



Aega ASA

Q4 REPORT 2023



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About Aega

Aega ASA is an energy company listed on Euronext Expand in Oslo. Aega's main focus is on the solar power market. We acquire and operate smaller existing Italian solar power plants. In addition to being an industrial energy producer we also consider investments in the solar and renewable sector.

The company's head offices are in Oslo (NO) and Trento (IT).

Quarterly report

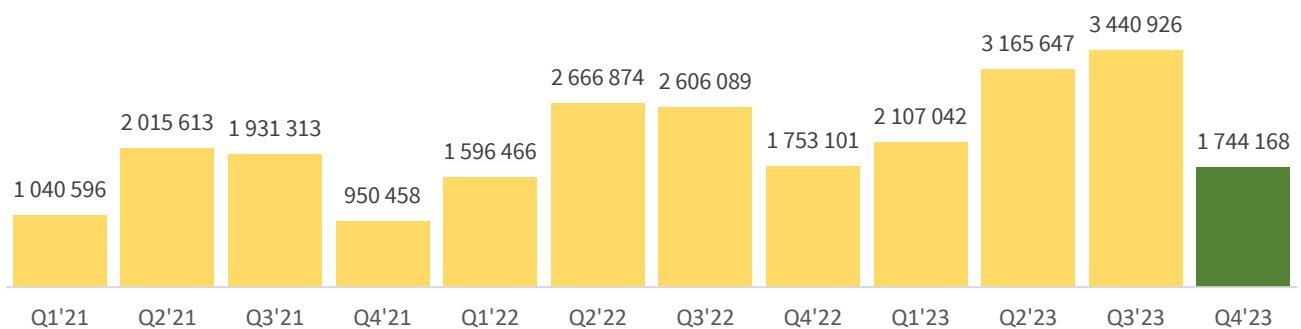
Highlights of the quarter

- Aega had nine operating solar parks during the quarter. Total production in Q4 was 1 744 168 kwh.
- Main focus has been to continue a cost-effective operation of all our assets.
- On 25 October 2023 the share capital reduction, resolved in the ordinary general meeting held on 31 May 2023, was carried through, and registered with the Norwegian Register of Business Enterprises. The share capital was reduced by reducing par value of each share from NOK 3 per share to NOK 1 per share. The total share capital reduction amount, which will be transferred to other equity, was NOK 47 583 966. New share capital after reduction was NOK 23 791 983.

Subsequent events

Early January 2024 Aega the 1MW New Build Project in Lazio achieved ready to build status and entered into a 120 days appeal period ending on 27 April 2024. In this period only minor changes could be imposed, if any.

Figure 1: Power Generation (kWh)



Letter from the CEO

Dear shareholders and stakeholders,

In the fourth quarter of 2023 Aega delivered revenues of EURt 607 (Q4 2022: EURt 561). EBITDA was positive at EURt 200 (Q4 2022: EURt 244).

Production and revenues

Q4 production was in line with expectations for the quarter.

As Q4 is the period with the lowest solar irradiation it is a time of the year well fitted for maintenance when needed. During the quarter we did a partial revamping on our solar park Rio Verde (on Sardinia) and exchanged approximately 140 low performing panels. The result is immediate higher production and less operational issues. In addition, the payback time for this specific investment is short (18-24 months).

Revenues for the quarter is a result of production, revenues from feed in tariff and sale of electricity. Compared to same period last year we achieved higher prices for the electricity sold to the market, and this is the main reason for higher revenues compared to last year.

In Q4 we locked in around 60 % of our 2024 production at fixed PPA's (power purchase agreements). This gives us predictable revenues for this part of our portfolio, and we are comfortable with the total exposure towards a spot-market that we still believe to be volatile going forward.

The market volatility is obviously much lower than through 2022, but we still see fluctuations that are quite large. Market prices have through the winter been trending somewhat down, much due to a mild winter in Italy and southern parts of Europe. Having said that market prices and price expectations are considerable higher than the historical average seen before the energy situation tightened in 2021/2022. With this backdrop we are quite comfortable with hedging out some of the market risk for 2024.

Opportunities and pipeline

During Q4 our continued efforts have been put into cultivating operational partnerships and building both our development and secondary pipeline. In addition to our already quite large pipeline of secondhand parks we have used considerable effort to broaden our competence and understanding of the market for development projects in Italy. The outcome of these efforts is that our team have built a development pipeline of 3-400MW, with at least 200MW in advanced phase. Further to this, our team now have both capabilities and opportunities that could be both profitable and ready to execute under the right circumstances.

Aega is well positioned to run development projects up to achieving "ready to build" status, we are capable of building and delivering new operational parks while we keep and expand our historic advantage when it comes to acquiring and operating existing assets.

When it comes to our new build project in Lazio mentioned in the last report, there are no specific news as we are awaiting the appeal period that ends end of April, before we move forward to next phase.

Funding

As the growth opportunities mentioned in the last paragraph reaches a stage where they could be executed, we would still need adequate funding to do so. The situation in the capital markets and hence the access to funding, has been unfavorable the last 18-24 months. So far, our board of directors have not judged the timing appropriate to raise further growth capital given the existing capital market conditions.

Concluding remarks

Through the last quarter we have continued to develop our core strategy and have been able to grow our potential and opportunities beyond this. In the Aega spirit, this is done without adding further cost.

Our view on the (Italian) solar energy market is

unchanged and positive. The industry is growing and will continue to do so for the foreseeable future.

We believe in great opportunities along the entire solar value chain in Italy. A key point for us is that we observe that investments in new capacity (more installed solar power) in the Italian market is profitable without subsidies. For the renewable energy sector in general this is a point that cannot be stressed enough because it is an example of how a technology and business matures, gets professionalized and grows.

Aega as an energy producer with options to dig into development projects and expand our operations in general will continue our journey in this market.

Best regards,
Nils Petter Skaset
CEO



Operational development

Aega had nine operating solar parks during the quarter, total production in Q4 was 1 744 168 kwh.

The level of production is in line with expected season variations and solar park business cases at the time of acquisition.

Financial development

Total revenues in Q4 2023 was EURt 607 (Q4 2022: EURt 562), while EBITDA for the period ended at EURt 201 (Q4 2022: EURt 244).

Aega's investment in Norsk Solar is booked at market value at the end of the quarter. Fluctuation in share price is reflected in Net Finance.

Risks and uncertainties

No significant change has occurred in risk exposures or risks and uncertainties as described in the third quarter report, compared with those described in the annual report.

Forward-looking statement

This report contains statements regarding the future in connection with the company's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the section "Outlook" contains forward-looking statements regarding the company's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual results and developments deviating substantially from what has been expressed or implied in such statements. These factors include the risk factors related to the company's activities as described in the above section "Risks and Uncertainties".

Outlook

The company is currently pursuing several investment opportunities in the Italian solar market. Aega has the team and infrastructure on the ground in Italy to find and operate a solar portfolio of up to approximately 30MWp with today's infrastructure. Aega remains optimistic with regard to its deal flow.

Condensed financial statements

An aerial photograph of a large solar farm. The solar panels are arranged in neat, rectangular rows, creating a grid-like pattern. The farm is situated in a rural area with a mix of green fields, some buildings, and a winding road. In the background, there are rolling hills under a clear sky. The overall scene is a blend of modern technology and natural landscape.

Consolidated statement of comprehensive income

(EUR)	Note	Q4-2023 (unaudited)	Q4-2022 (unaudited)	YTD-2023 (unaudited)	YTD-2022 (audited)
Feed-In Tariff revenue		420 740	458 913	2 416 439	2 143 942
Sales of electricity		186 582	102 857	967 505	496 213
Revenues		607 322	561 771	3 383 944	2 640 155
Cost of operations		-152 651	-211 239	-651 585	-609 642
Personnel expenses		-133 327	-145 150	-458 332	-497 045
Other operating expenses		-120 585	38 395	-557 052	-589 892
EBITDA		200 758	243 777	1 716 975	943 577
Depreciation and amortization		-433 308	-446 476	-1 740 238	-1 399 719
Operating profit		-232 550	-202 699	-23 264	-456 142
Net finance		-171 282	-280 831	-1 451 337	-1 455 930
Profit before income tax		-403 832	-483 530	-1 474 601	-1 912 071
Income tax		-94 563	-10 349	-215 841	-62 866
Profit for the period		-498 395	-493 880	-1 690 442	-1 974 937
Other comprehensive income					
<i>Items that may be reclassified to P&L</i>					
Translation differences and other elements		-278 693	460 454	-73 159	-32 658
Total comprehensive income		-777 088	-33 425	-1 763 601	-2 007 595
Profit for the period attributable to:					
Equity holders of the parent company		-777 088	-33 425	-1 763 601	-2 007 595

Consolidated balance sheet

(EUR)	Note	31.12.2023 (unaudited)	31.12.2022 (audited)
ASSETS			
Property, plant and equipment		10 635 185	11 721 516
Right-to-use assets		4 762 897	5 355 419
Financial investments		532 339	1 501 612
Non-current assets		15 930 421	18 578 547
Receivables		1 591 002	1 858 711
Other current assets		1 141 753	1 240 192
Cash and short-term deposits		1 986 126	2 534 385
Current assets		4 718 881	5 633 288
TOTAL ASSETS		20 649 301	24 211 835
EQUITY AND LIABILITIES			
Paid in capital	2	10 153 097	15 165 602
Other equity		-3 254 731	-6 572 715
Total equity		6 898 366	8 661 968
Long term loans		4 410 563	5 241 641
Convertible loans		2 658 245	2 841 979
Leasing		4 571 698	5 055 788
Total non-current liabilities		11 640 506	13 139 408
Short term leasing		484 089	467 351
Trade payables and other payables		761 305	1 060 868
Short term financing		800 169	769 260
Current tax		64 866	112 980
Total current liabilities		2 110 429	2 410 459
Total liabilities		13 750 935	15 549 867
TOTAL EQUITY AND LIABILITIES		20 649 301	24 211 835

Consolidated statement of cash flows

(EUR)	Note	YTD-2023 (unaudited)	YTD-2022 (unaudited)
Profit before tax		-1 474 601	-1 912 071
Depreciation		1 740 238	1 399 719
Changes in NWC items		18 472	-798 115
Fair value adjustment financial assets		726 536	1 448 561
Other items without cash effect		-229 998	-
Cash flow from operations		780 647	138 094
Acquisition net of cash acquired		-	-3 826 327
Additions property, plant and equipment		-61 385	-
Cash flow from investments		-61 385	-3 826 327
Proceeds from issue of shares		-	405 569
Convertible loan issue		-	2 823 183
Lease payments		-467 351	-555 683
Repayment of loans		-800 169	-750 802
Cash flow from financing		-1 267 520	1 922 267
Cash at beginning of period		2 534 385	4 300 351
Net change in cash and cash equivalents		-548 258	-1 765 966
Cash at end of period		1 986 126	2 534 385

Consolidated statement of changes in equity

(EUR)	Share capital	Share premium fund	Other equity	Currency translation reserve	Total equity
Equity 31.12.2022	7 499 938	7 665 664	-6 572 715	69 081	8 661 968
Profit (loss) after tax	-	-	-1 690 442	-	-1 690 442
Other comprehensive income	-	-	-	-73 159	-73 159
Share capital reduction	-5 012 505	-	5 012 505	-	-
Equity 31.12.2023	2 487 433	7 665 664	3 250 653	-4 078	6 898 366

(EUR)	Share capital	Share premium fund	Other equity	Currency translation reserve	Total equity
Equity 31.12.2021	6 996 859	7 763 174	-4 597 778	101 739	10 263 994
Profit (loss) after tax	-	-	-1 974 937	-	-1 974 937
Other comprehensive income	-	-	-	-32 658	-32 658
Share issue	503 079	-97 510	-	-	405 569
Equity 31.12.2022	7 499 938	7 665 664	-6 572 715	69 081	8 661 968

Notes

Note 1: General information and summary of significant accounting policies

General information

Aega ASA is a public limited company, incorporated and domiciled in Norway. The registered office of Aega ASA is Thunes Vei 2, NO-0274 Oslo, Norway. The parent company was listed on Euronext Expand in 2011.

Basis for preparing the interim financial statements

The condensed interim consolidated financial statements have been prepared in accordance with International Financing Reporting Standards (IFRS) as adopted by the European Union and interpretations issued by the International Accounting Standards Board (IASB) that are relevant to the Group. The condensed interim consolidated financial statements are unaudited.

The group's presentation currency is the euro (EUR) and the parent company's functional currency is the Norwegian krone (NOK). Balance sheet items in group companies with a functional currency other than the EUR are converted to EUR by applying the currency rate applicable on the balance sheet date. Currency translation differences are booked against other comprehensive income. Income statement items are converted by applying the average currency rate for the period. The interim financial report has been prepared on the assumption that the company is a going concern.

See the annual report for a full overview of the accounting principles applied by the group.

Key risk factors

No significant change has occurred in risk exposures or risks and uncertainties, compared with those described in the annual report.

Note 2: Shares and shareholder information

On 25 October 2023 the share capital reduction, resolved in the ordinary general meeting held on 31 May 2023, was carried through and registered with the Norwegian Register of Business Enterprises. The share capital was reduced by reducing par value of each share from NOK 3 per share to NOK 1 per share. The total share capital reduction amount, which will be transferred to other equity, was NOK 47 583 966. New share capital after reduction was NOK 23 791 983.

As of 31 December 2023, Aega ASA had a share capital of NOK 23 791 983 comprising 23 791 983 shares with a par value of NOK 1. Aega ASA has only one share class. All shares have equal voting rights and rights to dividends from the Company. All shares are fully paid.

Largest 20 shareholders as of 31 December 2023

Shareholders	Share	Percentage
MAMALAO AS	1 695 548	7,13 %
ASBJØRN JOHN BUANES	917 712	3,86 %
ERIK WAHLSTRØM	772 419	3,25 %
RYBO NOR AS	578 092	2,43 %
MORO AS	540 926	2,27 %
THORVALD MORRIS HARALDSEN	484 034	2,03 %
SOHAIL SARWAR MIRZA	413 685	1,74 %
FIN SERCK-HANSSSEN	403 749	1,70 %
JAN P HARTO AS	403 522	1,70 %
NORDNET BANK AB	386 494	1,62 %
NORDNET LIVSFORSIKRING AS	347 060	1,46 %
BREZZA AS	294 265	1,24 %
KÅRE REIDAR JOHANSEN	281 574	1,18 %
OLAV VESAAS	278 714	1,17 %
RACCOLTA AS	262 467	1,10 %
ROALD ARNOLD NYGÅRD	251 240	1,06 %
ENERGY INVESTORS AS	236 764	1,00 %
RUDNOR INVEST AS	233 484	0,98 %
VESOLDO AS	230 294	0,97 %
JAN STEINAR NEREM	210 690	0,89 %
Total 20 largest shareholders	9 222 733	38,76 %
Aega ASA outstanding shares	23 791 983	100,00 %

