

The logo for EAM Solar ASA, consisting of the lowercase letters 'eam' in white on a dark blue square background.

EAM Solar ASA

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# EAM SOLAR ASA

## Q2 2021

17 August 2021



# AGENDA

1. First half 2021 financial results and status
2. Status litigation activities
3. Business development activities
4. Q&A



# FIRST HALF 2021 FINANCIAL RESULT AND STATUS



- Power production at 1 436 MWh, 14% below estimate mainly due to thefts.
- FIT termination decision by GSE for ENFO25 annulled by the Court. EAM waiting for GSE to resume FIT payments including receivables outstanding.
- Group level total assets of EUR 15m million and equity of EUR 9.6m (equity ratio of 56% per cent). Parent company total assets of NOK 182m and equity of NOK 171m (equity ratio of 94%).
- Net receivables and cash less payables of EUR 5.6m.
- EAM has initiated processes to sell remaining assets in Italy but process complicated due to fraudulent behaviour by Aveleos' shareholders.

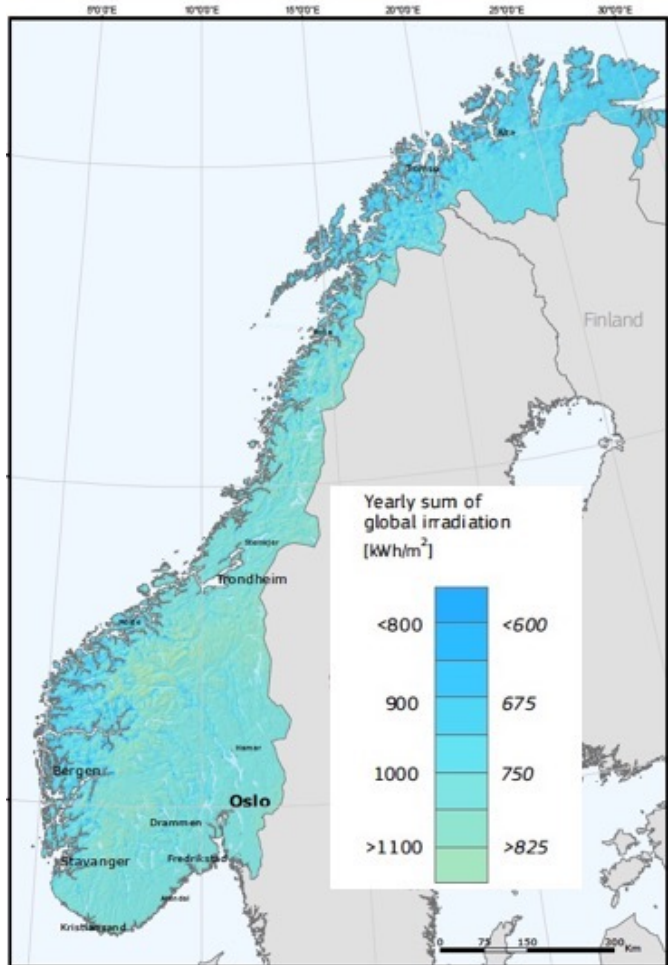
## Key figures

EUR 000'	Unaudited H1 2021	Unaudited H1 2020
<b>Revenues</b>	642	685
Cost of operations	(106)	(90)
Sales, general and administration expenses	(467)	(578)
Legal costs	(893)	(294)
<b>EBITDA</b>	(824)	(277)
Depreciation, amortizations and write downs	(281)	(283)
<b>EBIT</b>	(1 105)	(560)
Net financial items	(515)	1 073
<b>Profit before tax</b>	(1 620)	513
Income tax gain/(expense )	(33)	(21)
<b>Net income</b>	(1 653)	492

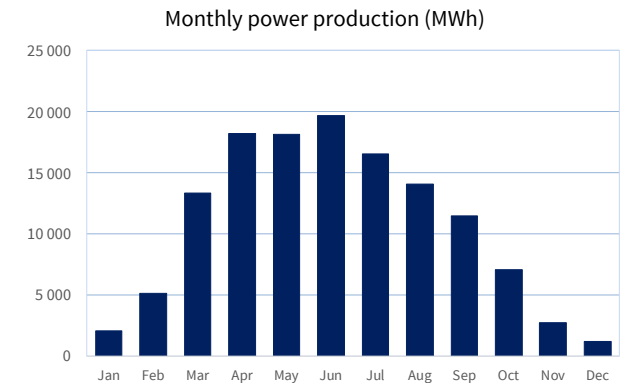
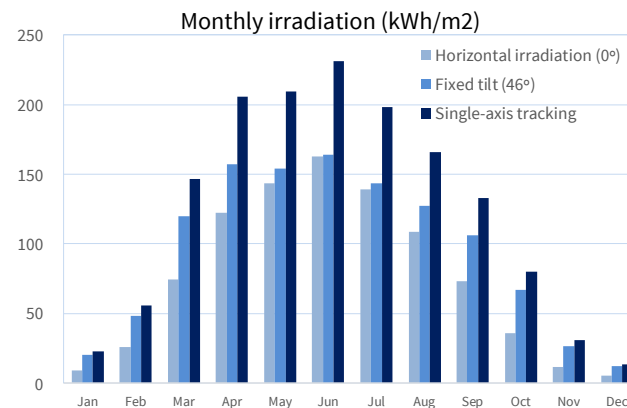
The second quarter report gives a comprehensive update on the legal status as of today. The main points to comment are:

- Decision by the Criminal Appeal Court of Milan appears summarily and with significant factual errors. This is the basis for the appeal to the Supreme Court. Supreme Court hearing scheduled for the 6<sup>th</sup> of October and a decision on the appeal expected to be communicated shortly after this.
- Oslo District Court has formally initiated the private criminal proceedings against Enovos Luxembourg SA. The Norwegian legal counsel of Enovos, Thommessen, has been given until the 15<sup>th</sup> of September to respond to the formal indictment.
- There are numerous other ongoing legal proceedings emanating from the avoidance by Enovos and Renova to assume their commercial and moral obligations from the contract they executed with EAM Solar ASA in July 2014. There has been no sign of a wish to honour the obligations, hence the fraud is continuing to this day.

# SOLAR PV POWER PLANTS ARE NOW COST COMPETITIVE IN NORWAY



- Norway needs additional 25 TWh of electricity supply the next 20 years (NVE, October 2020).
- Investment cost for a Solar PV power plant in Norway now at approx. NOK 5 000 per kW installed capacity.
- Total cost of Solar PV electricity, based on technical guaranteed lifetime of 30 years is less than NOK 0,20 per kWh (NOK 0,13 capital cost and NOK 0,5 operating cost).
- NVE expect future average price of electricity to be in the range NOK 0,38 to NOK 0,42 per kWh. At a price of NOK 0,38 a Solar PV power plant in Norway may have a cash payback of 10 to 14 years with a suitable operating lifetime of minimum 30 years.



# BUSINESS DEVELOPMENT ACTIVITIES IN ENERGEIA AS

- 40% of EAM Solar ASA is owned directly or indirectly by the Company's manager Energeia AS and Energeia's shareholders.
- Energeia built a PV power plant in Leeuwarden, Netherlands, in 2020, where the combination of PV power production and sheep pasture now is implemented.
- Energeia has a project pipeline of possible solar PV power plants in the Netherlands under development.
- Energeia has started to develop and plan solar PV power plant projects in Norway, with the first solar PV power plant now being in the process of applying for concession with NVE.
- Energeia and EAM Solar ASA initiated preliminary discussions with the aim to secure that all shareholders in EAM Solar ASA participates in the business development and value creation of Energeia AS.
- A formal proposal from Energeia AS to the Board of Directors in EAM Solar ASA is expected to be forwarded in September 2021.



- In 2020 Gjøvik Municipality and Energeia initiated a discussion for the establishment of a combination of agricultural activities and a solar PV power plant.
- In April 2021, the Municipal Council of Gjøvik approved the land lease and collaboration agreement between Gjøvik Municipality as landowner and Energeia with the purpose to establish the project “Seval Skog Solkraftverk og Innmarksbeite”.
- The project is the combined establishment of infield pasture and a solar PV power plant.
- The notification to NVE of commencement of formal concession application procedure has been sent.
- The project entails the establishment of approximately 100-hectare infield pasture and a 100MW solar PVC power plant that will produce approximately 130 GWh of electricity annually.
- Energeia is in dialogue with other public and private landowners in Norway for development of similar projects.
- The notice to NVE is a public document and may be retrieved from the Energeia AS web site (<https://www.energeia.no/news>).



## Seval Skog Solkraftverk og Innmarksbeite



Melding med foreløpig forslag til konsekvensutredningsprogram

16. august 2021

# Q&A

