



EAM Solar ASA

EAM SOLAR ASA Q2'2017

15 August 2017

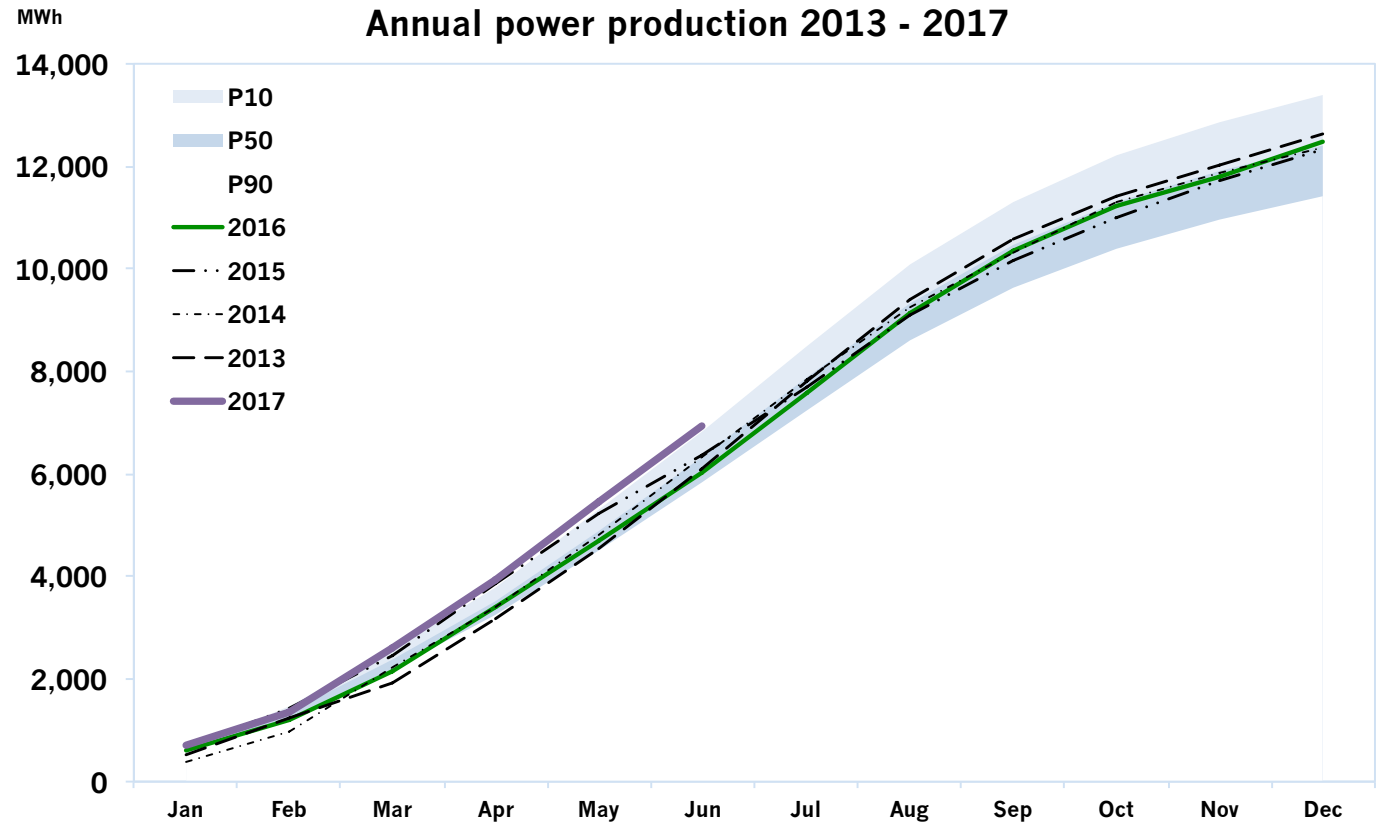
AGENDA



1. Operations and profitability
2. Focus and structure
3. Legal status and processes
4. Q&A

OPERATIONS & PROFITABILITY

- Record power production (adjusted for solar irradiation)
- Cost-cutting measures close to complete (all main functions insourced by end Q2'2017)
- Regular operations yields an annualized EBITDA margin in the range 55 – 65%
- Expected full year 2017 revenues of approximately EUR 4,3 million



P&L AND BALANCE SHEET

EUR	Unaudited H1 2017	Unaudited H1 2016	Audited 2016	Audited 2015
Revenues	2 198 610	2 805 204	4 453 648	6 130 955
Cost of operations	-278 064	-774 468	-1 121 753	-1 605 821
Sales, general and administration expenses	-645 462	-976 235	-2 003 236	-3 113 255
Acquisition and transaction costs	-803 143	-1 466 272	-12 148 595	-20 360 928
EBITDA	471 942	-411 770	-10 819 936	-18 949 049
Depreciation, amortizations and write downs	-853 970	-5 246 832	-6 677 455	-49 573 204
EBIT	-382 028	-5 658 602	-17 497 391	-68 522 253
Finance income	1 624 758	123 360	1 222 427	3 963 924
Finance costs	-1 676 411	-3 361 636	-3 801 978	-5 472 255
Profit before tax	-433 682	-8 896 878	-20 076 942	-70 030 584
Income tax gain/(expense)	-34 060	18 209	65 788	167 027
Profit after tax	-467 742	-8 878 669	-20 011 154	-69 863 557

- H1'2017 figures not comparable to 2016 due to;
 - Sale of EAM Solar 3 (2 power plants) in June 2016
 - 17 power plants from the P31 acquisition was still in operation in H1'2016 pending the outcome of the Administrative Court of Lazio ruling on the FIT-termination decision of GSE. The SPV's were sent to bankruptcy proceedings in September 2016.

EUR	Unaudited H1 2017	Audited 2016
ASSETS		
Property, plant and equipment	22 223 611	23 077 581
Deferred tax asset	0	0
Intangible assets	311 377	321 012
Other long term assets	1 050 341	1 089 563
Non-current assets	23 585 329	24 488 156
Receivables	13 554 661	14 290 217
Other current assets	1 230 333	127 897
Cash and short term deposits	1 304 595	1 568 193
Current assets	16 089 589	15 986 307
TOTAL ASSETS	39 674 919	40 474 463
EQUITY AND LIABILITIES		
Issued capital	6 214 380	6 214 380
Share premium	24 606 370	24 606 370
Paid in capital	30 820 750	30 820 750
Translation differences	-7 229 435	-6 263 356
Other equity	-9 188 352	-8 754 163
Other equity	-16 417 787	-15 017 519
Total equity	14 402 963	15 803 231
Leasing	5 684 174	5 838 488
Long term loan - interest bearing	7 173 345	7 370 641
Other non current liabilities	0	0
Total non-current liabilities	12 857 519	13 209 129
Trade payables	3 492 772	2 552 747
Tax liabilities	771 439	829 367
Short term financing - interest bearing	0	0
Other current liabilities	8 150 225	8 079 989
Total current liabilities	12 414 436	11 462 103
Total liabilities	25 271 955	24 671 232
TOTAL EQUITY AND LIABILITIES	39 674 919	40 474 463

- Main events in Q2'2017 affecting structure going forward:
- Litigation funding:
 - Litigation Funding Agreement with Therium Litigation Fund
 - Shareholders participation required – resolved through guaranteed rights issue
 - Litigation funding now secured to cover legal legal expenses in foreseeable future (budget based on period 2017 to 2021)
- Change in Company by-laws
 - Litigation included in by-laws as purpose of company
- Restructuring of business model with regards to management agreement
 - Management agreement based on cost coverage + 12.5% royalty of pre-tax profit no longer feasible in order to secure focus.
 - 12.5% royalty swapped to shares in EAM Solar ASA
 - Swap is non-dilutive for EAM Solar ASA shareholders
 - 5 year lock-up for Energeia Asset Management
- Focus
 - No interest from Encevo or Avelar/Renova to find settlement
 - Claim award to be received through court rulings

- Oral description of the following ongoing legal processes:

- 1) Criminal proceedings Milan
- 2) Arbitration proceedings Milan
- 3) Criminal complaint Luxembourg
- 4) Criminal complaint Zürich
- 5) Other legal proceedings

(Further details may be find in our quarterly and annual reports)

