sun king™

May, 2026

Sustainable Financing Allocation and Impact Report: 2025

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Foreword

This report outlines how Sun King has allocated and used the proceeds from financial instruments issued through the company's Sustainable Financing Framework, published in May 2023, and presents the resulting impact statistics through 2025.

Sun King works to expand access to energy, essential services, and consumer financing to under-electrified and underbanked households and businesses as well as social and government services in emerging markets. At the same time, we embed sustainability across our entire operations and value chain. Our Sustainable Financing Framework (the "Framework") and this Allocation and Impact Report (the "Report") show how our financing strategy supports this mission: powering access to brighter lives for communities living across Africa and Asia.

Further, this Report demonstrates Sun King's alignment with the Green and Social Bond and Loan Principles. These principles were established by leading international organisations such as the International Capital Market Association (ICMA), Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications and Trading Association (LSTA). By adhering to these principles and reporting on allocation and impact, we promote transparency, responsibility, and sustainability in our financial activities.

It is important to note that this Report does not cover our entire body of work or impact. Instead, it explains how we integrate sustainability considerations into specific financial instruments, such as green, social, and sustainability bonds and loans.

In summary, the Report looks to provide an overview of how these instruments align with the UN's Sustainable Development Goals (SDGs) and the Green and Social Bond and Loan Principles.

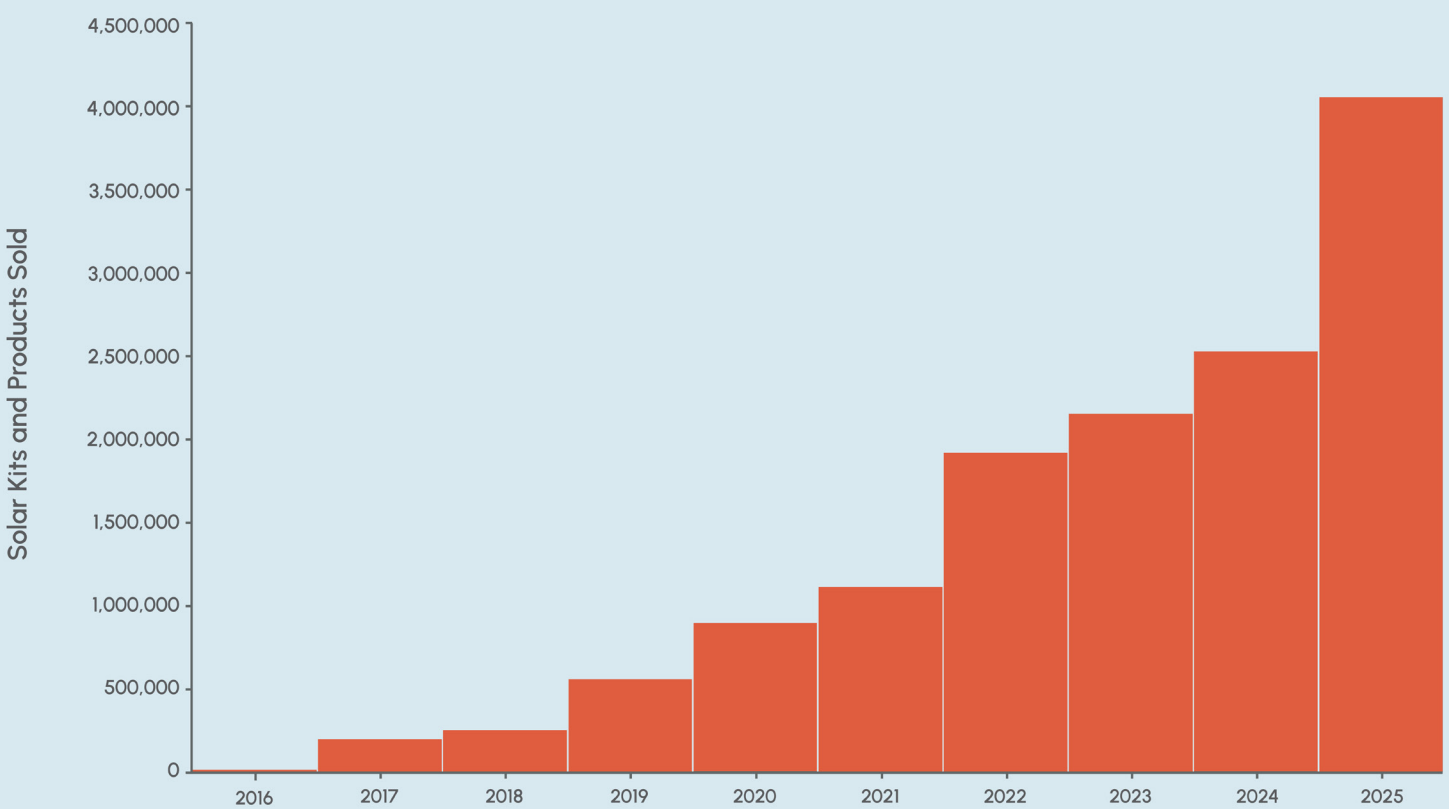
Executive Summary

Sun King is the world's largest off-grid solar company, dedicated to expanding access to reliable, affordable energy for underserved households, businesses, and institutions across Africa and Asia. Hundreds of millions of people still lack reliable electricity, constraining economic growth, limiting access to essential services, and reinforcing inequality. Sun King's model directly addresses this challenge by combining solar technology with inclusive financing and last-mile distribution.

Sun King's impact is broad and multi-faceted, driven by a singular focus on underserved customers. Through its operations, the company creates direct employment across its workforce and agent network, enables indirect job creation through access to electricity, reduces reliance on fossil fuels, and supports green economic growth. However, energy access remains Sun King's north star; the foundation upon which these wider social, economic, and environmental outcomes are built.

This reporting period reflects a phase of sustained and accelerating growth. Sun King's solar products continue to scale year-on-year, with expansion into new markets and deeper penetration within existing geographies, enabling the company to reach increasing numbers of customers (see bar chart below). This growth underscores both the scale of demand and the effectiveness of Sun King's model in delivering energy access at pace.

Sun King Solar Kits and Products Sold (2016-2025)

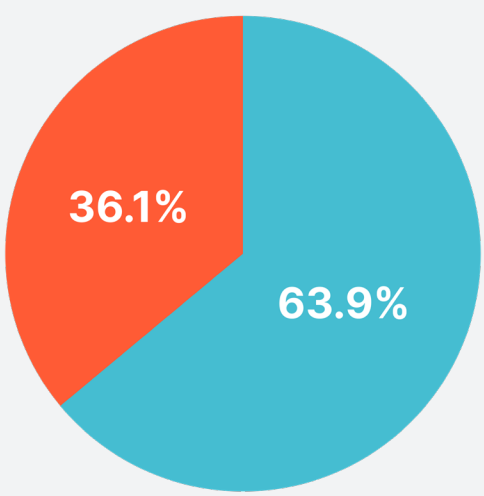


Sustainable finance is central to this model. The majority of Sun King's customers rely on financing to access solar kits and associated technologies. As a result, access to appropriate debt financing is critical to unlocking energy access at scale. Sun King has deployed proven financial instruments, including bonds, while also pioneering structures such as local currency securitisations in markets like Kenya. These approaches are essential to mobilising capital and channelling it into Africa's green transition.

Since the launch of Sun King's Sustainable Financing Framework in 2023, sustainable finance has become an increasingly significant driver of the company's growth. Over one in three Sun King products deployed during the reporting period have been supported by sustainable financing instruments, rising from negligible levels just a few years prior.

This report outlines how sustainable financing supports Sun King's mission, detailing the allocation of proceeds and the resulting social and environmental impact. The progress documented herein has been made possible through strong partnerships with financial institutions and investors. Sun King acknowledges and thanks these partners for their role in enabling continued growth, innovation, and impact.

Sun King Products Supported by Sustainable Finance Since 2023



Total Products Sold Under Sun King's Sustainable Financing Framework

Products Financed Through Other Sources*

*Products financed through other sources, including equity, accruals, and alternative debt.

Introduction

Sun King Overview

Nearly 800 million people worldwide — 85% in Africa — have no access to electricity. For those with access to the grid, less than half of Africans report having a reliable supply of electricity. In rural Africa, only one in three people have access to electricity. Fossil fuels account for over 70% of Africa's grid power.

Africa is home to the world's strongest solar potential but accounts for less than 1% of global installed solar capacity. In emerging markets, off-grid solar solutions are essential to national low-carbon electrification strategies, offering scalable and sustainable alternatives to fossil fuel generators, kerosene lighting, and, often, costly grid extensions. Despite rapidly falling solar costs and Africa becoming one of the world's fastest growing adopters of solar, upfront costs still exclude most low-income households and businesses.

Sun King is the world's leading off-grid solar energy company. We combine cutting-edge product design, inclusive financing, and a grassroots installation model to deliver clean energy to underserved communities across Africa and Asia. Founded in 2007, Sun King sets the gold standard for off-grid solar performance and design as part of our mission to power access to brighter lives.

Sun King has built a new kind of energy utility: distributed, clean, customer-centric, and affordable. We bring reliable, decentralised energy directly into people's lives — from solar kits that provide basic energy access to larger-capacity systems powering homes, schools, hospitals, farms, offices, and businesses.

Millions of homes and businesses rely on Sun King not just for solar power but also for essential appliances it powers: lighting, TVs, fans, refrigeration, and smartphones. Sun King combines energy generation, efficient appliances, installation, and financing into one seamless offering. We're built to go where power is needed and to grow with people as their incomes and energy needs rise.

As of December 2025, the company has sold over 30 million solar products, installed 220 megawatts (MW) of solar capacity, and extended $1.5 billion in solar loans to over 9.8 million customers. Of those accessing solar loans, 75% of new customers access formal credit for the first time.[1]

Sun King operates directly in 13 countries — 11 in Africa and 2 in Asia — where we sell, install, service, and finance solar systems for our customers. In addition to these core markets, we reach customers in more than 40 other countries across Africa, Asia, the Pacific, and South America through a network of distribution partners.

Pay-As-You-Go Financing Overview

Across Africa, a large share of adults remain excluded from formal financial systems. Despite rapid growth in mobile money, around four in ten adults living in Sub-Saharan Africa still do not have a bank account, with exclusion concentrated among women, young people under 25, and workers in the informal economy. High upfront costs for technology and energy systems combined with limited access to credit, leave many households unable to invest in new technologies. Without access to finance, families remain dependent on expensive, polluting energy sources like kerosene for light and diesel for power and are unable to invest in income-boosting technologies, such as smartphones and refrigerators.

For vital technologies – such as solar kits and smartphones – steep upfront costs makes them inaccessible without financing. However, commercial banks rarely lend to informal workers, and microfinance institutions focus on business loans, not asset financing, leaving a gap in solar and technology financing.

Sun King's 'EasyBuy' Pay-As-You-Go (PAYGo) model is a tech-enabled financing solution that addresses this challenge. It makes solar and other technologies affordable and accessible for off-grid, low-income households across Africa and is tailored to the realities of underserved communities. PAYGo bridges the financing gap by allowing unbanked customers to pay for technology in small, flexible instalments that align with the cost and cadence of traditional utility bills.

Sun King's proven, scalable business model offers PAYGo services across 12 countries. The PAYGo model provides products on credit, with payment plans lasting up to 36 months, delaying capital recoupment.

[1] Figures from Sun King's survey of new customers in Cameroon, Kenya, Malawi, Mozambique, Nigeria, Tanzania, Togo, Uganda, and Zambia who purchased their first Sun King products between January 2025 and December 2025. This figure excludes customers who have previously purchased a Sun King product.

How Sun King's PAYGo Model Works:

Local Sun King agents introduce and demonstrate PAYGo products to potential customers within their local communities. Many of these customers are off-grid, unbanked, or underbanked, and reside in rural or peri-urban areas.

A centralised credit team contacts interested customers by phone to assess their ability to make payments and approve their applications.

Once approved, customers make a small upfront payment, typically via mobile money or cash, and the solar system is activated immediately.

Customers then make follow-on payments in small, manageable instalments (daily, weekly, or monthly) depending on their cash flow. Payment reminders are sent via SMS.

If a customer cannot make payments for a period of time, their technology is temporarily deactivated, but they are not financially penalised. Customers simply resume payments when they are financially capable and their device reactivates.

After full repayment, typically within 6 to 36 months, the system is permanently unlocked. Customers then enjoy free, clean energy for the product's lifetime.

Customers with consistent payment histories qualify for discounted financing on higher-value products, should they be interested in buying one, opening up access to more powerful energy solutions and other vital technology.

Sun King's Impact

Honed over 15 years, Sun King has built end-to-end financing, distribution, and technology capabilities to deliver wherever energy is needed at scale. We do it all to make switching to solar simple: quality product design, raw materials, last-mile delivery, installation, flexible financing, and long-term warranty support, all under one roof. Sun King's end-to-end approach means we take full responsibility over every customer's needs, not just parts of the process.

From solar kits that provide first-time energy access to larger capacity systems, our range of solar solutions meet customers where they are and allow them to grow over time. Every component is engineered for reliability, and we continuously upgrade our technology based on customer feedback. The result: smart, durable products that outperform outdated alternatives.

Solar for Households

The Challenge

Without power, families resort to damaging kerosene for light and diesel for power. Without reliable and affordable light, children cannot study at night, parents' work day ends when the sun sets, and families are exposed to the toxic fumes of burning kerosene. Without power, people cannot charge their phones, limiting connectivity and blocking access to digital financial and government services. Without power, people cannot run basic appliances such as refrigerators to keep their food safe, fans to deal with rising temperatures, and televisions and smartphones to access information.

Our Approach

Sun King designs best-in-class solar solutions for different income levels and energy needs.

Portable Solar Lanterns

Our entry-level portable solar lanterns serve customers with highly limited purchasing power. These products provide on-the-go lighting, phone charging, music, and entertainment. The selection varies from straightforward solar-powered lanterns to integrated devices that combine lighting with phone charging ports, radio, and music features. These safe, low-cost products replace harmful kerosene lanterns and candles.

Solar Home Systems

Sun King is the world's leading solar home system company. Our rooftop solar systems power lights, mobile phones, and DC-compatible appliances, like televisions and fans. Designed for customers with no or unreliable grid access, these systems offer between 5 and 50 Wp of solar energy, providing essential light and power for homes and businesses.

Solar Inverter Systems

Sun King provides larger-capacity rooftop solar inverter systems designed to replace costly diesel- and petrol-powered generators. These hybrid solar inverters draw power from solar panels and the grid, when available, for uninterrupted energy. Modular and expandable, they meet diverse power needs.

Energy-Efficient Home Appliances

The accessibility and affordability of Sun King's financing model have driven significant demand for complementary products. The company is now extending its pay-as-you-go financing to Sun King-designed smartphones, televisions, radios, fans, clean cooking solutions, and fridge-freezers, making essential technologies affordable through small, flexible payments.

Our Impact

A typical Sun King household customer:[2]

- Lives off-grid and is accessing solar electricity for the first time.
- Is just as likely to be female as male, with a higher share of female customers than industry benchmarks.
- Previously relied on candles, kerosene, or a generator for lighting and basic power.

[2] Figures from Sun King's survey of new customers in Cameroon, Kenya, Malawi, Mozambique, Nigeria, Tanzania, Togo, Uganda, and Zambia who purchased their first Sun King products between January 2025 and December 2025. This figure excludes customers who have previously purchased a Sun King product.

Solar for Businesses and Enterprises

The Challenge

Africa's economy cannot grow without energy access. Generators often fill the electricity gap. Nigerians alone spend $10 billion annually on petrol and generator maintenance, with small businesses spending $170 to $340 per month just on fuel.

Entirely off-grid, millions of microentrepreneurs and workers are unable to charge their phones or light their goods after dark. Blocking businesses from accessing markets, financing, and opportunities. Without electricity, workers lose hours of work, income, and momentum.

78% of African firms experience outages.

41% of African firms identified electricity as a major constraint to their business, the highest share globally.

50+ hours of power interruptions on average each month for African enterprises, equivalent to 25 days of lost economic activity per year.

Our Approach

Sun King provides business solar solutions, from entry-level systems for lighting and phone charging to higher-capacity solar and battery systems that power standard appliances, tools, and equipment. As businesses grow, customers can upgrade over time to higher-capacity systems.

Portable Solar Lanterns and Solar Home Systems

Sun King's entry-level solar lanterns and solar home systems power lighting after dark and keep phones charged, enabling mobile money transactions and communication with suppliers and customers. One-third of solar home systems purchased in East Africa support enterprise and extend working hours.

Solar Inverter Systems

For larger enterprises operating off-grid or relying on diesel generators and unreliable grids, Sun King's modular solar inverter systems provide dependable power and lower energy costs. Our solutions range from portable solar power stations delivering essential AC electricity to larger capacity systems that can power offices and light manufacturing facilities.

Businesses can purchase solar as a single procurement, through financing, or, for multi-facility operations, on an energy-as-a-service agreement, with maintenance, installation, and procurement included as a flat monthly fee based on agreed energy targets.

Our Impact

Of Sun King customers who use their product for work or at their business:[3]

69% accessed reliable energy for the first time through Sun King.

89% of those connected to the grid, experienced regular power cuts.

98% report that Sun King solar has improved their quality of life.

[3] Figures from Sun King's survey of new customers in Cameroon, Kenya, Malawi, Mozambique, Nigeria, Tanzania, Togo, Uganda, and Zambia who purchased their first Sun King products between January 2025 and December 2025. This figure excludes customers who have previously purchased a Sun King product.

Energy for Public Institutions

The Challenge

Establishing a dependable energy supply to power social services is a costly and time-consuming undertaking for governments and NGOs in areas without reliable grids. Inconsistent electricity limits access to essential services and slows recovery from economic and environmental shocks.

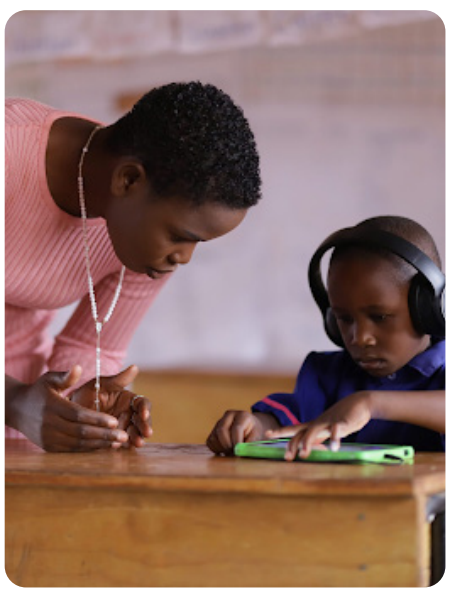
- Nearly 1 billion people rely on healthcare facilities without dependable power.
- Just one in three hospitals and one in five schools across Sub-Saharan Africa has access to electricity.

Where grids are absent or fail, organisations turn to diesel and petrol generators, which are costly, polluting, and unreliable.

Our Approach

Sun King has expanded its existing solar product service and range to serve larger institutional clients — governments, NGOs, schools, and health facilities — that need dependable power across multiple sites in off-grid and weak-grid locations.

We design, install, and maintain each system, tailoring it to the needs of the facility, from a small school or clinic to a larger office or hospital, delivering uninterrupted power for lighting, refrigeration, air conditioning, learning, healthcare, and daily operations.



Our Impact

Sun King's institutional energy projects are strengthening essential services across education, healthcare, and beyond in underserved regions. Working in partnership with national governments and international NGO Imagine Worldwide, Sun King has installed solar systems in primary schools across Malawi, Tanzania, and Sierra Leone to power digital learning and electrify classrooms. In Malawi, Sun King is on track to install solar in all of the country's primary schools by 2030, powering learning for over 3.8 million children. Reliable electricity allows schools to extend learning hours, deploy educational technology, and create safer environments for both students and teachers.

Healthcare facilities are also benefiting from dependable solar power. Clinics and hospitals across countries such as Kenya, Tanzania, and Nigeria can now operate critical equipment, refrigerate vaccines and medicines, conduct diagnostics, and provide care during nighttime hours without relying on costly and unreliable generators. This improves service quality, reduces operating expenses, and ensures continuity of care for surrounding communities.

By electrifying schools, healthcare centres, and other public services, Sun King helps governments and partners expand access to vital services while reducing dependence on fossil fuels.

From Solar to Smartphones

The Challenge

In Africa, as in the rest of the world, the smartphone is the primary gateway to the internet and communications. Economic life is increasingly online: the mobile industry represented 7% ($140 billion) of Africa's GDP in 2023, and is expected to reach $170 billion by 2030.

Nonetheless, financial barriers to smartphone access still keep billions of people offline. The digital divide is most pronounced for women, low-income families, and young people — the very groups who stand to benefit most from connectivity. Without smartphones, people are cut off from education, work, healthcare, and participation in public life.

Our Approach

Through Sun King's PAYGo financing platform and community-based agent network, Sun King offers a scalable solution. Our smartphone financing model enables customers to make a small initial payment and repay the rest in flexible instalments via mobile money. Designed for underserved populations with limited or no access to formal credit, this model supports their participation in the digital economy.

Sun King designs its own smartphones for the realities of off-grid and unreliable-grid communities, ensuring long battery life and durable hardware, features that reflect African customers' needs and preferences. Our new EZ range embodies this approach, making smartphone ownership more affordable and accessible than ever.

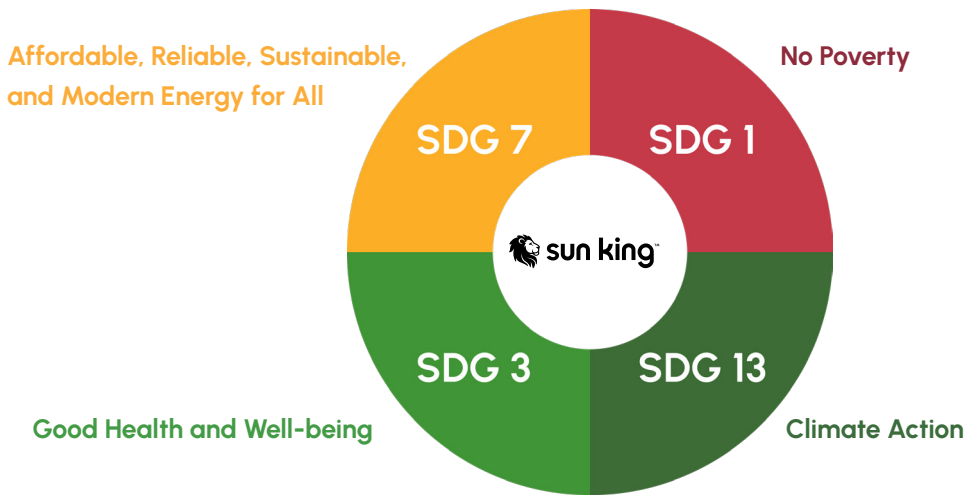
The EZ 1 android smartphone is assembled in Africa at Sun King's manufacturing facility in Kiambu County, Kenya. The device is available in Kenya today, with additional market rollouts planned.

Our Impact

Smartphones allow entrepreneurs to market their businesses online, use mobile banking, and grow their incomes. Students benefit from e-learning, while families stay connected to essential services. Digital tools expand access to healthcare, from vaccination campaigns to emergency alerts. Mobile money and digital IDs make it easier for people to save, borrow, and get access to vital services like healthcare and education.

Supporting the UN's Sustainable Development Goals

Sun King's mission aligns closely with the SDGs; the global blueprint for sustainable development. While our work contributes to several SDGs, our most substantial impact is across four primary focus areas (see diagram below).



These SDGs reflect the core social and environmental challenges Sun King tackles: energy poverty, poverty reduction, financial exclusion, unsafe and polluting energy sources, and the urgent need for climate-resilient infrastructure in vulnerable communities.

We also contribute meaningfully to secondary SDG targets, including Zero Hunger (SDG 2), Quality Education (SDG 4), and Industry, Innovation and Infrastructure (SDG 9) through the broader socioeconomic benefits of our clean energy and technology solutions. These co-benefits strengthen livelihoods, support local economies, and empower underserved households and businesses.

This section offers a concise, though not exhaustive, summary of Sun King's historic contribution to the SDGs. It reflects the cumulative impact of our work until the end of 2025 beyond the specific sustainable financing instruments listed later in the Report. The below overviews how Sun King helps address global development challenges.

Primary Impact Areas

SDG 7: Affordable, Reliable, Sustainable, and Modern Energy for All

Sun King delivers reliable, modern, off-grid energy solutions that help families and businesses thrive.

30 million solar products sold, spanning lanterns, solar home systems, and larger capacity solar inverter systems – bringing modern energy to homes, businesses, and public institutions.

Approximately 330,000 new solar connections installed every month, through our grassroots distribution network and flexible PAYGo financing.

68% of customers live entirely off-grid, showing our deep reach into underserved communities.

220 MW of rooftop solar installed, powering millions of households and businesses with clean, decentralised, renewable energy.

98% of customers report improved quality of life, citing lower energy costs, more study time for children, and longer work hours.

Flexible mobile money payments remove the barrier of high upfront costs, enabling energy access for low-income and unbanked households.

SDG 1: No Poverty

Sun King supports households to lift themselves out of poverty through access to essential energy, income opportunities, and digital tools.

$9.1 billion saved by households in energy costs by replacing expensive, polluting sources like kerosene and candles with affordable solar lighting, easing pressure on tight family budgets and helping free up money for other essentials.

38,000 Sun King Agents across Africa earn by selling and servicing Sun King products.

Our agent network creates jobs and sparks entrepreneurship, especially for women, youth, and rural workers, who are often excluded from formal employment opportunities.

26 million households now have energy access, and **over a million people have gained access to smartphones**, unlocking essential services and financial tools.

SDG 3: Good Health and Well-Being

Sun King boosts household health and safety by replacing harmful dirty fuels with clean solar alternatives and powers essential healthcare services in underserved areas.

64% of customers report improved health outcomes after switching from kerosene lamps to solar lighting.

4 million premature deaths annually are linked to indoor air pollution from open-flame lighting, a risk Sun King helps reduce.

Up to 70% lower fire risk and 80% fewer burn injuries are estimated when replacing candles and wick lamps with solar lighting.

Solar lighting removes kerosene ingestion risks, a leading cause of child poisoning in low-income households.

Sun King powers health clinics across Africa, enabling safe and consistent lighting, vaccine refrigeration, and improved communication.

SDG 13: Climate Action

Sun King enables communities to leapfrog fossil fuels and build resilience to climate change.

Off-grid solar bypasses carbon-intensive infrastructure, offering a cleaner path to electrification.

Millions of customers have transitioned from polluting fuels to clean solar energy.

Nearly 800 million people worldwide – 85% in Africa – have no access to electricity.

Solar-powered appliances support climate adaptation, giving families access to fans, refrigeration, and information on weather forecasts and during extreme weather events.

Secondary Impact Areas

SDG 2: Zero Hunger

Sun King supports household food security by lowering energy costs and creating jobs that boost incomes in food-insecure areas.

Only one in five schools in Sub-Saharan Africa have access to electricity, limiting access to educational technology and reducing the quality of education in off-grid areas.

38,000 Sun King Agents earn reliable income through their work at Sun King.

Piloting solar-powered refrigeration and freezing across Nigeria, enabling access to cooling for the one billion people globally who cannot keep their food cool.

Clean cooking solutions cut fuel costs and cooking time while reducing harmful smoke, supporting better nutrition and more resilient food systems.

SDG 4: Quality Education

Sun King supports inclusive and equitable education by powering schools, extending study hours at home, and helping retain teachers in underserved areas.

Only one in five schools in Sub-Saharan Africa have access to electricity, limiting access to educational technology and reducing the quality of education in off-grid areas.

Improved home lighting extends study time, boosting learning outcomes and academic progress.

60% of school leaders in East Africa report that improved lighting in off-grid areas helps attract and retain qualified teachers in rural areas, a major barrier to education delivery.

Over 1,430 schools in Malawi, Sierra Leone, and Tanzania are powered by Sun King and over **6,000 will be powered by 2030**, enabling digital learning, improved administration, and better classroom conditions.

SDG 9: Industry, Innovation, and Infrastructure

Sun King drives inclusive economic growth through energy access, talent development, and cultivating innovations in technology, research, and financing.

Sun King is at the forefront of decentralised energy innovation, scaling and developing new scalable, green, and cost-effective pathways for electrification.

Decentralised solar systems bring energy infrastructure to places beyond the reach of the grid, powering small businesses, farms, clinics, and schools without the need for expensive grid extension or generators.

Millions of off-grid households can now access energy-efficient appliances, such as smartphones, fans, radios, and televisions, expanding access to information, connectivity, and opportunities for productivity.

Sun King develops highly energy-efficient appliances that require less power, making smartphones, bulbs, fans, radios, and televisions more accessible, while cutting emissions from charging and use.

Sun King invests in African STEM talent, with 4,000 full-time staff in product design, engineering, data science, and beyond; 99% of employees are based in Africa and Asia.

Sun King pioneers financial innovation through PAYGo models, enabling low-income households to afford solar systems, smartphones, and other productive tools. We've extended $1.5 billion in loans to customers, 75% of first-time customers had never accessed formal financing.

As a leader in the sector, Sun King is a founding member of the Global Off-Grid Solar Industry Association (GOGLA), which promotes, safeguards, and convenes the off-grid solar and efficient appliance industry. We endorse the GOGLA Consumer Protection Code, a set of principles and an assessment framework that helps companies measure, demonstrate, and improve their practices. The code establishes the de facto industry standard for consumer protection in off-grid energy space.

Impact and Allocation Reporting

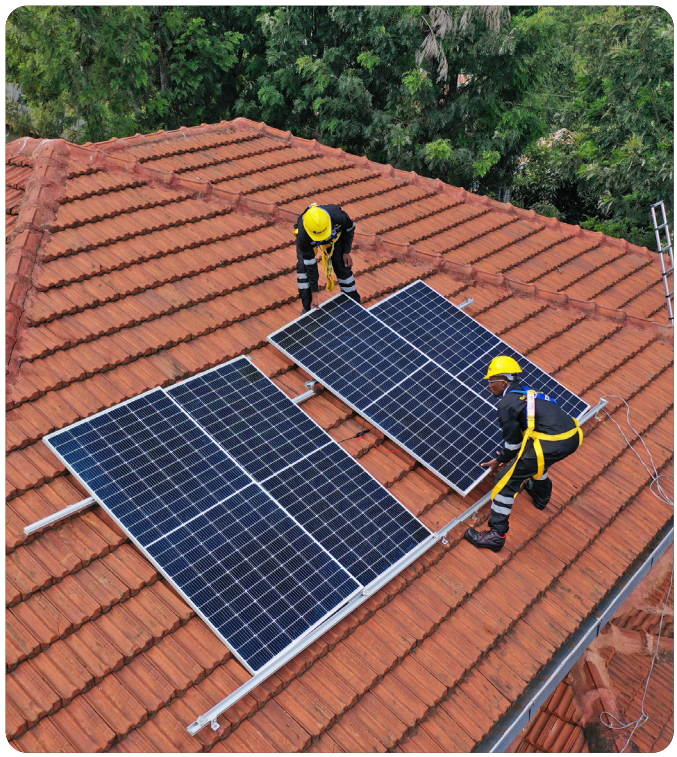
Overview

Sun King's Sustainability Framework was published in May 2023 (the "Framework"). The Framework aligns our financing strategy with our mission to improve the lives of underserved communities.

The Framework aligns with the International Capital Market Association's ("ICMA"), Green Bond Principles ("GBP"), Social Bond Principles ("SBP"), Sustainable Bond Guidelines ("SBG") published in June 2021 (with June 2022 Appendix 1 for GBP and SBP), the Loan Market Association's ("LMA"), Green Loan Principles ("GLP"), and Social Loan Principles ("SLP").

The Framework was independently reviewed by Moody's, a globally recognised provider of credit ratings, which has opined on the Framework's credibility and alignment with the aforementioned principles and associations.

Reporting is divided into the following four sections: 1) Selection and Evaluation of Projects; 2) Management of Proceeds; 3) Use and Allocation of Proceeds; and 4) Impact of Proceeds.



Selection and Evaluation of Projects

Sun King has established a Sustainable Finance Committee (the "Committee") responsible for governing the selection and monitoring of the eligible sustainable projects. The Committee meets annually and as required for specific issuances.

The Committee manages the allocation of an amount equivalent to the net proceeds of our sustainable financing instruments on an aggregated basis — a portfolio approach — across multiple sustainable financing instruments. To manage this process, we maintain a sustainable financing register, which the Committee reviews annually.

Sun King strives to maintain the allocation to the eligible sustainable project portfolio that matches or exceeds the balance of net proceeds from its outstanding sustainable financing instruments. If the eligible project portfolio falls below the balance of outstanding sustainable financing instrument(s), Sun King seeks to replace those projects with new eligible sustainable projects. This replacement is carried out on a best-effort basis, as soon as possible and within a reasonable timeframe of 24 months.

In accordance with the ICMA SBP and ICMA GBP, the sustainable projects identified in Sun King's Framework are described in the table below.

Eligible Sustainable Projects

Alignment with ICMA SBP	Alignment with ICMA GBP	Eligibility Criteria	Target Population	Contribution to UN SDGs
Affordable Basic Infrastructure:				
Provision of access to clean, safe, and affordable energy.	**Renewable Energy** Environmental objective: Climate change mitigation.	Financing related to the development, installation, and distribution of: · Solar-powered expandable home systems providing solar-powered electricity and lighting, such as sensor lights, basic bulbs, and tube lights. The capacity of these products ranges from 3 W to 5 KVA.	Off-grid and weak-grid communities in Benin, Cameroon, Kenya, Malawi, Mozambique, Nigeria, South Africa, Tanzania, Togo, Uganda, and Zambia.	SDG Targets: 7.1 By 2030, ensure universal access to affordable, reliable, and modern energy services. 7.2 Increase substantially the share of renewable energy in the global energy mix.
Provision of digital connectivity.	N/A.	Financing related to the development and distribution of: · Smartphones.		SDG Target: 9.c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the internet in the least developed countries.
Socioeconomic Advancement and Empowerment:				
Equitable access to and control over assets, services, resources, and opportunities. Equitable participation and integration into the market and society.	**Energy Efficiency** Environmental objective: Climate change mitigation.	Financing related to the development, installation, and distribution of energy-efficient solar-powered electric home appliances, such as: · Fans, televisions, radios, and MP3 players. These appliances outperform reference products by at least 30% in terms of energy efficiency and provide digital connectivity to underserved communities.	Off-grid and weak-grid communities in Cameroon, Kenya, Malawi, Mozambique, Nigeria, Tanzania, Togo, Uganda, and Zambia.	SDG Target: 9.1: Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
Equitable access to and control over assets, services, resources, and opportunities. Equitable participation and integration into the market and society.	N/A.	Financing related to the development and distribution of: · Smartphones.		SDG Target: 9.c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the internet in the least developed countries.

All proceeds were fully allocated to eligible projects during the reporting period, with no surplus remaining. As a result, there is no requirement to identify additional eligible sustainable projects.

Management of Proceeds

In line with the commitments set out in the Framework, all proceeds raised through the sustainable financing instruments during the reporting period were allocated in full to pre-identified eligible sustainable projects.

Funds were drawn from investors as needed to support the implementation of these projects, and no surplus proceeds remained unallocated or were invested in alternative uses.

All disbursements were made in accordance with the eligibility criteria outlined in the Framework. The funded projects are detailed in the following section.

Use and Allocation of Proceeds

Sun King has completed five debt issuances through its Sustainable Financing Framework. Of these debt issuances, four were active during the 2025 reporting window: the 2023/2025 Kenya Securitisation, 2025 Tanzania Local Currency Denominated Loan Facility, 2025 Nigeria Local Currency Debt Facility, and 2025 Micro, Small and Medium Enterprises (MSME) Bond.

Kenya Securitisation, May 2023 and July 2025

In May 2023, Sun King Kenya established the first-ever local-currency-denominated, commercial bank-led, significant-scale securitisation in Sub-Saharan Africa for renewable energy. Structured as a fully Kenyan-Shilling-denominated sustainable transaction, the deal was arranged by Citi for Sun King, with contributions from DFIs and commercial lenders. The transaction marked a major milestone in the development of renewable energy finance in the region and demonstrated the potential of local capital markets to support expanded energy access.

In July 2025, Sun King refinanced and expanded the transaction through a $156 million securitisation; the largest local currency securitisation ever completed in Sub-Saharan Africa outside South Africa. This transaction is expected to finance loans that will enable an estimated 1.4 million low-income households and businesses in Kenya to gain first-time or improved energy access. The deal was arranged by Citi, with Stanbic Bank Kenya Ltd acting as the placement agent.

The securitisation transformed Sun King's PAYGo loans into an investable asset. Customers' future payments for solar products bought on finance are securitised and funded by investors. The securitisation:

- Releases capital that enables Sun King to extend more solar loans and deliver more solar products, expanding access to clean, affordable energy for off-grid households.
- Links underbanked or unbanked customers and ESG-minded investors to provide capital to purchase solar assets.
- Presents investors with a dependable yet previously underserved market, offering predictable and risk-diversified returns.

The 2023 securitisation involved participation from ABSA Kenya, British International Investment, Citi, FMO, Norfund, Standard Bank Kenya, and the Trade and Development Bank.

The 2025 securitisation included a senior tranche funded by five commercial banks — ABSA, Citi, The Co-operative Bank of Kenya, KCB Bank Kenya Limited, and Stanbic Bank Kenya Limited — and a mezzanine tranche provided by British International Investment, FMO, and Norfund. Both senior and mezzanine tranches have been privately rated by a credit ratings agency. The securitisation included both existing and future receivables. Existing receivables comprised customer payments still incoming from PAYGo products sold in Kenya between May 2020 and April 2023.

Tanzania Facility, February 2025

In February 2025, Sun King Tanzania raised a $10 million local-currency-denominated loan from the National Bank of Commerce (ABSA Group). The facility is used exclusively to finance customers purchasing solar and mobile phone products through Sun King's PAYGo financing model, enabling the company to extend more loans and reach additional households and businesses.

Nigeria Facility, May 2025

In May 2025, Sun King, in partnership with IFC and Stanbic IBTC Bank, secured an $80 million equivalent, fully Naira-denominated loan facility to scale access to off-grid solar energy in Nigeria. The facility will enable Sun King to scale PAYGo solar financing for households and small businesses, reducing affordability barriers by allowing customers to pay in small instalments without prohibitive upfront costs.

By mobilising local-currency financing, the facility helps mitigate foreign exchange risk while supporting the growth of Sun King's PAYGo portfolio in underserved communities. IFC contributed $50 million as part of the financing package, which also includes a $25 million senior concessional loan from the Canada–IFC Africa Renewable Energy Program, which helps spur private-sector financing for climate change solutions, especially innovative and early-stage projects in emerging markets.

The loan falls under the World Bank and African Development Bank's Mission 300 programme, which aims to bring electricity to 300 million people in sub-Saharan Africa by 2030.

MSME Bond, August 2025

In August 2025, Sun King secured $13.65 million through a loan facility issued by Micro, Small & Medium Enterprises (MSME) Bonds S.A. In November 2025, the investor increased its commitment by a further $3 million, bringing the total value of the facility to $16.65 million. The financing enables Sun King to purchase additional solar products and extend more loans to customers buying solar kits on finance, helping expand energy access, while supporting development and environmental goals.

The transaction was arranged by Symbiotics and issued under Sun King's Sustainable Financing Framework. The bond is listed on the Luxembourg Stock Exchange and recognised as a green bond on the Luxembourg Green Exchange.

Summary of Offerings, Allocations, and Eligible Assets

Sustainable Financing Framework Offering as of December 31, 2025

	Amount Issued	Amount Issued (USD equivalent)	% Allocated to Eligible Assets
Kenya Securitisation	(KES) 15,900,000,000	$123,169,881	100%
Tanzania Facility	(TZS) 26,375,000,000	$10,679,694	100%
Nigeria Facility	(NGN) 112,193,400,000	$77,915,871	100%
MSME Bond	(USD) 16,650,000	$16,650,000	100%

Eligible Assets as of December 31, 2025

Debt Issuance	Total
Kenya Securitisation	$163,964,299
Tanzania Facility	$10,679,694
Nigeria Facility	$77,915,871
MSME Bond	$16,650,000
Grand Total	$269,209,864

Allocation of Loan Proceeds Towards Eligible Projects

Eligible Project	Eligible Product	Kenya Securitisation	Tanzania Facility	Nigeria Facility	MSME Bond
Affordable Basic Infrastructure					
Provision of access to clean, safe, and affordable energy	Solar home systems	87%	93%	83%	100%
Provision of digital connectivity	Smartphones	13%	7%	17%	0%
Socioeconomic Advancement and Empowerment					
Equitable access to and control over assets, services, resources, and opportunities	Energy-efficient devices	87%*	93%*	83%*	100%*
Equitable participation and integration into the market and society	Smartphones	13%**	7%*	7%*	0%**

* Included as a bundle in solar systems listed under Affordable Basic Infrastructure.
** Same as smartphones listed under Affordable Basic Infrastructure.

Impact of Proceeds

Following the "Framework", Sun King committed to reporting out on the impact of financing annually.

Category	Impact Indicators	Sustainable Financing Framework: January 2025 - December 2025	Kenya Securitisation: January 2025 – December 2025	Nigeria Local Currency Debt Facility: January 2025 – December 2025	Tanzania Local Currency Debt Facility: February 2025 – December 2025	MSME Bond: August 2025 – December 2025
Social						
Affordable Basic Infrastructure:						
Provision of access to clean, safe, and affordable energy	Annual number of people benefiting from clean energy financing	4,072,467	1,436,530	1,510,049	375,210	750,678
	% of customers that are women[4]	48%	52%	43%	43%	54%
	Cumulative number of households connected	740,448	261,187	274,554	68,220	136,487
Provision of digital connectivity	Number of smartphones sold	321,847	219,130	95,841	6,876	0
Socioeconomic Advancement and Empowerment:						
Equitable access to and control over assets, services, resources, and opportunities	Annual number of people benefiting from high-performing appliances	1,271,265	34,448	1,227,921	1,245	7,651
Equitable participation and integration into the market and society	Cumulative number of people benefiting from high-performing appliances	1,271,265	34,448	1,227,921	1,245	7,651

[4]Gender data is based on sales records. Sun King does not collect or have access to gender information for all customers, so percentages are calculated from the subset of customers for whom gender data is available.

Category	Impact Indicators	Sustainable Financing Framework: January 2025 - December 2025	Kenya Securitisation: January 2025 – December 2025	Nigeria Local Currency Debt Facility: January 2025 – December 2025	Tanzania Local Currency Debt Facility: February 2025 – December 2025	MSME Bond: August 2025 – December 2025
Green Category						
Renewable Energy						
Environmental objective: climate change mitigation	Annual CO_2 emissions reduced/avoided (in tCO_2 eq./year)	414,713	414,713	443,794	107,086	233,881
	Annual connection of renewable energy generation in MWh/ GWh (electricity)	32,651 MWh	32,651 MWh	65,949 MWh	5,421 MWh	16,530 MWh
	Annual MW of rooftop solar capacity installed	3.8 MW	3.8 MW	7.8 MW	0.6 MW	1.9 MW
Energy Efficiency						
Environmental objective: climate change mitigation	Annual CO_2 emissions reduced/avoided (in t CO_2 eq./year)	414,713 MT	414,713 MT	443,794 MT	107,086 MT	233,881 MT

Disclaimer

The information and opinions contained in this Impact and Allocation Report (the "Report") are provided by Sun King as at the date of this document and are subject to change without notice. The correctness, comprehensiveness, and trustworthiness of the information and opinions contained herein are the responsibility of Sun King. After the date of this Report, Sun King does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events, or otherwise.

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All impact metrics included in this Report have been computed using GOGLA's Impact Metrics Guidelines, available here, and are consistent with the methodology set out in the original Sustainable Financing Framework. The only non-standard metric reported is "annual connections of renewable energy", which is calculated by aggregating the potential solar energy installed across all Sun King products. Sun King is currently using GOGLA's methodology to calculate avoided carbon emissions but is developing a company-wide approach to improve accuracy and enable more granular reporting.

Providing this Report does not constitute a certification of the materiality, excellence, or irreversibility of the projects financed by Sun King's sustainable financing instruments. Sun King remains solely responsible for certifying, implementing, and monitoring compliance with its Framework.

It is important to note that this Report does not encompass the full scope of Sun King's operations or impact. Rather, it focuses specifically on activities and outcomes linked to the company's sustainable financing instruments, such as green, social, and sustainability bonds and loans.

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