

AEGA ASA THIRD QUARTER 2017

22 November 2017

Agenda

- Q3 highlights
- Business overview
- Financial review
- Guidance
- Q & A



Highlights from the quarter



Key figures

- Revenue: EUR 1 009k
- EBITDA: EUR 577k
- Net profit: EUR -20k

Power production

- Power production of record high 3 190MWh in the third quarter of 2017
- Production 0,2% above the same period the year before (adjusted for capacity increase)
- 5,1% above investment base case

Acquisitions

- No new acquisitions in the quarter

Key events after the quarter

- None



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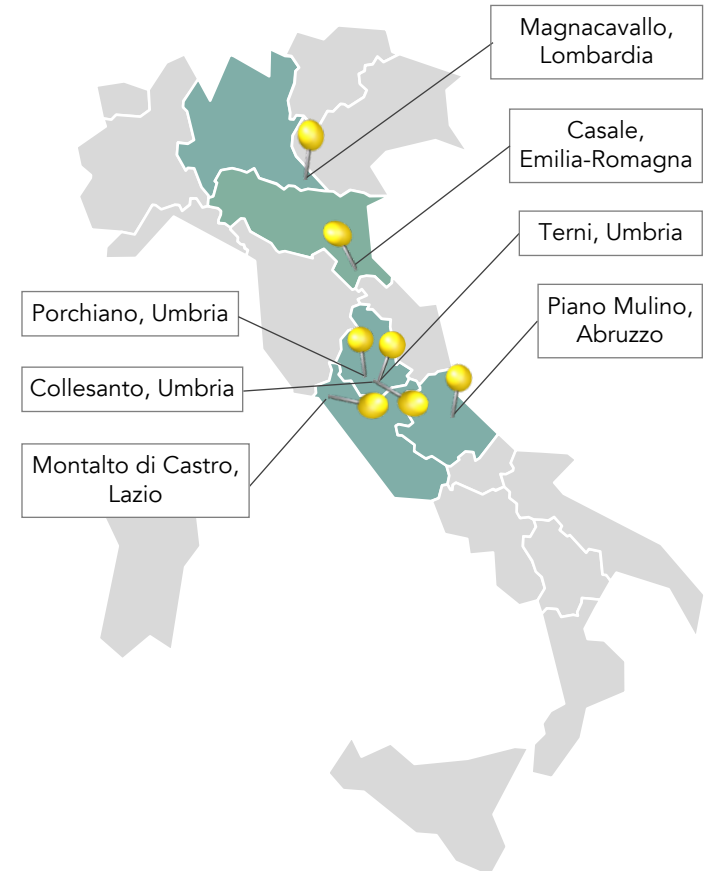
BUSINESS OVERVIEW

Overview of current Solar PV portfolio

Seven high quality solar parks with a combined production capacity of 7MWp

Solar PV Power Plants	Capacity (MWp)	FiT (EUR/kWh)
Montalto di Castro (Photo-Volt One S.r.l) <ul style="list-style-type: none"> • Acquired in Q3 2014 • Commenced commercial operation in August 2011 	1.0	0.24
Terni (DT S.r.l) <ul style="list-style-type: none"> • Acquired in Q1 2015 • Commenced commercial operation in April 2011 	1.0	0.32
Collesanto/Narni (Collesanto S.r.l) <ul style="list-style-type: none"> • Acquired in Q1 2015 • Commenced commercial operation in January 2011 	1.0	0.32
Porchiano/Amelia (Collesanto S.r.l) <ul style="list-style-type: none"> • Acquired in Q1 2015 • Commenced commercial operation in April 2011 	1.0	0.32
Magnacavallo (Jer-12 S.r.l) <ul style="list-style-type: none"> • Acquired in Q4 2015 • Commenced commercial operation in June 2012 	1.0	0.17
Piano Mulino (Piano Mulino S.r.l) <ul style="list-style-type: none"> • Acquired in Q2 2016 • Commenced commercial operation in December 2009 	1.0	0.29
Casale (Casale S.r.l) <ul style="list-style-type: none"> • Acquired in Q2 2017 • Commenced commercial operation in March 2011 	1.0	0.32
Total	7.0	

Close proximity secures operational efficiency



Significant growth opportunities

Immediate pipeline of new solar power plants

	Equity price indication (EURm)	Capacity (MW _p):	Estimated equity IRR	Location:
Plants 1-3	3.3*	3.5	15.0%	Piemonte/Lombardia

Short-term pipeline of new solar power plants

	Equity price indication (EURm)	Capacity (MW _p):	Estimated equity IRR	Location:
Plant 4-10	10.3*	12.0	15.0%	North of Rome

Long-term pipeline of new solar power plants

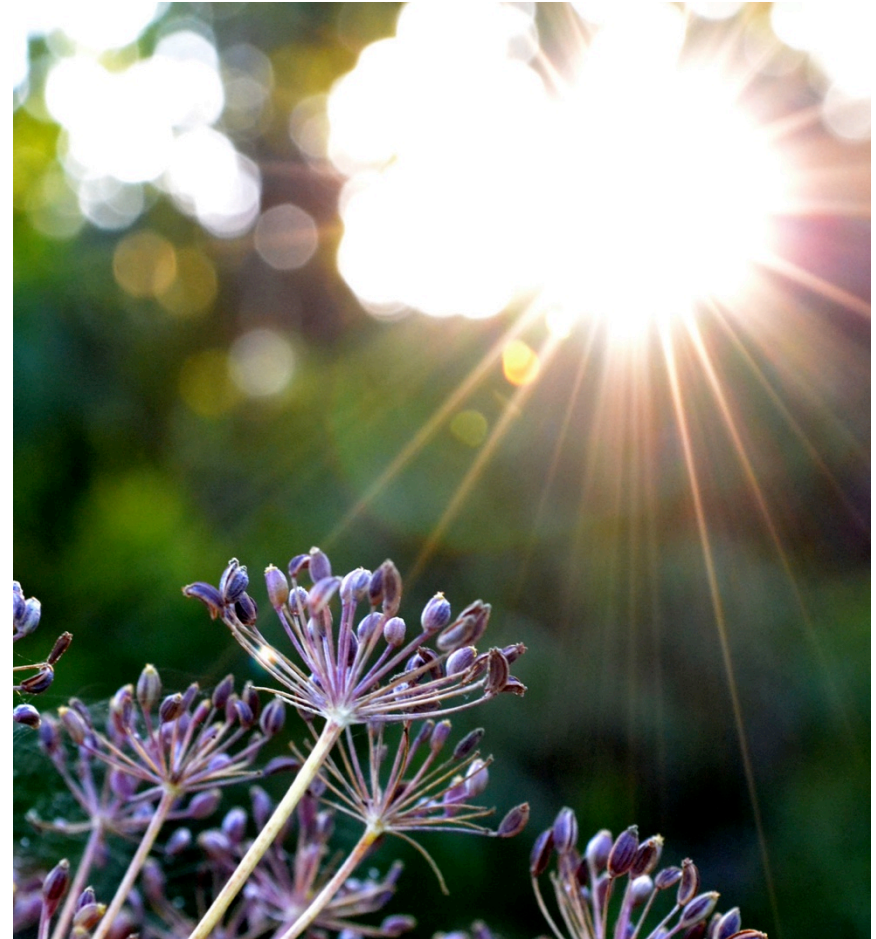
	Equity price indication (EURm)	Capacity (MW _p):	Estimated equity IRR	Location:
Plant 11-64	~180	200	15.0%	North of Rome

*) post refinancing for 2 out of 10 parks)

Significant growth opportunities cont'd

The company owns and operates 7MW_p of installed capacity; has more than 200MW_p at various stages in the pipeline and ca. 1 800MW_p in additional opportunities

- In total, the management team estimates that roughly 2 000MW_p out of the total 19 000MW_p installed in Italy meets the company's investment criteria
- Immediate pipeline to acquire three high quality solar parks for an equity consideration of approx. EUR 3.3 million, with a combined capacity of 3.5MW_p. For these three plants, Aega is ready to enter into a Share Purchase Agreement (SPA) within weeks. The DD process is well underway, and we are confident about the quality of these three parks in almost all respects.
- Short-term pipeline of combined 12.0MW_p at an equity cost of EUR 10.3 million. These are parks we have visited, and for some, even DDs have been done. We are on «Term Sheet level» with the relevant Sellers, and we are ready to accelerate the process once we have security on available funding.
- Long-term pipeline of combined around 200MW_p at an expected equity cost of approx. EUR 180 million.





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FINANCIAL REVIEW

Key financial results

Revenues of EUR 1 009k

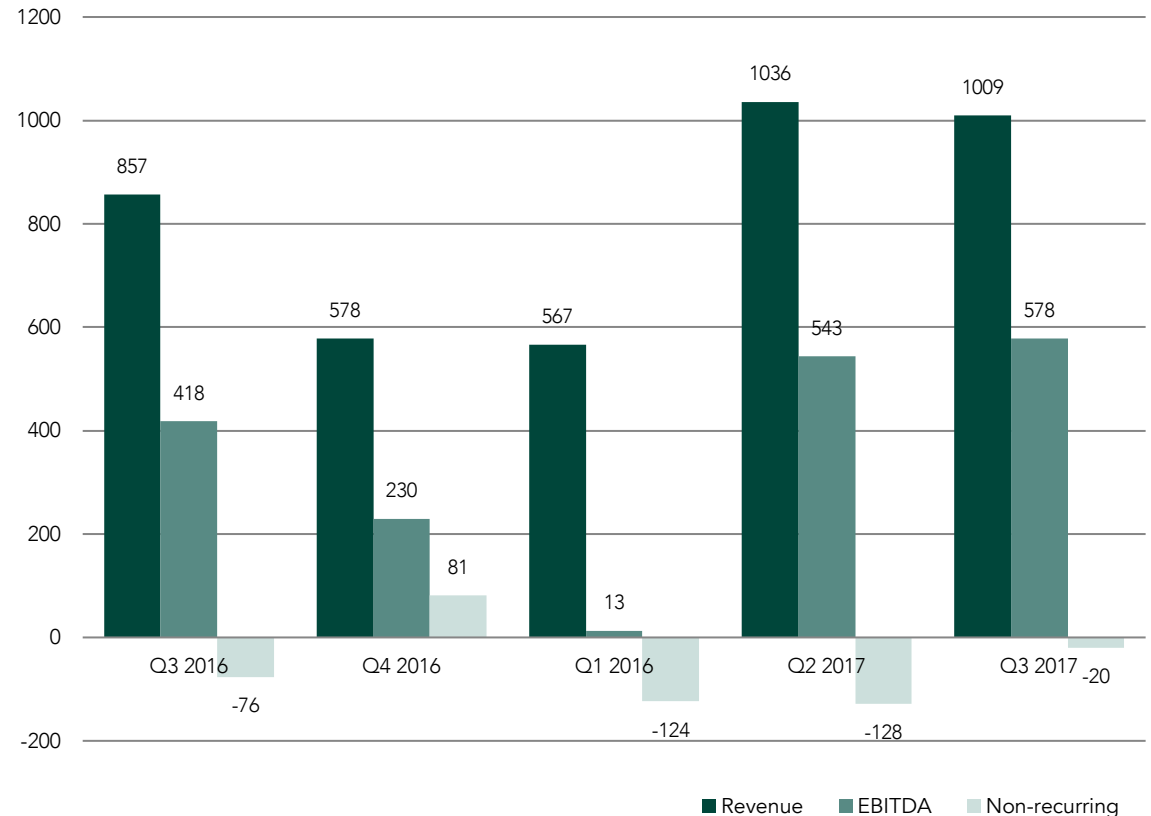
- 17,7% increase compared to Q3 2016
- Production of 3 190MWh
 - 0,2% above Q3 2016*
 - 5,1% above Base Case
- Total revenue 4,2% above base case

EBITDA of EUR 578k

- Limited non-recurring cost in Q3 2017 due to due diligence work and tax consulting (-20kEUR)

* Adjusted for installed capacity

Financial development

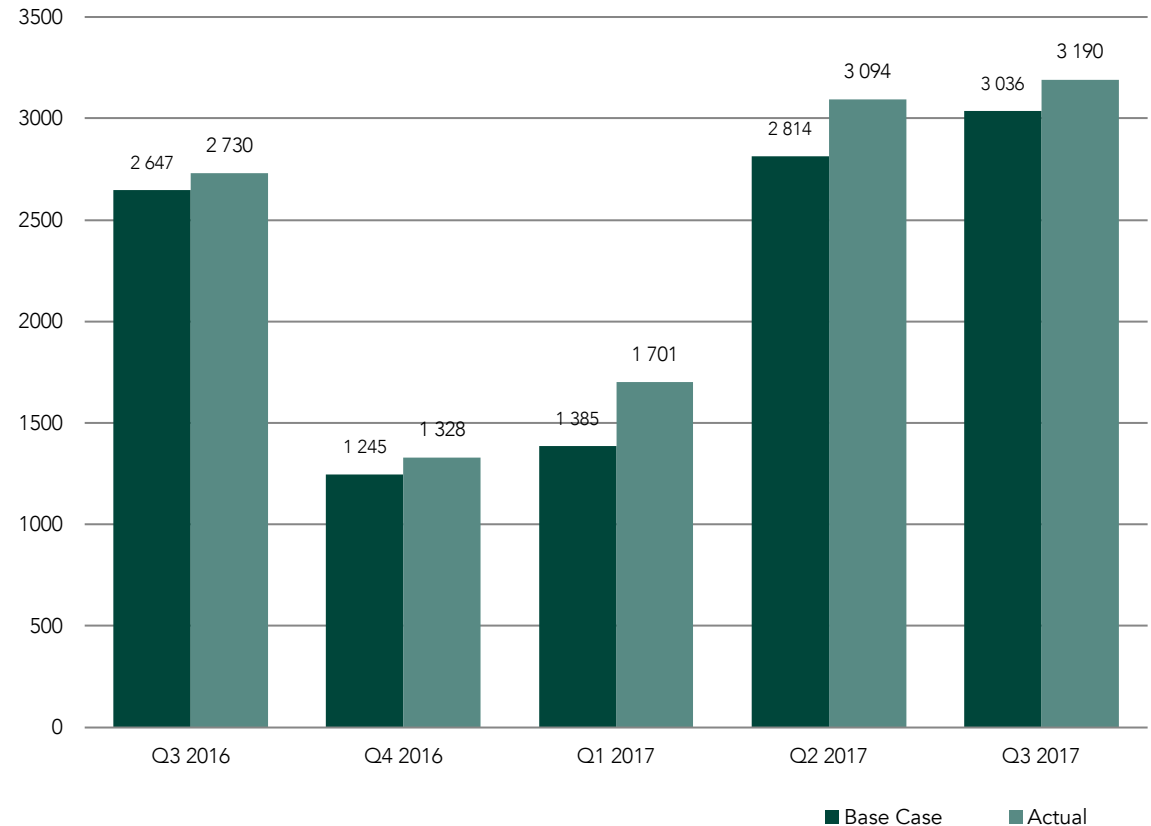


Power production

Power production of 3 190MWh

- Up 16,9% compared to same quarter last year
- Up 5,1% compared to Base Case
- One solar park added with effect from 1 May 2017 (from 6 to 7MWp installed capacity)
- Acceptable Performance Ratio (PR); 79,4% for the quarter
- Very high Plant Availability (PA); 99,7% for the quarter

Power production MWh/quarter

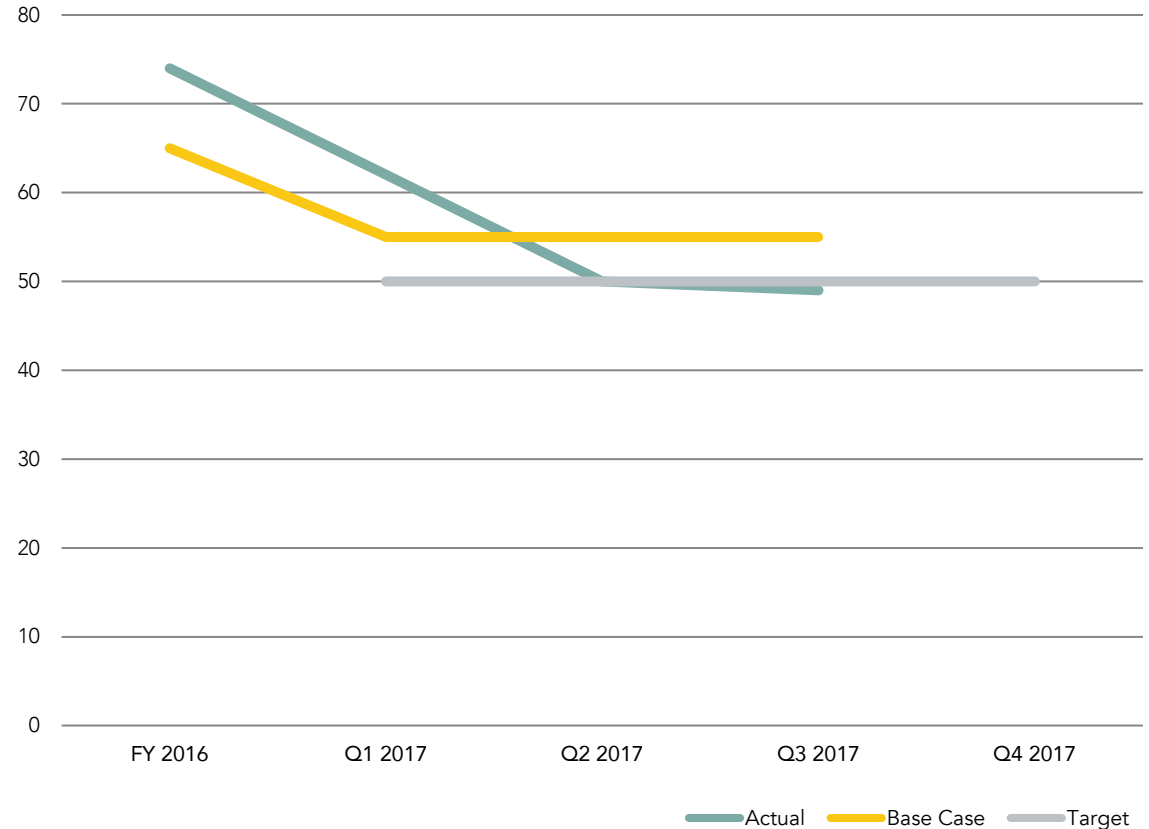


Opex reached target level

Opex has stabilised at a healthy and sustainable level. The figures include:

- Operation
- Maintenance
- Spare parts
- Security
- Insurance
- O&M Management

Base Case vs Actual vs Target Opex (k€/MWp/year)



Market price on electricity above expectations

- The market price component of Aega's revenue represent around 15-20% of total revenue
- The average market price on electricity has increased 20% from Q4 2016 average to YTD average in 2017.

Spot price increase due to:

- Higher electricity demands
- Increased alternative power source cost

Aega uses currently a spot price of 0.04EUR/kWh (=40EUR/MWh) when assessing investment opportunities.

Average National Single Price Italy (EUR/MWh)



Financial results

- Naturally the Q2 and Q3 revenues are the highest because of the high irradiation and subsequent power production in the summer months.
- HQ cost and admin, are cost that to a large extent are fixed. Salary to administration and the Board in Oslo, auditors, accounting, listing fees etc. is not expected to grow notably with MWp under management compared to other costs that are proportional with the size of the portfolio.
- Non-recurring in Q3 2017 are cost related to due diligence and legal fees.

Key figures

(EUR 000')	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17
Revenue	390	662	857	578	2 487	567	1 037	1 009
EBITDA operations	160	455	590	290	1 495	413	544	578
HQ cost and admin	(121)	(185)	(96)	(141)	(543)	(277)	(245)	(302)
Non recurring cost	(637)	(509)	(76)	81	(1 141)	(124)	(128)	(20)
EBITDA	(599)	(239)	418	230	(189)	13	544	578

Balance sheet

- The assets on the balance sheet mainly consists of the portfolio of seven individual solar parks in Italy
- The solar parks are financed with bank loans or leasing finance, where the assets of the parks are registered as collateral
- The solar parks are held in separate single purpose vehicles (SPVs), and each SPV has separate loan financing (ring fenced)
- Cash position of EUR 700k at the end of the third quarter of 2017
- Equity ratio of 38% in Q3 2017 compared to 36% previous year.

Balance sheet

(EUR 000')	30 Sept 2017	31 Dec 2016
Property, plant and equipment	17 267 351	15 168 954
DTA and Goodwill	2 108 841	691 449
Receivables	1 566 898	1 104 031
Other current assets	1 090 810	1 002 556
Cash and short term deposits	699 906	688 066
Total assets	22 733 806	18 655 056
Long term loans	2 892 828	3 019 563
Leasing	8 481 639	7 182 426
Trade payables and other payables	844 084	629 451
Short term financing	1 098 717	963 660
Current tax	-	19 152
Derivative financial instruments	860 076	771 477
Total liabilities	14 177 343	12 585 729
Share capital	4 786 290	3 950 008
Share premium	8 329 427	6 524 409
Accumulated profit & loss	(4 914 203)	(4 737 873)
Foreign Currency translation reserve	354 948	332 784
Total equity	8 556 462	6 069 327

Cash flow

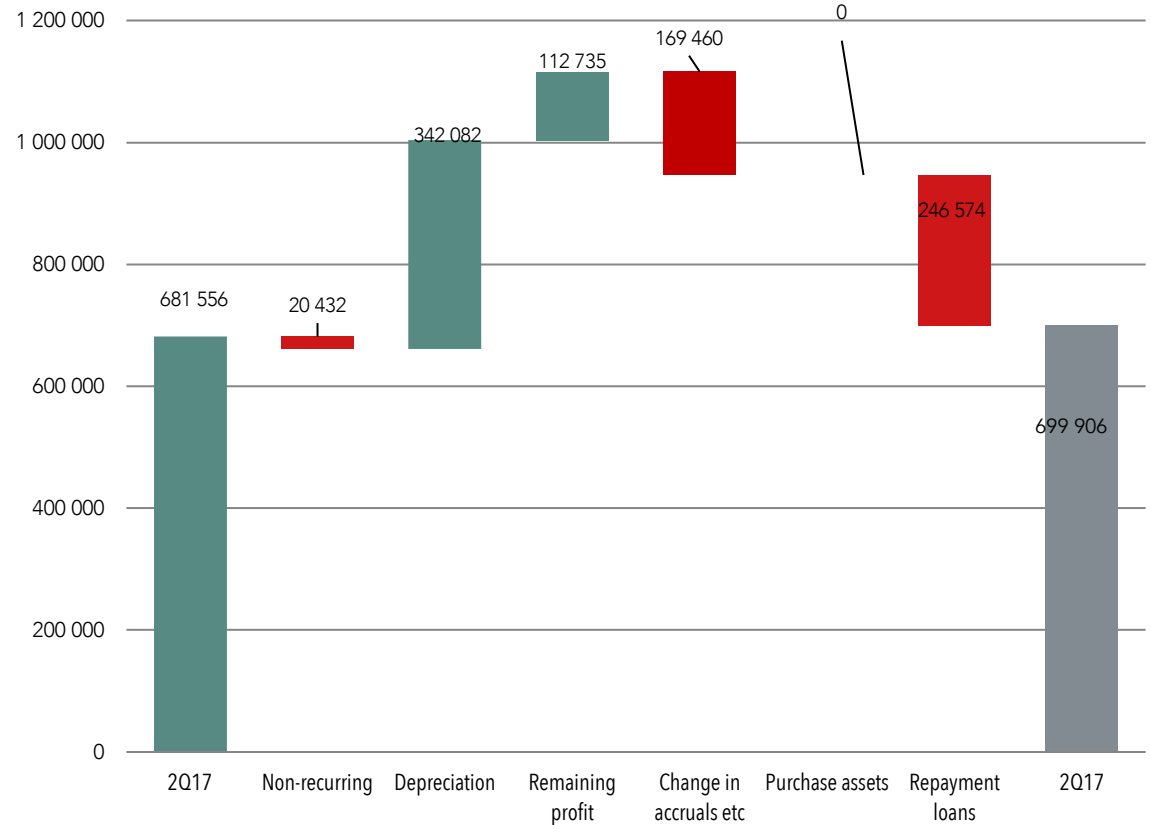
Cash flow from operating activities of EUR 265k

- Ordinary profit before tax EUR 92k
- Depreciation of EUR 342k

Cash flow from investing activities of EUR -0k

Cash flow from financing activities of EUR -247k

Cash development from Q2 2017 to Q3 2017 (in EUR)





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GUIDANCE

Q4 and 2017 guidance

Production

	MWh
Q4	1 602
2017	9 592

Revenue

	kEUR
Q4	529
2017	3 144

- The above estimates are based on actual figures to date, and base case figures for the remainder of the relevant periods
- It is further based on the existing 7MWp portfolio only – no further acquisitions included in the forecasts

A close-up photograph of a field of purple flowers, likely Aster, with a bright sunset in the background. The sun is low on the horizon, creating a warm, golden glow and lens flare effects. The flowers are in various stages of bloom, with some showing their characteristic spiky petals. The background is a soft, out-of-focus landscape of rolling hills or fields.

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APPENDIX

Financials

Profit and loss

(EUR)	Q3 2017	Q3 2016	FY 2016
Feed-In Tariff revenue	850 637	735 002	2 078 247
Sales of electricity	157 413	110 579	314 270
Other revenue	1 424	11 526	93 863
Revenues	1 009 474	857 107	2 486 380
Cost of operations	(66 494)	(69 246)	(358 516)
Sales, general and administration expenses	(344 987)	(293 626)	(1 176 135)
Acquisition and transaction costs	(20 432)	(76 053)	(1 141 020)
EBITDA	577 561	418 183	(189 293)
Depreciation, amortizations and write downs	(342 082)	(272 692)	(975 720)
Other Operating profit before OGL (EBIT)	235 479	145 491	(1 165 013)
Finance income	19 575	4 464	2 246
Finance costs	(167 506)	(121 686)	(577 983)
Mark to market adjustment derivatives	4 538	14 013	45 950
Net foreign exchange gain/(losses)	217	(53 330)	(70 229)
Profit before income tax	92 302	(11 047)	(1 765 029)
Income tax gain/(expense)	(112 539)	51 797	(106 249)
Profit/(loss) for the period	(20 237)	40 751	(1 871 278)

Other comprehensive income

(EUR)	Q3 2017	Q3 2016	FY 2016
Currency translation differences	(75 823)	(712 138)	93 738
Other comprehensive income net of tax	(75 823)	(712 138)	93 738
Total comprehensive income	(96 061)	(671 387)	(1 777 541)
Profit for the period attributable to:			
Equity holders of the parent company	(20 237)	40 751	(1 871 278)
Total comprehensive income attributable to:			
Equity holders of the parent company	(96 061)	(671 387)	(1 777 541)
Earnings per share	(0.002)	(0.02)	(0.060)
Avg. no of shares	43 882 141	35 890 957	31 078 951

Financials

Balance sheet – Assets

(EUR)	30 Sep 2017	31 Dec 2016
Property, plant and equipment	17 267 351	15 168 954
Intangibles and DTA	291 821	635 776
Goodwill	1 817 020	-
Other long term assets	-	-
Non-current assets	19 376 192	15 804 730
Receivables	1 566 898	1 104 031
Other current assets	1 090 810	1 039 077
Cash and short term deposits	699 906	688 066
Current assets	3 357 614	2 831 174
TOTAL ASSETS	22 733 806	18 635 904

Balance sheet – Equity and liabilities

(EUR)	30 Sep 2017	31 Dec 2016
Share capital	4 786 290	3 950 008
Share premium	8 329 427	6 524 409
Paid in capital	13 115 717	10 474 417
Accumulated profit & loss	(4 914 203)	(4 737 873)
Other equity	-	-
Foreign Currency translation reserve	354 948	332 784
Other equity	(4 559 255)	(4 405 089)
Total equity	8 556 462	6 069 327
Long term loans	2 892 828	3 019 563
Leasing	8 481 639	7 182 426
Other long term debt	-	-
Total non-current liabilities	11 374 466	10 201 990
Trade payables and other payables	844 084	629 451
Short term financing - interest bearing	1 098 717	963 660
Derivative financial instruments	860 076	771 477
Other current liabilities	-	-
Total current liabilities	2 802 877	2 364 588
Total liabilities	14 177 343	12 566 578
TOTAL EQUITY AND LIABILITIES	22 733 805	18 635 905

Financials

Cash flow

(EUR)	Q3 2017	Q3 2016	FY 2016
Ordinary profit before tax	92 302	(11 047)	(1 765 029)
Paid income taxes	-	-	(138 341)
Depreciation	342 082	272 692	975 720
Changes in trade receivables and trade payable	(103 604)	(773 975)	(536 670)
Changes in other accruals	(65 856)	359 012	(8 995)
Cash flow from operations	264 924	(153 317)	(1 473 315)
Acquisition net of cash acquired	-	-	(1 106 449)
Cash flow from investments	-	-	(1 106 449)
Proceeds from issue of share capital	-	-	3 148 217
Dividends or shareholder distributions	-	(299 541)	(732 091)
Repayment of loans	(246 574)	(146 398)	(629 553)
Cash flow from financing	(246 574)	(445 938)	1 786 574
Cash at beginning of period	681 556	1 627 318	1 387 519
Net currency translation effect	-	-	93 738
Net increase/(decrease) in cash and cash equivalents	18 350	(599 256)	(793 191)
Cash at end of period	699 906	1 028 062	688 066

Financials

Change in equity

(EUR)	Share capital	Share premium fund	Other equity	Foreign Currency translation reserve	Total equity
Equity 2016	3 950 008	6 524 408	(4 737 873)	332 784	6 069 327
Share issue 3 January 2017	498 749	1 129 951			1 628 700
Share issue asset purchase	337 534	675 068	90 990		1 103 591
Profit (loss) After tax			(284 466)		(284 466)
Other comprehensive income			17 146	22 164	39 310
Equity 30 September 2017	4 786 290	8 329 427	(4 914 203)	354 948	8 556 461

(EUR)	Share capital	Share premium fund	Other equity	Foreign Currency translation reserve	Total equity
Equity 2015	60 442	4 829 919	(387 621)	239 046	4 741 786
Share issue Aega Yieldco 7.1.2016	4 710	562 342			567 052
Acquisition NOFIN, inc. Increase denomination	2 969 549	198 380	(2 478 974)		688 955
Dividends or distribution to shareholders		(732 091)			(732 091)
Capital increase 30.5.2016	915 307	1 665 859			2 581 166
Profit (loss) After tax			(1 871 278)		(1 871 278)
Other comprehensive income				93 738	93 738
Other					-
Equity 2016	3 950 008	6 524 408	(4 737 873)	332 784	6 069 327

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