



EAM Solar ASA

# EAM SOLAR ASA Q4 & FY 2019

25 February 2020

# AGENDA

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1. Fourth quarter and year 2019 results
2. Status litigation activities
3. Q&A



# EAM SOLAR ASA GROUP Q4 AND FY 2019 OPERATING RESULT



- Core power plant operations yields positive EBITDA. Power production slightly below budget for the full year (-1,2%).
- Litigation activity draining cash resources
- Varmo & Codroipo sales of NOK 137 million yields sales gain on group level of NOK 25m and NOK 53m for parent company. Initial net cash to group after repayment of debt of approx. NOK 80m.
- Energeia AS in process of sales or refinancing, financial closing of processes expected in H1'2020.
- No financial offset for GSE's termination decision on FIT-contract for ENFO25 based 73 external labels missing on 4.300 PV modules conducted. GSE's decision is considered illegal. Formal legal process on the merits of the case is expected to take 12 to 18 months before hearing in administrative court in Lazio. Alternative actions under consideration.
- Overall costs level significantly reduced going forward.

| EUR   | Unaudited<br>Q4 2019 | Unaudited<br>Q4 2018 | Unaudited<br>2019 | Audited<br>2018   |
|---|----------------------|----------------------|-------------------|-------------------|
| <b>Revenues</b>                             | <b>229 784</b>       | <b>795 576</b>       | <b>3 166 026</b>  | <b>4 305 450</b>  |
| Cost of operations                          | -119 843             | -155 559             | -409 428          | -658 559          |
| Sales, general and administration expenses  | -89 600              | -387 718             | -1 133 861        | -1 438 771        |
| Legal costs                                 | -334 519             | -274 398             | -1 222 577        | -1 533 656        |
| <b>EBITDA</b>                               | <b>-314 177</b>      | <b>-22 098</b>       | <b>400 161</b>    | <b>674 463</b>    |
| Depreciation, amortizations and write downs | -548 180             | -466 387             | -2 041 259        | -1 864 499        |
| <b>EBIT</b>                                 | <b>-862 357</b>      | <b>-488 486</b>      | <b>-1 641 098</b> | <b>-1 190 036</b> |
| Finance income                              | 539 082              | 790 019              | 3 487 083         | 956 997           |
| Finance costs                               | 23 008               | -203 299             | -1 688 218        | -1 411 534        |
| <b>Profit before tax</b>                    | <b>-300 267</b>      | <b>98 234</b>        | <b>157 767</b>    | <b>-1 644 573</b> |
| Income tax gain/(expense)                   | -61 240              | -167 597             | -206 479          | -388 212          |
| <b>Profit after tax</b>                     | <b>-361 507</b>      | <b>-69 363</b>       | <b>-48 712</b>    | <b>-2 032 786</b> |
| <i>Adjusted EBITDA</i>                      | <i>20 342</i>        | <i>252 299</i>       | <i>1 622 738</i>  | <i>2 208 120</i>  |

# EAM SOLAR ASA GROUP BALANCE SHEET SEPT 2019



- Sales of Varmo & Codroipo power plants improves group solidity in the quarter.
- Liquidity will be strongly improved during forthcoming 6 month period.
- Solidity improved on group level with external debt reduced to 25%.
- Net working capital of EUR 8,6 million.
- Parent company 100% equity financed with NOK 196 million in book equity.

| EUR                                  | Unaudited<br>2019  | Audited<br>2018    |
|--------------------------------------|--------------------|--------------------|
| <b>ASSETS</b>                        |                    |                    |
| Property, plant and equipment        | 6 812 546          | 19 845 162         |
| Deferred tax asset                   | 255 324            | 581 743            |
| Intangible assets                    | 263 861            | 283 293            |
| Other long term assets               | 1 262 881          | 2 115 906          |
| <b>Non-current assets</b>            | <b>8 594 613</b>   | <b>22 826 104</b>  |
| Receivables                          | 9 114 115          | 1 865 385          |
| Other current assets                 | 1 392 256          | 1 818 798          |
| Cash and short term deposits         | 365 687            | 843 589            |
| <b>Current assets</b>                | <b>10 872 058</b>  | <b>4 527 772</b>   |
| <b>TOTAL ASSETS</b>                  | <b>19 466 671</b>  | <b>27 353 876</b>  |
| <b>EQUITY AND LIABILITIES</b>        |                    |                    |
| Issued capital                       | 8 126 110          | 8 126 110          |
| Share premium                        | 27 603 876         | 27 603 876         |
| <b>Paid in capital</b>               | <b>35 729 986</b>  | <b>35 729 986</b>  |
| Translation differences              | -6 893 717         | -6 375 607         |
| Other equity                         | -17 695 866        | -17 647 156        |
| <b>Other equity</b>                  | <b>-24 589 583</b> | <b>-24 022 763</b> |
| <b>Total equity</b>                  | <b>11 140 402</b>  | <b>11 707 223</b>  |
| Leasing                              | 4 919 349          | 5 196 505          |
| Long term loan - interest bearing    | 0                  | 6 354 403          |
| Deferred tax liabilities             | 623 308            | 976 353            |
| Other non current liabilities        | 531 033            | 668 754            |
| <b>Total non-current liabilities</b> | <b>6 073 690</b>   | <b>13 196 015</b>  |
| Trade payables                       | 2 252 578          | 2 448 362          |
| Tax payables                         | 0                  | 2 275              |
| <b>Total current liabilities</b>     | <b>2 252 578</b>   | <b>2 450 637</b>   |
| <b>Total liabilities</b>             | <b>8 326 268</b>   | <b>15 646 652</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>19 466 671</b>  | <b>27 353 876</b>  |

- 1) Criminal Court of Milano decision published in English translation this morning on our web site.
- 2) Criminal Court of Milano: Appeal of Criminal Court decision delivered
- 3) UBI Leasing claim: Hearing conducted in January - next hearing in May
- 4) Collection procedure on EUR 5 million award from Criminal Court of Milan still pending awaiting issuance of documents from the Court.
- 5) Arbitration award appeal: Next hearing in the case scheduled for January 2021.
- 6) Execution on criminal complaint and civil law suit against Enovos and Renova groups ongoing.

**EAM Solar ASA**

Dronningen 1  
NO-0287 Oslo  
NORWAY

Phone: +47 9161 1009

E-mail: [viktor@eam.no](mailto:viktor@eam.no)

Web: [www.eam.no](http://www.eam.no)