

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 30, 2024

GigCapital7 Corp.
(Exact name of registrant as specified in its charter)

Cayman Islands
(State or Other Jurisdiction of
Incorporation or Organization)

001-42262
(Commission
File Number)

98-1790710
(I.R.S. Employer
Identification No.)

1731 Embarcadero Rd., Suite 200
Palo Alto, CA 94303
(Address of principal executive offices, including Zip Code)

(650) 276-7040
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Units, each consisting of one Class A ordinary share, \$0.0001 par value, and one redeemable warrant	GIGGU	The Nasdaq Stock Market LLC
Class A ordinary shares, \$0.0001 par value	GIG	The Nasdaq Stock Market LLC
Redeemable warrants, each full warrant exercisable for one Class A ordinary share at an exercise price of \$11.50 per share	GIGGW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

As previously disclosed by GigCapital7 Corp. (the “**Company**”) in its Current Report on Form 8-K, as filed with the U.S. Securities and Exchange Commission (the “**SEC**”) on September 3, 2024 (the “**IPO Closing 8-K**”), the Company consummated its initial public offering (the “**IPO**”) on August 30, 2024, resulting in the issuance of an aggregate of 20,000,000 units (the “**Public Units**”). Each Public Unit consists of one Class A ordinary share of the Company (a “**Public Share**”), \$0.0001 par value (“**Class A Ordinary Shares**”), and one redeemable warrant (a “**Public Warrant**”). Each whole Public Warrant is exercisable for one Class A Ordinary Share at a price of \$11.50 per full share. The Public Units were sold at an offering price of \$10.00 per unit, and the IPO generated aggregate gross proceeds of \$200,000,000. The Company also granted the underwriters a 45-day option to purchase up to 3,000,000 additional Public Units solely to cover over-allotments, if any.

Simultaneously with the closing of the IPO and the sale of the Public Units, the Company consummated the private placement (“**Private Placement**”) of 2,826,087 Class B ordinary shares (the “**Private Placement Shares**”), at a purchase price of \$1.15 per Private Placement Share, to certain institutional investors (none of which are affiliated with any member of the Company’s management, GigAcquisitions7 Corp., a Cayman Islands exempted company (the “**Sponsor**”), or any other investor. Each investor entered into a subscription agreement with the Company, the form of which was previously filed with the SEC as Exhibit 10.3 to the Company’s Registration Statement on Form S-1 initially filed on August 22, 2024 (the “**Registration Statement**”). The Private Placement generated aggregate gross proceeds of \$3,250,000.

Also simultaneously with the closing of the IPO, the Company completed the private sale and issuance to its Sponsor of 3,719,000 private warrants, each entitling the holder to purchase one Class A Ordinary Share (the “**Private Placement Warrants**”), pursuant to the Warrant Purchase Agreement, previously filed with the SEC as Exhibit 10.2 to the Company’s IPO Closing 8-K, for an aggregate purchase price of \$58,060. The Private Placement Warrants are identical to the Public Warrants underlying the Units sold in the IPO, except that the Private Placement Warrants: (i) will not be redeemable by the Company and (ii) may be exercised for cash or on a cashless basis, as described in the prospectus, so long as they are held by the Sponsor or any of their respective permitted transferees, and (iii) subject to certain limited exceptions, will be subject to transfer restrictions until thirty (30) days following the consummation of the Company’s initial business combination. If the Private Placement Warrants are held by holders other than the Sponsor or any of its permitted transferees, then they will be redeemable by the Company and exercisable by the holders on the same basis as the Public Warrants. The material terms of the Warrant Purchase Agreement are set forth in the Registration Statement and incorporated by reference herein.

A total of \$200,000,000, consisting of a portion of the proceeds received by the Company for the sale of the Private Placement Shares and the entirety of the proceeds received by the Company after deduction for commissions from the IPO, were placed in a segregated trust account located in the United States maintained by Continental Stock Transfer & Trust Company, acting as trustee. Except with respect to interest earned on the funds held in the trust account that may be released to the Company to pay its taxes, the funds in the trust account will not be released from the trust account until the earliest to occur of: (i) the completion of the Company’s initial business combination, (ii) the redemption of 100% of the outstanding public shares if the Company has not completed its initial business combination in the required time period, and (iii) the redemption of the Company’s public shares properly tendered in connection with the approval of any amendment to the Company’s Amended and Restated Memorandum and Articles of Association governing our pre-initial business combination activity and related shareholders’ rights.

An audited balance sheet as of August 30, 2024, reflecting receipt of the proceeds upon consummation of the IPO, the Private Placement and the sale of the Private Placement Warrants has been issued by the Company and is included as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1	Audited Balance Sheet of GigCapital7 Corp. as of August 30, 2024
104	Cover Page Interactive Data File

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GIGCAPITAL7 CORP.

By: /s/ Dr. Avi S. Katz

Name: Dr. Avi S. Katz

Title: Chief Executive Officer and Chairman of the
GigCapital7 Corp. Board

Date: September 6, 2024

GIGCAPITAL7 CORP.

INDEX TO BALANCE SHEET AND NOTES TO BALANCE SHEET

[Report of Independent Registered Public Accounting Firm \(PCAOB ID: 207\)](#)

[Balance Sheet](#)

[Notes to Balance Sheet](#)

F-2

F-3

F-4

F-1

To the Board of Directors and
Shareholders of GigCapital7 Corp.

Opinion on the Financial Statement

We have audited the accompanying balance sheet of GigCapital7 Corp. (a Cayman Islands exempted company) (the “Company”) as of August 30, 2024, and the related notes (collectively referred to as the “financial statement”). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of August 30, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

/s/ BPM LLP

We have served as the Company’s auditor since 2024.

San Jose, California
September 6, 2024

GIGCAPITAL7 CORP.
BALANCE SHEET
AS OF AUGUST 30, 2024

	<u>August 30, 2024</u>
ASSETS	
Current assets:	
Cash	\$ 2,606,731
Prepaid expenses and other current assets	226,058
Total current assets	<u>2,832,789</u>
Cash and marketable securities held in Trust Account	200,000,000
Other assets	128,975
TOTAL ASSETS	<u><u>\$202,961,764</u></u>
LIABILITIES, REDEEMABLE ORDINARY SHARES AND SHAREHOLDERS' DEFICIT	
Current liabilities	
Accounts payable	\$ 364,784
Related party payable	60,451
Accrued expenses	556,020
Total current liabilities	<u>981,255</u>
Warrant liability	3,432,780
Total liabilities	<u>4,414,035</u>
Commitments (Note 3 and Note 4)	
Class A ordinary shares subject to possible redemption, 20,000,000 shares at a redemption value of \$10.00 per share	
Shareholders' deficit	<u>200,000,000</u>
Preferred shares, par value of \$0.0001 per share; 1,000,000 shares authorized; none issued or outstanding	—
Class A ordinary shares, par value of \$0.0001 per share; 200,000,000 shares authorized; none issued or outstanding (excludes 20,000,000 shares subject to possible redemption)	—
Class B ordinary shares, par value of \$0.0001 per share; 50,000,000 shares authorized; 15,333,333 shares issued and outstanding(1)	1,983
Additional paid-in capital	2,025,773
Accumulated deficit	(3,480,027)
Total shareholders' deficit	<u>(1,452,271)</u>
TOTAL LIABILITIES, REDEEMABLE ORDINARY SHARES AND SHAREHOLDERS' DEFICIT	<u><u>\$202,961,764</u></u>

- (1) This number includes up to 2,000,000 Class B ordinary shares subject to forfeiture if the over-allotment option is not exercised in full or in part by the underwriters.

The accompanying notes are an integral part of this balance sheet.

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

1. DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS

Organization and General

GigCapital7 Corp. (the “Company”) was incorporated as a Cayman Islands exempted company on May 8, 2024. The Company was formed for the purpose of effecting a merger, capital share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses (the “Business Combination”). The Company is an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933, as amended (the “Securities Act”), as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). The Company has not selected any specific Business Combination target, and the Company has not, nor has anyone on its behalf, engaged in any substantive discussions, directly or indirectly, with any Business Combination target with respect to an initial Business Combination with the Company.

As of August 30, 2024, the Company had not commenced any operations. All activity for the period from May 8, 2024 (date of inception) through August 30, 2024 relates to the Company’s formation and the initial public offering (the “Offering”) described below. The Company will not generate any operating revenues until after completion of the Business Combination, at the earliest. The Company will generate non-operating income in the form of interest income on cash and cash equivalents from the proceeds derived from the Offering. The Company has selected December 31 as its fiscal year end.

On August 28, 2024, the Securities and Exchange Commission (the “SEC”) declared the Company’s initial Registration Statement on Form S-1 (File No. 333-280015), in connection with the Offering of \$200.0 million, effective.

The Company entered into an underwriting agreement with Craft Capital Management LLC and EF Hutton, LLC (collectively, the “Underwriters”) on August 28, 2024 to conduct the Offering of 20,000,000 units (the “public units”) in the amount of \$200.0 million in gross proceeds, with a 45-day option provided to the Underwriters to purchase up to 3,000,000 additional public units solely to cover over-allotments, if any, in the amount of up to \$30.0 million in additional gross proceeds. Each public unit consists of one Class A ordinary share of the Company (a “public share”), \$0.0001 par value, and one redeemable warrant (a “public warrant”). Each public warrant is exercisable for one Class A ordinary share at a price of \$11.50 per full share.

On August 30, 2024, the Company consummated the Offering of 20,000,000 public units. The public units were sold at a price of \$10.00 per public unit, generating gross proceeds to the Company of \$200,000,000.

As further discussed in Note 3, simultaneously with the closing of the Offering, the Company consummated the private placement to certain non-managing investors of 2,826,087 Class B ordinary shares (the “private placement shares”) at a price of \$1.15 per share (the “private placement”). The private placement generated aggregate gross proceeds of \$3,250,000.

As further discussed in Note 4, simultaneously with the closing of the Offering, the Company consummated the private placement to the Company’s sponsor, GigAcquisitions7 Corp., a Cayman Islands exempted company (the “Founder” or “Sponsor”), of 3,719,000 warrants (the “private placement warrants”) at a price of \$0.01561 per private placement warrant (the “warrant private placement”). Each private placement warrant entitles the holder thereof to purchase one Class A ordinary share at \$11.50 per share, subject to adjustment. The warrant private placement generated aggregate gross proceeds of \$58,060.

Following the closing of the Offering, net proceeds in the amount of \$200,000,000 from the sale of the public units in the Offering were placed in a trust account (“Trust Account”) (discussed below).

Transaction costs amounted to \$1,325,244, consisting of \$600,000 of underwriting fees and \$1,025,244 of offering costs, partially offset by the reimbursement of \$300,000 of offering expenses by the Underwriters. The Company’s remaining cash after payment of the offering costs is held outside of the Trust Account for working capital purposes.

The Trust Account

The funds in the Trust Account will be invested only in U.S. government treasury bills with a maturity of one hundred and eighty-five (185) days or less or in money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act of 1940 which invest only in direct U.S. government obligations. Funds will remain in the Trust Account until the earlier of (i) the completion of the Business Combination or (ii) the distribution of the Trust Account as described below. The remaining proceeds from the Offering outside the Trust Account may be used to pay for business, legal and accounting due diligence expenses on acquisition targets and continuing general and administrative expenses.

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

The Company's memorandum and articles of association provides that, other than the withdrawal of interest to pay taxes none of the funds held in the Trust Account will be released until the earlier of: (1) the completion of the Business Combination; (2) the redemption of 100% of the outstanding public shares if the Company has not completed an initial Business Combination within 21 months from the closing of the Offering or (3) the redemption of any public shares properly tendered in connection with a shareholder vote to amend the memorandum and articles of association (A) to modify the substance or timing of the Company's obligation to redeem 100% of the Company's public shares if the Company does not complete its initial Business Combination within the required time period or (B) with respect to any other provision relating to the Company's pre-business combination activity and related shareholders' rights.

Business Combination

The Company's management has broad discretion with respect to the specific application of the net proceeds of the Offering, although substantially all of the net proceeds of the Offering are intended to be generally applied toward consummating a Business Combination with (or acquisition of) a Target Business. As used herein, "Target Business" must be with one or more target businesses that together have a fair market value equal to at least 80% of the balance in the Trust Account (less the taxes payable on interest earned) at the time the Company signs a definitive agreement in connection with the Business Combination. There is no assurance that the Company will be able to successfully effect a Business Combination.

The Company, after signing a definitive agreement for a Business Combination, will either (i) seek shareholder approval of the Business Combination at a meeting called for such purpose in connection with which shareholders may seek to redeem their shares, regardless of whether they vote for or against the Business Combination, for cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account as of two business days prior to the consummation of the initial Business Combination, including interest but less taxes payable, or (ii) provide shareholders with the opportunity to have their shares redeemed by the Company by means of a tender offer (and thereby avoid the need for a shareholder vote) for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account as of two business days prior to commencement of the tender offer, including interest but less taxes payable. The decision as to whether the Company will seek shareholder approval of the Business Combination or will allow shareholders to redeem their shares in a tender offer will be made by the Company, solely in its discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would otherwise require the Company to seek shareholder approval unless a vote is required by the Nasdaq rules. If the Company seeks shareholder approval, it will complete its Business Combination only if a majority of the outstanding shares are voted in favor of the Business Combination. However, in no event will the Company redeem its public shares in an amount that would cause its net tangible assets to be less than \$5,000,001 upon consummation of a Business Combination. In such case, the Company would not proceed with the redemption of its public shares and the related Business Combination, and instead may search for an alternate Business Combination.

If the Company holds a shareholder vote or there is a tender offer for shares in connection with the Business Combination, a public shareholder will have the right to redeem its shares for an amount in cash equal to its pro rata share of the aggregate amount then on deposit in the Trust Account as of two business days prior to the consummation of the initial Business Combination, including interest but less taxes payable. As a result, such Class A ordinary shares are recorded at the redemption amount and classified as temporary equity. The amount in the Trust Account of \$200,000,000 represents 20,000,000 public shares at \$10.00 per public share.

The Company will have 21 months from the closing date of the Offering to complete its initial Business Combination. If the Company does not complete a Business Combination within this period of time, it shall (i) cease all operations except for the purposes of winding up; (ii) as promptly as reasonably possible, but not more than ten business days thereafter, redeem the public shares for a per share pro rata portion of the Trust Account, including interest, but less taxes payable (less up to \$100,000 of such net interest to pay dissolution expenses) and (iii) as promptly as possible following such redemption, dissolve and liquidate the balance of the Company's net assets to its creditors and remaining shareholders, as part of its plan of dissolution and liquidation. The initial shareholders entered into agreements with the Company, pursuant to which they agreed: (1) to waive their redemption rights with respect to their founder shares, private placement shares and any Class A ordinary shares issuable upon conversion

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

thereof in connection with the consummation of the Company's initial Business Combination or a tender offer conducted prior to a Business Combination or in connection with it; and (2) to waive their rights to liquidating distributions from the Trust Account with respect to their founder shares and private placement shares if the Company fails to complete its initial Business Combination within 21 months from the closing of this Offering, although they will be entitled to liquidating distributions from the Trust Account with respect to any public shares they hold if the Company fails to complete its initial Business Combination within the prescribed time frame.

In the event of such distribution, it is possible that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per unit in the Offering.

Liquidity

Prior to the completion of the Offering, the Company lacked the liquidity it needed to sustain operations for a reasonable period of time, which is considered to be one year from the issuance date of the financial statement. The Company has since completed its Offering at which time capital in excess of the funds deposited in the Trust Account and/or used to fund Offering expenses was released to the Company for general working capital purposes. Accordingly, management has since re-evaluated the Company's liquidity and financial condition and determined that sufficient capital exists to sustain operations for at least one year from the date that the financial statement was issued, and therefore substantial doubt has been alleviated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statement of the Company has been prepared in conformity with accounting principles generally accepted in the United States of America.

Emerging Growth Company

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when an accounting standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised accounting standard at the time private companies adopt the new or revised standard.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of a cash account and the Trust Account held in financial institutions, which at times, may exceed federally insured limits. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Cash and Cash Equivalents

The Company considers all short-term investments with a maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents as of August 30, 2024.

Cash and marketable securities held in Trust Account

As of August 30, 2024, the assets held in the Trust Account consisted of cash.

Offering Costs

The Company complies with the requirements of Accounting Standards Codification ("ASC") 340-10-S99-1 and the SEC Accounting Bulletin ("SAB") Topic 5A – "Expenses of Offering." Offering costs in the amount of \$1,325,244 consist principally of professional and registration fees incurred through the balance sheet date that are related to the Offering. Offering costs were allocated to the separable financial instruments issued in the Offering based on a relative fair value basis, compared to total proceeds received. Offering costs allocated to the public shares were charged to temporary equity and offering costs allocated to public warrants (as defined in Note 3) were charged to shareholders' deficit upon the completion of the Offering.

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

Class A Ordinary Shares subject to possible redemption

Ordinary shares subject to mandatory redemption (if any) are classified as a liability instrument and measured at fair value. Conditionally redeemable ordinary shares (including ordinary shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. At all other times, ordinary shares are classified as shareholders' equity (deficit). The Company's Class A ordinary shares feature certain redemption rights that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, as of August 30, 2024, Class A ordinary shares subject to possible redemption are presented at redemption value as temporary equity, outside of the shareholders' deficit section of the Company's balance sheet. As of August 30, 2024, 20,000,000 shares of Class A ordinary shares were issued and outstanding and subject to possible redemption.

Financial Instruments

The fair value of the Company's assets and liabilities approximates the carrying amounts represented in the balance sheet.

Use of Estimates

The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes under Accounting Standards Codification 740, "Income Taxes" ("ASC 740"). Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of August 30, 2024. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company is considered to be an exempted Cayman Islands company with no connection to any other taxable jurisdiction and is presently not subject to income taxes or income tax filing requirements in the Cayman Islands, and the Company believes it is presently not subject to income taxes or income tax filing requirements in the United States.

Warrant Liability

The Company accounts for warrants for ordinary shares of the Company that are not indexed to its own shares as liabilities at fair value on the balance sheet. The warrants are subject to remeasurement at each balance sheet date and any change in fair value is recognized as a component of other income (expense), net on the statement of operations and comprehensive loss. The Company will continue to adjust the liability for changes in fair value until the earlier of the exercise or expiration of the warrants. At that time, the portion of the warrant liability related to the warrants for ordinary shares will be reclassified to additional paid-in capital.

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

Recent Accounting Pronouncements

The Company does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company's financial statements.

3. OFFERING

On August 30, 2024, the Company completed the Offering whereby the Company sold 20,000,000 public units at a price of \$10.00 per public unit. Each public unit consists of one public share, \$0.0001 par value, and one public warrant. The public warrants will only be exercisable for whole shares at \$11.50 per share. Under the terms of the warrant agreement, the Company has agreed to use its best efforts to file a new registration statement under the Securities Act, following the completion of the Company's initial Business Combination.

No fractional shares will be issued upon exercise of the public warrants. If, upon exercise of the public warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number the number of Class A ordinary shares to be issued to the public warrant holder. Each public warrant will become exercisable on the later of 30 days after the consummation of the Company's initial Business Combination or 12 months after the registration statement is declared effective by the SEC and will expire five years after the completion of the Company's initial Business Combination or earlier upon redemption or liquidation. However, if the Company does not complete its initial Business Combination on or prior to the 21-month period, the public warrants will expire at the end of such period. If the Company is unable to deliver registered ordinary shares to the holder upon exercise of the public warrants during the exercise period, there will be no net cash settlement of these public warrants and the public warrants will expire worthless, unless they may be exercised on a cashless basis in the circumstances described in the warrant agreement. Once the public warrants become exercisable, the Company may redeem the outstanding public warrants in whole and not in part at a price of \$0.01 per public warrant upon a minimum of 30 days' prior written notice of redemption, only in the event that the last sale price of the Company's ordinary shares equals or exceeds \$18.00 per share for any 20 trading days within the 30-trading day period ending on the third trading day before the Company sends the notice of redemption to the public warrant holders.

The Company granted the Underwriters a 45-day option to purchase up to 3,000,000 additional Units to cover any over-allotments, at the initial public offering price.

The Company paid an underwriting discount of \$0.03 per to the Underwriters at the closing of the Offering on August 30, 2024.

Simultaneously with the closing of the Offering certain non-managing investors purchased an aggregate of 2,826,087 Class B ordinary shares from the Company at the price \$1.15 per share. The private placement shares along with the founder shares collectively represent 40% of the outstanding ordinary shares at the completion of the Offering (excluding any shares underlying the private placement warrants further described in Note 4). The private placement proceeds will be used to pay for business, legal and accounting due diligence expenses on acquisition targets and continuing general and administration expenses.

4. RELATED PARTY TRANSACTIONS

Founder Shares

During the period from May 8, 2024 (date of inception) to May 31, 2024, the Founder purchased 17,000,000 Class B ordinary shares (the "Founder Shares") for an aggregate purchase price of \$100,000, or \$0.00588235 per share. Following the May 31, 2024 purchase, the Sponsor surrendered 4,792,754 Class B ordinary shares for no consideration. The Founder Shares are identical to the Class A ordinary shares included in the public units sold in the Offering except that the Founder Shares are subject to certain transfer restrictions, as described in more detail below. The Founder agreed to forfeit up to 2,000,000 Founder Shares to the extent that the over-allotment option is not exercised in full or in part by the Underwriters. The forfeiture will be adjusted to the extent that the over-allotment option is not exercised in full by the Underwriters so that the Founder, the advisor and non-managing investors will own 40% of the Company's issued and outstanding Class A and Class B ordinary shares after the Offering.

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

Private Placement Warrant

Simultaneously with the closing of the Offering the Founder purchased warrants to purchase an aggregate of 3,719,000 Class A ordinary shares at a price of \$0.01561 per warrant (the “Private Placement Warrants”). The Private Placement Warrants will only be exercisable for whole Class A ordinary shares at \$11.50 per share. Under the terms of the warrant agreement, the Company has agreed to use its best efforts to file a new registration statement under the Securities Act, following the completion of the Company’s initial Business Combination. No fractional shares will be issued upon exercise of the Private Placement Warrants. If, upon exercise of the Private Placement Warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number the number of shares to be issued to the Private Placement Warrant holder. Each Private Placement Warrant will become exercisable on the later of 30 days after the consummation of the Company’s initial Business Combination or 12 months after the registration statement is declared effective by the SEC and will expire five years after the completion of the Company’s initial Business Combination or earlier upon redemption or liquidation. However, if the Company does not complete its initial Business Combination on or prior to the 21-month period allotted to complete the initial Business Combination, the Private Placement Warrants will expire at the end of such period. If the Company is unable to deliver registered ordinary shares to the holder upon exercise of the Private Placement Warrants during the exercise period, there will be no net cash settlement of these Private Placement Warrants and the Private Placement Warrants will expire worthless, unless they may be exercised on a cashless basis in the circumstances described in the Private Placement Warrant agreement. Once the Private Placement Warrants become exercisable, the Company may redeem the outstanding Private Placement Warrants in whole and not in part at a price of \$0.01 per Private Placement Warrant upon a minimum of 30 days’ prior written notice of redemption, only in the event that the last sale price of the Company’s ordinary shares equals or exceeds \$18.00 per share for any 20 trading days within the 30-trading day period ending on the third trading day before the Company sends the notice of redemption to the Private Placement Warrant holders.

The Company’s Founder has agreed not to transfer, assign or sell any of their respective Founder Shares, Private Placement Warrants, ordinary shares or other securities underlying such Private Placement Warrants that they may hold until the date that is (i) in the case of the Founder Shares, the earlier of (A) 6 months after the date of the consummation of the Company’s initial Business Combination or (B) subsequent to the Company’s initial Business Combination, (x) the date on which the last sale price of the Company’s Class A ordinary shares equals or exceeds \$11.50 per share (as adjusted for share splits, share dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 90 days after the Company’s initial Business Combination, or (y) the date on which the Company consummates a liquidation, merger, share exchange or other similar transaction after the Company’s initial Business Combination which results in all of the Company’s shareholders having the right to exchange their ordinary shares for cash, securities or other property, and (ii) in the case of the Private Placement Warrants and ordinary shares or other securities underlying such Private Placement Warrants, until 30 days after the completion of the Company’s initial Business Combination.

If the Company does not complete a Business Combination, then a portion of the proceeds from the sale of the Private Placement Warrants will be part of the liquidating distribution to the public shareholders.

Registration Rights

The Company’s initial shareholders and their permitted transferees are entitled to registration rights pursuant to a registration rights agreement signed on August 28, 2024. These holders will be entitled to make up to two demands, excluding short form registration demands, that the Company register such securities for sale under the Securities Act. In addition, these holders will have “piggy-back” registration rights to include their securities in other registration statements filed by the Company. The Company will bear the expenses incurred in connection with the filing of any such registration statements. There will be no penalties associated with delays in registering the securities under the proposed registration rights agreement.

Administrative Services Agreement and Other Agreements

The Company has agreed to pay \$30,000 a month for office space, administrative services and secretarial support to an affiliate of the Founder, GigManagement, LLC. Services commenced on August 30, 2024, the date the securities were first listed on the Nasdaq, and will terminate upon the earlier of the consummation by the Company of a Business Combination or the liquidation of the Company.

5. SHAREHOLDERS' DEFICIT

Preferred Shares

The Company is authorized to issue 1,000,000 preferred shares with such designations, voting and other rights and preferences as may be determined from time to time by the Board of Directors. As of August 30, 2024, there were no preferred shares issued and outstanding.

Class A Ordinary Shares

The Company is authorized to issue 200,000,000 Class A ordinary shares with a par value of \$0.0001 per share. As of August 30, 2024, there were 20,000,000 Class A ordinary shares subject to possible redemption issued and outstanding.

Class B Ordinary Shares

The Company is authorized to issue 50,000,000 Class B ordinary shares with a par value of \$0.0001 per share. At formation on May 8, 2024, the Sponsor acquired one Class B ordinary share for a purchase price of \$0.0001. Subsequently on May 31, 2024, the Sponsor purchased 16,999,999 Class B ordinary shares for an aggregate purchase price of \$100,000, or \$0.00588235 per share, of which up to 2,000,000 Class B ordinary shares are subject to forfeiture depending on the extent to which the Underwriters' over-allotment option is exercised in connection with the Offering as described in Note 3. On May 31, 2024, July 29, 2024 and August 28, 2024, the Sponsor surrendered 300,000, 659,417 and 3,833,337 Class B ordinary shares, respectively, for no consideration. On June 6, 2024, the Company issued 300,000 Class B ordinary shares to an advisor for consulting services in connection with the Offering for a purchase price of \$0.01 per share, or an aggregate purchase price of \$3,000. As of August 30, 2024, there were 15,333,333 Class B ordinary shares issued and outstanding.

Warrants (Public Warrants and Private Placement Warrants)

Warrants will be exercisable for \$11.50 per share, and the exercise price and number of warrant shares issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or recapitalization, reorganization, merger or consolidation of the Company. In addition, if (x) the Company issues additional Class A ordinary shares or equity-linked securities for capital raising purposes in connection with the closing of its initial Business Combination at an issue price or effective issue price of less than \$9.20 per Class A ordinary share (with such issue price or effective issue price to be determined in good faith by the Company's Board of Directors, and in the case of any such issuance to the Company's Founder or its affiliates, without taking into account any Founder Shares held by it prior to such issuance), (y) the aggregate gross proceeds from such issuances represent more than 65% of the total equity proceeds, and interest thereon, available for the funding of the Company's initial Business Combination on the date of the consummation of its initial Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Company's public shares during the 20 trading-day period starting on the trading day prior to the day on which the Company consummates its initial Business Combination (such price, the "Market Value") is below \$9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the greater of (i) the Market Value or (ii) the price at which the Company issues the additional Class A ordinary shares or equity-linked securities.

Each warrant will become exercisable on the later of 30 days after the completion of the Company's initial Business Combination or 12 months from the closing of the Offering and will expire five years after the completion of the Company's initial Business Combination or earlier upon redemption. However, if the Company does not complete its initial Business Combination on or prior to the 21-month period allotted to complete the initial Business Combination, the warrants will expire at the end of such period. If the Company is unable to deliver registered Class A ordinary shares to the holder upon exercise of the warrants during the exercise period, there will be no net cash settlement of these warrants and the warrants will expire worthless, unless they may be exercised on a cashless basis in the circumstances described in the warrant agreement. Once the warrants become exercisable, the Company may redeem the outstanding warrants in whole and not in part at a price of \$0.01 per warrant upon a minimum of 30 days' prior written notice of redemption, only in the event that the last sale price of the Company's Class A

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

ordinary shares equals or exceeds \$18.00 per share for any 20 trading days within the 30-trading day period ending on the third trading day before the Company sends the notice of redemption to the warrant holders.

Under the terms of the warrant agreement, the Company has agreed to use its best efforts to file a new registration statement under the Securities Act, following the completion of the Company's initial Business Combination, for the registration of the Class A ordinary shares issuable upon exercise of the public warrants and Private Placement Warrants.

As of August 30, 2024, there were 23,719,000 warrants outstanding.

6. FAIR VALUE MEASUREMENTS

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs which are supported by little or no market activity and which are significant to the fair value of the assets or liabilities.

The Company has determined that Private Placement Warrants are subject to treatment as a liability as the transfer of these warrants to anyone other than the purchasers or their permitted transferees, would result in these warrants having substantially the same terms as the public warrants. The Company has determined the fair value of each Private Placement Warrant using a Black-Scholes option-pricing model, which requires the use of significant unobservable market values. Accordingly, the Private Placement Warrants are classified as Level 3 financial instruments.

The following table presents information about the Company's liabilities that are measured at fair value on a recurring basis as of August 30, 2024, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

Description:	Level	August 30, 2024
Liabilities:		
Warrant liability	3	\$ 3,432,780

There were no financial assets measured on a recurring basis as of August 30, 2024.

The fair value of the Private Placement Warrants was estimated using the following assumptions:

	As of August 30, 2024
Share Price	\$ 9.08
Volatility	9.00%
Risk free interest rate	3.78%
Exercise price	\$ 11.50
Time to maturity—years	6.75

GigCapital7 Corp.
Notes to Financial Statement
August 30, 2024

There were no material changes to the assumptions above between the issuance date and the balance sheet date.

The change in the fair value of the Level 3 warrant liability during the period from May 8, 2024 (date of inception) through August 30, 2024 is as follows:

	Period from May 8, 2024 (date of inception) Through August 30, 2024
Fair value—beginning of period	\$ —
Additions	3,432,780
Change in fair value	—
Fair value—end of period	<u>\$ 3,432,780</u>

7. SUBSEQUENT EVENTS

The Company evaluated subsequent events that occurred after the balance sheet date through September 6, 2024, the date that these financial statements were available to be issued. Based upon this review, the Company did not identify any subsequent events that would have required adjustment to or disclosure in the financial statements.