Soltech Energy Sweden AB (publ)	217	214	878
		18,944	10,014	291,361

Accounts payable, other short-term liabilities and accrued expenses

As of March 31, 2024, the Group has outstanding accounts payable to Advanced Solar Power (Hangzhou) Inc, amounting to SEK 292 million, which constitutes a current credit facility equivalent to an "overdraft facility". Of this SEK 235 million, SEK 78 million is due accounts payable, where ASP charges interest.

In addition, the Group has other current liabilities and accrued costs for the construction of new projects to Advanced Solar Power, of SEK 36 million and SEK 15 million, respectively. The company also has a loan to ASP of SEK 29 million, including accrued interest, described above. The original amounts are in CNY, are as of the closing currency rate on March 31, 2024.

Other information

The Group

The consolidated accounts cover the Swedish parent company Gigasun AB (publ) ("Gigasun") and the wholly owned subsidiaries:

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

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

Risks

All entrepreneurship and ownership of shares is associated with risk-taking and the operations of Gigasun is no exception. When assessing the company, it is important to consider a number of risk factors, a selection of which is presented below in a summary. See the Annual report 2023 for a more detailed description of the Group's risks.

The share and owners

The shares are listed for trading on Nasdaq OMX Stockholm, First North Growth Market. The number of shares as of March 31, 2024 amounted to 57,197,225. The dilution effect is due to the option programs as described to the right.

Number of shares	240101-240331	230101-230331
Opening balance	57,197,225	39,640,390
Closing balance	57,197,225	39,640,390

Average number of shares	240101-240331	230101-230331
Before dilution	57,197,225	39,640,390
After dilution	59,134,602	41,577,767

The company's major shareholders as of March 31, 2024 are:

	Number of shares	Share capital	Share votes
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%
Avanza Pension	792,562	1.39%	1.39%
Others	18,661,461	32.63%	32.63%
	57,197,225	100.00%	100.00%

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
		1,937,377	1,937,377			

Warrant programs

On October 28, 2021, the Annual General Meeting resolved on four warrant programs, see table below. As of March 31, 2024, the total number of warrants that have been issued in the warrant programs corresponds to 3.28 percent of the share capital. This creates a potential dilution effect of 3.28 percent of the share capital after the completion of the issue. During the period, there have been no changes regarding the warrant programs.

Corporate governance

Gigasun AB (publ) is a Swedish public limited company. The company is formed in Sweden and was registered with Bolagsverket 2016-03-30 and has conducted operations since then. The company follows the rules of the Swedish Companies Act (2005:551) and other applicable laws and regulations in Stockholm, Sweden where the company has its registered office. In addition to this, the company applies Swedish and international accounting legislation that ensures that the financial reporting meets the requirements.

The basis for the company's operations is the Articles of Association. The object of the company's operations is to conduct financing of the Group's solar energy plants, but not

such operations referred to in the Banking and Financing Operations Act and activities compatible therewith.

For more information, see Annual Report 2023, section "Corporate Governance".

Sustainability

Environmental responsibility

Gigasun will offer environmentally friendly products and services that are produced with the least possible resource and energy consumption and with low environmental impact. All solar cells owned by Gigasun are collected for recycling when they are used up. Wise resource management is a key word within the company and great focus is placed on resource use, regardless of whether it concerns energy, premises, waste, travel or transport, and to reduce these based on reasonable efforts. Gigasun works systematically and prevents pollution through a goal-oriented environmental work that is an integral part of the company's culture. Current environmental requirements together with environmental aspects and environmental goals form the basis for our work.

Social responsibility

Gigasun shall safeguard the integrity of the company's stakeholders and partners and handle information so that it is protected and managed in a responsible manner. We have a clear focus on sustainability, and we work to ensure that our partners are also expected to share our values and our code of conduct. It is through the employees' commitment, development and competence that we create a culture where we and our partners thrive. As an employer, we take our responsibility by offering each employee a developing and responsible job.

Other

Diversity enriches and we therefore work actively with diversity and gender equality issues. We support and follow the principles of the UN Global Compact initiative.

Forward-looking statements

All forward-looking statements in this report are based on the company's best judgment at the time of the report. Such statements, like all future assessments, contain risks and uncertainties, which may mean that the actual outcome will be different. In addition to what is required by current legislation, forward-looking statements only apply on the day they are made and the company does not undertake to update these in the light of new information or future events.

Auditor's review

This report has not been subject to review by the company's auditors.

IR-calender

- Interim report Q2 2024, August 26th, 2024
- Interim report Q3 2024, November 14th, 2024

Group Income Statement

(SEK 000')	240101-240331	230101-230331	230101-231231
Net revenue	33,843	33,161	178,388
Other operating income	6,700	7,543	40,676
Total revenue	40,543	40,704	219,064
Operating Expenses			
Other external expenses	-11,672	-14,359	-53,014
Personnel expenses	-4,684	-4,646	-19,306
Depreciation, amortization and write-downs	-19,951	-18,777	-74,567
Total operating expenses	-36,308	-37,782	-146,887
Operating profit / EBIT	4,235	2,922	72,178
Result from financial items			
Interest income and similar income items	87	16	128
Interest expenses and similar charges	-20,998	-37,358	-120,871
Currency gains and losses	767	-857	-29,351
Profit after financial items	-15,909	-35,277	-77,916
Tax	0	0	1,653
The result for the period	-15,909	-35,277	-76,263
Attributable to the parent company's owners	-15,909	-35,194	-76,136
Minority interest	0	-83	-127
Earnings per share for the period before dilution, SEK	-0,28	-0,89	-1,62
Earnings per share for the period after dilution, SEK	-0,28	-0,89	-1,62
Weighted average number of outstanding ordinary shares	57,197,225	39,640,390	46,932,241
Weighted average number of outstanding ordinary shares after dilution	59,134,602	41,577,767	48,869,618

Group Balance Sheet

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
ASSETS			
Fixed assets			
Intangible fixed assets			
Total intangible fixed assets	41,030	44,678	39,958
Total intangible fixed assets	41,030	44,678	39,958
Tangible fixed assets			
Solar PV installations	1,732,538	1,591,429	1,650,984
Solar PV installations under construction	121,079	149,145	136,135
Other tangible assets	2,791	2,565	2,120
Total tangible fixed assets	1,856,408	1,743,139	1,789,238
Financial assets			
Other long-term receivables	58,203	53,105	52,633
Deferred tax assets	17,631	6,447	16,895
Total financial fixed assets	75,833	59,552	69,528
Total fixed assets	1,973,271	1,847,369	1,898,725
Current assets			
Short-term receivables			
Accounts receivable	39,020	37,554	40,971
Inventory	5,311	0	0
Other receivables	13,484	8,262	14,993
Prepaid expenses and accrued income	73,295	41,325	59,697
Total current receivables	131,109	87,141	115,660
Cash and bank balances			
Cash and bank balances	23,939	52,956	19,143
Total cash and bank balances	23,939	52,956	19,143
Total current assets	155,048	140,097	134,803
TOTAL ASSETS	2,128,319	1,987,466	2,033,528

Group Balance Sheet, continued

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital	11,439	7,928	11,439
Additional paid in capital	736,541	569,427	736,541
Retained earnings including profit/loss for the period	-167,390	-88,670	-178,268
<i>Equity related to:</i>			
<i>Owners of the parent company</i>	566,480	514,025	
<i>Minority interest in equity</i>	0	6,885	
Total equity	566,480	520,910	
Provisions			
Deferred tax liability	21,109	12,928	
Total provisions	21,109	12,928	
Non-current liabilities			
Other non-current liabilities	580,591	481,855	566,480
Liabilities to credit institutions	-	6,830	0
Total non-current liabilities	580,591	488,685	569,713
Current liabilities			
Liabilities to credit institutions	169,456	60,308	159,039
Bond loan	70,370	971,222	70,370
Accounts payable	299,391	252,339	246,546
Tax liabilities	934	786	891
Other current liabilities	107,437	9,759	103,238
Accrued expenses and prepaid income	41,929	116,797	62,581
Total current liabilities	689,518	1,411,211	642,665
TOTAL EQUITY AND LIABILITIES	2,128,319	1,987,466	2,033,528

Changes in equity

240101-240331

(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	33,527	-211,795	569,713	0	569,713
Result for the period	0	0	0	-15,909	-15,909	0	-15,909
Translation differences	0	0	26,787	0	26,787	0	26,787
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
Closing balance	11,439	736,541	60,314	-227,703	580,591	0	580,591

230101-230331

(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	3,024	-35,194	-32,170	-83	-32,253
Translation differences	0	0	0	0	0	28	28
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
Closing balance	7,928	569,427	75,354	-170,854	481,855	6,830	488,685

Cash flow analysis

(SEK 000')	240101-240331	230101-230331	230101-231231
Cash flow from operating activities			
Operating profit (EBIT)	4,235	2,922	72,178
Adjustment for depreciation, amortization and write-downs	19,951	18,777	74,567
Adjustment for items not included in the cash flow	-4,115	-8,414	30,113
	20,072	13,285	176,857
Interest received	87	16	128
Interest paid	-19,378	-45,212	-165,788
Income tax paid	3	0	-208
	-19,288	-45,196	-165,868
Change in accounts receivables	3,660	-1,049	-7,146
Change in inventory	-5,204	0	
Change in other short-term receivables	-6,097	11,225	-14,138
Change in accounts payables	44,452	24,166	34,365
Change in other current liabilities	-25,604	12,508	5,317
Cash flow from working capital	11,208	46,850	18,399
Cash flow from operating activities	11,992	14,939	29,388
Investing activities			
Investments in tangible fixed assets	-11,884	-30,150	-248,303
Change in other financial fixed assets	-410	2,468	-9,242
Cash flow from investing activities	-12,294	-27,682	-257,545

Cash flow analysis, continued

(SEK 000')	240101-240331	230101-230331	230101-231231
Financing activities			
Shareholders' contributions	0	0	175,566
Share issue cost	0	0	-5,971
Net proceeds from new loans	35,912	4,571	1,015,398
Repayment of loans	-31,213	0	-992,333
Transactions with minority interest	0	0	-5,714
Cash flow from financing activities	4,699	4,571	186,945
Cash flow for the period	4,397	-8,172	-41,211
Translation difference in cash and cash equivalents	399	334	-440
Cash and cash equivalents opening balance	19,142	60,794	60,794
Cash and cash equivalents closing balance	23,938	52,956	19,142

Parent Company Income Statement

(SEK 000')	240101-240331	230101-230331	230101-231231
Revenues			
Net revenue	1,178	988	3,966
Other operating income	0	0	0
Total revenue	1,178	988	3,966
Operating expenses			
Other external expenses	-932	-4,022	-12,893
Personnel expenses	-3,432	-3,354	-14,103
Depreciation, amortization and write-downs	-5	-3	-16
Total operating expenses	-4,368	-7,379	-27,012
Operating profit / EBIT	-3,190	-6,391	-23,046
Result from financial items			
Interest income and similar income items	71	20,012	38,980
Interest expenses and similar charges	-2,020	-29,329	-65,828
Currency gains and losses	543	6,434	20,173
Profit after financial items	-4,596	-9,274	-29,721
Group contributions	0	0	49
Profit before tax	-4,596	-9,274	-29,672
Tax	0	0	0
The result for the period	-4,596	-9,274	-29,672

Parent Company Balance Sheet

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
ASSETS			
Fixed assets			
Tangible fixed assets			
Other tangible assets	52	45	57
Total tangible fixed assets	52	45	57
Financial assets			
Shares in group companies	715,788	698,410	715,788
Receivables from group companies	43,813	815,994	42,182
Total financial fixed assets	759,602	1,514,404	757,971
Total fixed assets	759,654	1,514,449	758,028
Current assets			
Receivables			
Receivables from group companies	5,481	26,174	4,169
Other receivables	573	614	761
Prepaid expenses and accrued income	758	5,394	496
Total current receivables	6,813	32,182	5,426
Cash and bank balances			
Cash and bank balances	9,731	2,190	13,972
Total cash and bank balances	9,731	2,190	13,972
Total current assets	16,544	34,372	19,399
TOTAL ASSETS	776,197	1,548,821	777,427

Parent Company Balance Sheet, continued

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	11,439	7,928	11,439
<i>Unrestricted equity</i>			
Share premium fund	749,867	583,779	749,867
Retained earnings	-96,928	-67,254	-67,256
Profit (loss) for the year	-4,596	-9,274	-29,672
Total equity	659,781	515,179	664,378
Long-term liabilities			
Other long-term liabilities	0	32,636	0
Total long-term liabilities	0	32,636	0
Current liabilities			
Bond loan	70,370	975,461	70,370
Accounts payable	183	7	512
Liabilities to group companies	25	100	0
Other current liabilities	36,701	203	35,234
Accrued expenses and prepaid income	9,138	25,235	6,933
Total current liabilities	116,416	1,001,006	113,049
TOTAL EQUITY AND LIABILITIES	776,197	1,548,821	777,427

Notes

Note 1. Accounting and valuation principles

General accounting principles

The 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 BFNAR 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.

The same accounting principles and calculation bases as in the most recent annual report has been applied, apart from below.

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".

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.

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 same estimates and assumptions as in the most recent annual report has been applied, apart from going concern assumption.

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.

During June 2023, the company has repaid SOLT5, through partial payment from Jiangsu Financial Leasing Corp. Ltd. During July and August 2023, the company has repaid SOLT2 and SOLT3, respectively, through the remaining proceeds from Jiangsu Financial Leasing Corp. Ltd. and a directed issue of SEK 141 million, before issue costs. During October 2023, the last outstanding bond SOLT4 has been extended, in accordance with the company's request, which means that the last day for repayment of the bond is extended to November 8, 2024.

Based on the financing work that has been carried out, management and the Board of Directors judge that new financing can be secured in 2024, 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. Definition of key performance measures

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 the company'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 the company'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 the company's reliance on electricity sales from own solar energy facilities in relation to other operating income, notably subsidies.

(SEK 000')	240101- 240331	230101- 230331	230101- 231231
Net revenue	33,843	33,161	178,388
Total revenue	40,543	40,704	219,064
	83%	81%	81%

Operating profit (EBIT)

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

EBIT%

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

(SEK 000')	240101- 240331	230101- 230331	230101- 231231
EBIT	4,235	2,922	72,178
Total revenue	40,543	40,704	219,064
EBIT%	10%	7%	33%

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')	240101- 240331	230101- 230331	230101- 231231
EBIT	4,235	2,922	72,178
Depreciation, amortization and write-downs	19,951	18,777	74,567
EBITDA	24,187	21,699	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')	240101- 240331	230101- 230331	230101- 231231
EBITDA	24,187	21,699	146,744
Total revenue	40,543	40,704	219,064
EBITDA%	60%	53%	67%

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')	240101- 240331	230101- 230331	230101- 231231
Total revenue	40,543	40,704	219,064
Direct cost	8,444	7,394	32,632
Gross profit	32,099	33,310	186,432

Gross margin%

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

(SEK 000')	240101- 240331	230101- 230331	230101- 231231
Gross profit	32,099	33,310	186,432
Total revenue	40,543	40,704	219,064
Gross margin%	79%	82%	85%

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 the company can fulfil the commitments under its debt agreements.

(SEK 000')	240101- 240331	230101- 230331	230101- 231231
Interest expenses and similar charges	20,998	37,358	120,871
WHT, VAT & other taxes	586	3,775	9,596
Capitalised borrowing costs	473	3,880	8,989
Interest expenses	19,939	29,703	102,286

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 the company's expenses related to borrowings, excluding interest expenses.

(SEK 000')	240101- 240331	230101- 230331	230101- 231231
Interest expenses and similar charges	20,998	37,358	120,871
Interest expenses	19,939	29,703	102,286
WHT, VAT & other taxes	586	3,775	9,596
Amortisation of capitalised borrowing costs	473	3,880	8,989

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 the company's gross interest-bearing indebtedness.

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
Short-term interest-bearing debt			
- Bank loan in China	53,094	60,308	50,879
- Loan Soltech Energy Sweden AB	29,389	0	28,295
- Loan private investors in China	6,752	0	11,416
- Overdue Accounts Payable Advanced Solar Power (Hangzhou) Inc	78,167	60,308	67,838
- JS Leasing	102,662	0	93,758
- HT Leasing	11,843	0	8,838
- YY Leasing	6,288	0	5,233
- Bond loans	70,370	975,461	70,370
<i>Sum short-term interest-bearing debt</i>	<i>358,563</i>	<i>1,096,077</i>	<i>336,628</i>
Long-term interest-bearing debt			
- Loan Soltech Energy Sweden AB	0	28,754	0
- Loan private investors in China	0	12,179	0
- JS Leasing	683,290	0	657,844
- HT Leasing	104,028	0	93,994
- YY Leasing	48,864	0	48,203
- Obligationslån	0	0	0
<i>Sum long-term interest-bearing debt</i>	<i>836,182</i>	<i>40,933</i>	<i>800,041</i>
Sum interest-bearing debt	1,194,745	1,137,010	1,136,669

Net interest-bearing debt

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

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
Interest-bearing debt	1,194,745	1,137,010	1,136,669
Cash and bank	-23,939	-52,956	-19,143
	1,170,806	1,084,054	1,117,526

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 the company's financial stability.

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
Total equity	580,591	488,685	569,713
Total assets	2,128,319	1,987,466	2,033,528
	27%	25%	28%

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 the company's financial stability.

(SEK 000')	2024-03-31	2023-03-31	2023-12-31
Total equity 2022-06-30	0	510,041	0
Total equity 2022-09-30	0	577,444	0
Total equity 2022-12-31	0	617,933	0
Total equity 2023-03-31	0	520,910	520,910
Total equity 2023-06-30	488,685	0	488,685
Total equity 2023-09-30	471,536	0	471,536
Total equity 2023-12-31	608,919	0	608,919
Total equity 2024-03-31	580,591	0	0
Total assets 2022-06-30	0	1,719,031	0
Total assets 2022-09-30	0	1,828,884	0
Total assets 2022-12-31	0	1,972,654	0
Total assets 2023-03-31	0	1,973,087	1,973,087
Total assets 2023-06-30	1,983,224	0	1,983,224
Total assets 2023-09-30	2,005,599	0	2,005,599
Total assets 2023-12-31	2,020,199	0	2,020,199
Total assets 2024-03-31	2,128,319	0	0
	26%	30%	26%

Installed capacity, MW

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

Electricity produced, millions of kWh

Electric energy generated by all operational solar energy facilities in company'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 the company'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 the company's environmental benefits.

Signed agreements, MW

Planned installed capacity of all signed contracts in the company's project pipeline. The measure is used since it helps to assess the company'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 the company's installed solar energy facilities. The measure is used since it helps assess the remaining contract value in the company's portfolio of solar energy facilities.

Gigasun