



EAM Solar ASA

EAM SOLAR ASA

Q3 2019

20 November 2019

AGENDA



1. Third quarter and 9-months results
2. Parent company financial position
3. Update litigation activities

EAM SOLAR ASA GROUP Q3 AND 9M 2019 OPERATING RESULT



- Core power plant operations produces positive cash flow.
- Legal costs still weighs on cash flow.
- Sale of Varmo & Codroipo yields sales gain of EUR 2.6 million.
- Sale of Varmo & Codroipo completes transformation into a pure “litigation company” going forward.
- Overall costs level to be reduced going forward.
- Termination decision on ENFO25 (73 external labels missing on 4.300 PV modules) not yet assessed financially due to unclear outcome of TAR appeal and possible amnesty outcome.

EUR	Unaudited Q3 2019	Unaudited Q3 2018	Unaudited 9M 2019	Unaudited 9M 2018
Revenues	781 805	1 461 514	2 936 242	3 525 730
Cost of operations	-60 539	-130 705	-289 724	-494 704
Sales, general and administration expenses	-248 532	-302 792	-1 048 097	-1 027 480
Legal costs	-423 885	-28 306	-893 616	-1 273 924
EBITDA	48 849	999 712	704 805	729 622
Depreciation, amortizations and write downs	-529 047	-466 360	-1 496 008	-1 398 329
EBIT	-480 198	533 352	-791 203	-668 707
Finance income	2 912 650	11 323	2 973 039	386 114
Finance costs	-824 789	-206 505	-1 723 418	-1 391 594
Profit before tax	1 607 663	338 170	458 418	-1 674 187
Income tax gain/(expense)	-22 502	-41 119	-131 980	-130 290
Profit after tax	1 585 161	297 052	326 438	-1 804 477

EAM SOLAR ASA GROUP BALANCE SHEET SEPT 2019



- Sales of Varmo & Codroipo power plants improves group solidity in the quarter. Liquidity to be strongly improved during forthcoming 6 month period.
- External debt reduced from 42% to 24% on group level.
- Net current assets vs. current liabilities positive by EUR 9 million.

EUR	Unaudited 9M 2019	Audited 2018	Audited 2017
ASSETS			
Property, plant and equipment	6 949 085	19 845 162	21 409 192
Deferred tax asset	235 123	581 743	585 491
Intangible assets	268 719	283 293	1 989 219
Other long term assets	1 818 021	2 115 906	601 831
Non-current assets	9 270 948	22 826 104	24 585 732
Receivables	9 234 299	1 865 385	2 459 648
Other current assets	2 242 384	1 818 798	2 030 681
Cash and short term deposits	450 268	843 589	1 100 979
Current assets	11 926 950	4 527 772	5 591 308
TOTAL ASSETS	21 197 899	27 353 876	30 177 040
EQUITY AND LIABILITIES			
Issued capital	8 126 110	8 126 110	8 126 110
Share premium	27 603 876	27 603 876	27 603 876
Paid in capital	35 729 986	35 729 986	35 729 986
Translation differences	-6 370 348	-6 375 607	-6 257 088
Other equity	-17 278 642	-17 647 156	-15 614 370
Other equity	-23 648 990	-24 022 763	-21 871 458
Total equity	12 080 995	11 707 223	13 858 528
Leasing	5 008 793	5 196 505	5 525 811
Long term loan - interest bearing	0	6 354 403	6 496 913
Deferred tax liabilities	580 612	976 353	886 066
Other non current liabilities	583 323	668 754	750 486
Total non-current liabilities	6 172 727	13 196 015	13 659 276
Trade payables	2 943 934	2 448 362	2 461 828
Tax payables	242	2 275	197 408
Total current liabilities	2 944 176	2 450 637	2 659 236
Total liabilities	9 116 903	15 646 652	16 318 512
TOTAL EQUITY AND LIABILITIES	21 197 899	27 353 876	30 177 040

PARENT COMPANY P&L AND BALANCE SHEET Q3 2019



- Net cash/receivable/payable position of approximately NOK 83 million.
- Equity ratio of 97% - no external debt beyond payables.
- Payment delegation, as devised by sales contract, conducted by purchaser since August
- Additional cash may come by reception of EUR 5 million damages awarded by the Criminal Court of Milano (amount not recognized in accounts in accordance with IFRS accounting principles).

Profit & loss	EUR
Revenues	904 270
Operating costs	-1 109 530
Legal costs	-656 638
Management	-297 849
Wages & social costs	-61 607
OSE listing costs	-30 244
Insurance	-16 456
Audit services	-21 997
Other operating costs	-24 739
EBITDA	-205 260
Amortization	-347 811
Financial income	6 011 027
Interest income	254 452
Currency (agio)	286 382
Gain from sale of shares	5 470 193
Financial costs	-581 047
Interest costs	-188 518
Currency (disagio)	-392 529
Net financial items	5 429 981
Pre-tax profit	4 876 909

Balance sheet	EUR
Current assets	14 959 911
Cash	48 386
Receivables	13 875 986
Prepaid costs	1 035 539
Long term assets	9 724 849
Shares and loans to subsidiaries	8 515 930
Royalty	1 208 919
Total assets	24 684 759
Current liabilities	6 623 596
Payables	874 294
Payables related to sale of assets	5 821 977
Other current liabilities	-72 675
Long term debt	580 612
Deferred tax liabilities	580 612
Equity	17 480 552
Paid in capital	12 665 545
Other equity	4 815 007

4 points to be addressed

1. Criminal Court of Milano: Appeal of Criminal Court decision
2. UBI Leasing hearing on the 6th of November
3. Collection procedure on the EUR 5 million award
4. Execution going forward on criminal complaint and civil law suit against Enovos and Renova groups

**EAM Solar ASA**

Dronningen 1
NO-0287 Oslo
NORWAY

Phone: +47 9161 1009

E-mail: viktor@eam.no

Web: www.eam.no