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NEWS FLASH
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Sweden
Energy & Utility

Research analysts:
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Gigasun

Share price: SEK3.11

Fair value range: SEK4.8–9.1

Highlights from Carnegie's Micro & Small Cap Day

Max Metelius, CEO of Gigasun, presented at Carnegie's micro & small cap day on 18 March. Here is a link to the presentation: https://youtu.be/LPvJ_kQFH0w

Exposed to a growing and environmentally friendly market in China

The presentation highlighted the solid growth prospects for distributed solar power in China. Overall electricity consumption is rising due the general economic growth amplified by electrification. According to Gigasun, total power production has posted a CAGR of 10.3% between 2013 and 2023, and distributed solar energy installed capacity as a share of total installed capacity increased from 1.6% in 2013 to 20.9% by 2023, a CAGR of ~41%. China continues to add coal fired electricity generation and a net 44 GW of coal fired production was added in 2023, the highest since 2016. Solar power therefore offers a significant environmental benefit. Gigasun's electricity production in 2024, 253m kWh, reduced CO_2 related emissions by 124kt, 68.7kt of carbon particles, 7.6kt of sulphur particles and 3.8kt of nitrogen oxides. The presentation also covered the legal structure and the ongoing strategic review of this structure.

Valuation – fair value range of SEK4.8–9.1

We use the value creation of European power producers, defined as EBIT margin and EBIT growth, as a base. We apply this to a regression model where we compare value creation with P/E multiples for 2026e and derive a justified P/E multiple for Gigasun, which we apply to our 2026 net profit forecast. This forms the high end of our fair value range. At the low end, we have assumed that interest costs stay at the current elevated levels and have annualised the last quarter's interest. We apply the same multiple. Given the still high interest costs that result in a net loss, the geographical mix and a small market capitalisation relative to the peer group, we apply a discount of 15% in both scenarios.

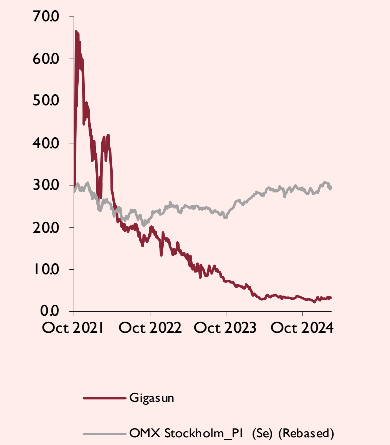
Upcoming events

- Q1 Report: 15 May 2025
- Q2 Report: 25 Aug 2025
- Q3 Report: 13 Nov 2025
- Q4 Report: 12 Feb 2026

Key facts	
No. shares (m)	59.6
Market cap. (USDm)	18
Market cap. (SEKm)	185
Net IB Debt. (SEKm)	1,458
Adjustments (SEKm)	0
EV (2025e) (SEKm)	1,644
Free float	39.2%
Avg. daily vol. ('000)	27
Risk	Medium Risk
Fiscal year end	December
Share price as of (CET)	18 Mar 2025 11:21

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	218	274	301	323
EBITDA (m)	146	196	213	223
EBIT (m)	61	100	109	115
EPS	-0.61	0.49	0.65	0.74
EPS adj.	-0.61	0.49	0.65	0.74
DPS	0.00	0.00	0.00	0.00
Sales growth Y/Y	0%	25%	10%	7%
EPS adj. growth Y/Y	+chg	+chg	31%	15%
EBIT margin	27.8%	36.4%	36.1%	35.5%
P/E adj.	n.m.	6.3	4.8	4.2
EV/EBIT	22.9	16.5	16.2	15.7
EV/EBITA	22.9	16.5	16.2	15.7
EV/EBITDA	9.5	8.4	8.3	8.1
P/BV	0.3	0.3	0.3	0.3
Dividend yield	0.0%	0.0%	0.0%	0.0%
FCF yield	-137.4%	-158.4%	-98.2%	-60.2%
Equity/Total Assets	22.8%	22.2%	22.0%	24.1%
ROCE	3.6%	4.9%	4.9%	4.9%
ROE adj.	-5.7%	5.0%	6.1%	6.6%
Net IB debt/EBITDA	8.5	7.5	7.4	7.2

Share price - 5Y



High/Low (12M)				SEK4.2/2.2
Perf.	**3M**	**6M**	**12M**	**YTD**
Abs.	22.0	-1.3	-20.7	19.6
Rel.	18.3	-3.6	-27.2	14.0

Source: Carnegie Research, FactSet, Millistream & company data

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