



Aega ASA

Q3 REPORT 2022



Contents

About Aega.....	3
Quarterly report.....	4
Highlights of the quarter	4
Subsequent events.....	4
Letter from the CEO.....	5
Profit and loss.....	9
Balance sheet	10
Cash flow	11
Change in equity	12
Notes	13

About Aega

Aega ASA is an energy company listed on Euronext Expand in Oslo. Aega's main focus is 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 energy sector.

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



Quarterly report

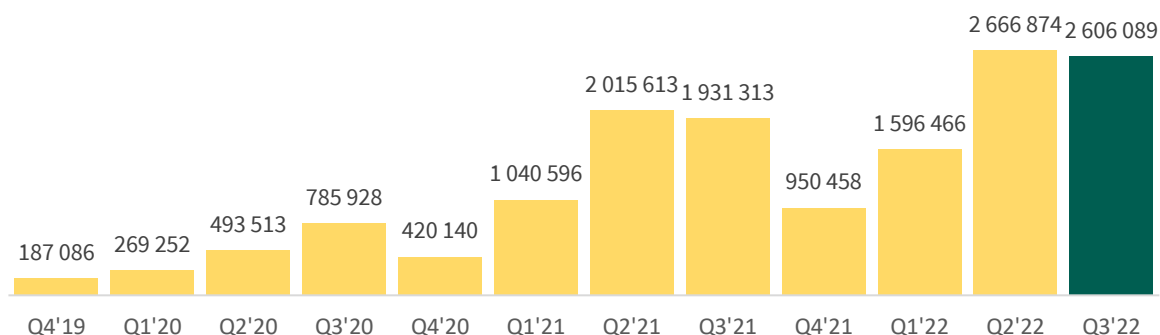
Highlights of the quarter

- Aega had nine operating solar parks at the end of the quarter. Total production in Q3 was 2 606 089 kwh.
- Closed for the acquisition of two solar parks in Italy with a total capacity of 2MW. The solar parks have a capacity of 1MW each and are located at Sardinia and Sicily. The production from these parks will be reflected in our Q4 report and forward.
- Raised NOKm 5.0 in equity through private placement.
- Issued convertible loan of NOKm 10.0.

Subsequent events

- In October the Italian government followed France, Spain and others and imposed a decree that imposes a time limited price cap on solar energy produced under the Feed in Tariff regime. The decree is time limited and came into retroactive force from February 1, 2022 and ends June 30, 2023. The effects are reflected in this report.

Figure 1: Power Generation (kWh)



Letter from the CEO

Dear shareholders,

In the third quarter of 2022 Aega delivered revenues of EURt 755 (Q3 2021: EURt 659). EBITDA was positive at EURt 219 (Q3 2021: EURt 173).

As we now exit Q3 2022 we have 9 operating solar parks and Aega has never had more production capacity than today. Our product – renewable energy – is in demand and our contribution to deliver clean energy to the Italian and European market is therefore higher than ever.

When production capacity increases so do our revenues. Aega delivers positive EBITDA and cash flow, and the underlying operations are well run. Our focus the next quarters will be to develop our business, navigate through the somewhat challenging energy market we are in, and to run our operation as efficient as possible. It is not likely that we will purchase any new solar parks before year end 2022 as our focus will be the before mentioned.

During the quarter we have focused on finalizing the acquisitions of the two last solar parks (Terrasol and Solar) and get the financing necessary to do so. We successfully raised 5mNOK in new equity and issued a 10mNOK convertible loan to the same investor. Production from these two new parks will be reflected in the Q4 report and onwards.

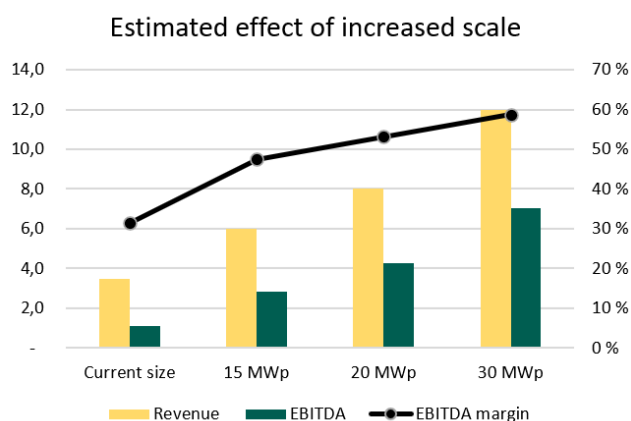
European energy situation

In my last letter I pointed to the uncertainty related to how European politicians would react to the very inflated energy prices seen in Europe. In October the Italian government followed France, Spain and others and imposed a decree that de Facto caps Energy prices for solar energy producing assets under Feed in Tariff regime. The

decree is time limited and came into retroactive force from February 1, 2022, ending June 30, 2023. For Aega this means that our main source of revenue – the Feed in Tariff - will remain unchanged, while our sale of electricity is capped at a price of on average 61 Euro/MW (0,061 Euro per kwh sold) for this period. Resulting in somewhat lower revenues than we could have had, however higher than base case in our business models at time of acquisitions for all our assets. These effects are taken into consideration in the reported numbers.

Economies of scale

The last quarters we have started to see the effect of economies of scale, and we have been eager to continue to grow further into improved profitability. To realize this goal, we raised equity and issued a convertible loan in Q3 that gave us the opportunities to purchase the last two solar parks.



Pipeline

Through Q3 we have continued to develop our pipeline and focused on cultivating relations with potential sellers even though we do not plan to

purchase any new parks in Q4.

The pipeline is strong and firm. In addition to the secondhand market, we also see potential possibilities in purchasing Ready To Build projects of 1-3 MW size. This is a size that suits us good, it is less bureaucracy in the process and short time to cash flow from the asset. No decisions have been made, still the rational for doing it should be good as assets like these will have a timeline that stretches 30+ years into the future.

Financial investments

Norsk Solar is our only financial investment of any mentionable size outside our industrial business. Aega holds approximately 5.3% of the outstanding shares in the company, and as Norsk Solar from Q2/21 is a listed company we book our holding at market value from that point.

Concluding remark

Concluding remark from me is that our underlying business is sound. We have had an active Q3 where the highlight was the final purchase of Solar and Terrasol.

The political risk mentioned in my last letter have now materialized in a temporarily price-cap on our sale of energy while our largest revenue stream (Feed in Tariff) is untouched. The cap ends June 30, 2023, and until then we will follow the market closely and monitor and advocate our views towards relevant authorities where possible.

I, and the team, will continue to work to strengthen Aega as a company and to contribute to the deliverance of clean solar power to Italy and Europe.

Best regards,
Nils Petter Skaset
CEO



Operational development

Aega had nine operating solar parks at the end of the quarter, total production in Q3 was 2 606 089 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 for Q3 were EURt 755 (Q3 2021: EURt 659), while EBITDA for the period ended at EURt 219 (Q3 2021: EURt 173).

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 second 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 up to approximately 20MWp with today's infrastructure. Aega remain optimistic with regards to its deal flow.

Financial statements



Profit and loss

(EUR)	Note	Q3-2022 (unaudited)	Q3-2021 (unaudited)	YTD-2022 (unaudited)	YTD-2021 (unaudited)	FY 2021 (audited)
Feed-In Tariff revenue		684 827	492 982	1 685 029	1 035 308	1 352 686
Sales of electricity	3	70 489	165 561	393 356	323 590	488 098
Revenues		755 316	658 543	2 078 385	1 358 898	1 840 784
Cost of operations		-164 681	-92 163	-430 403	-228 723	-268 358
Personnel expenses		-124 639	-116 680	-351 895	-347 887	-435 070
Other operating expenses		-246 729	-276 727	-628 286	-769 454	-748 035
EBITDA		219 266	172 974	667 801	12 834	389 321
Depreciation and amortization		-351 609	-320 043	-973 865	-717 250	-899 309
Operating profit		-132 343	-147 069	-306 064	-704 416	-509 987
Net finance		48 056	-779 322	-1 524 143	690 417	288 925
Profit before income tax		-84 287	-926 391	-1 830 208	-13 999	-221 062
Income tax		-6 600	-14 544	-102 517	-39 535	-75 331
Profit for the period		-90 887	-940 935	-1 932 724	-53 534	-296 393
Other comprehensive income						
<i>Items that may be reclassified to P&L</i>						
Translation differences and other elements		-120 822	-84 526	-175 722	266 641	362 310
Total comprehensive income		-211 709	-1 025 461	-2 108 446	213 107	65 917
Profit for the period attributable to:						
Equity holders of the parent company		-211 709	-1 025 461	-2 108 446	213 107	65 917
Earnings per share		0,00	-0,02	-0,03	0,00	-0,01

Balance sheet

(EUR)	Note	30.09.2022 (unaudited)	31.12.2021 (audited)
ASSETS			
Property, plant and equipment		11 022 144	6 367 486
Right-to-use assets		4 021 215	3 698 258
Financial investments		1 544 743	2 894 992
Non-current assets		16 588 101	12 960 736
Receivables		1 819 820	1 095 273
Other current assets		1 262 364	1 144 024
Cash and short-term deposits		3 729 171	4 300 351
Current assets		6 811 355	6 539 648
TOTAL ASSETS		23 399 456	19 500 384
EQUITY AND LIABILITIES			
Paid in capital	2	15 263 112	14 760 033
Other equity		-6 604 485	-4 496 039
Total equity		8 658 626	10 263 994
Long term loans		5 683 396	4 337 490
Convertible loans		2 823 183	0
Leasing		3 636 810	3 556 364
Total non-current liabilities		12 143 389	7 893 853
Short term leasing		474 718	232 291
Trade payables and other payables		1 477 745	541 665
Short term financing		618 852	474 260
Current tax		26 126	94 320
Total current liabilities		2 597 441	1 342 537
Total liabilities		14 740 829	9 236 390
TOTAL EQUITY AND LIABILITIES		23 399 456	19 500 384

Cash flow

(EUR)	Note	YTD-2022 (unaudited)	YTD-2021 (unaudited)	FY 2021 (audited)
Profit before tax		-1 830 208	-13 999	-221 062
Paid income taxes		0	0	-61 453
Depreciation		973 865	717 250	899 309
Changes in trade receivables and payable		85 324	142 957	35 594
Changes in other accruals		208 027	-92 388	29 889
Fair value adjustment financial assets		1 255 349	-836 401	-704 054
Cash flow from operations		692 357	-82 580	-21 778
Acquisition net of cash acquired		-3 776 327	-344 131	-344 131
Financial investments		0	-176 301	-176 301
Cash flow from investments		-3 776 327	-520 433	-520 433
Share issue		499 665	0	2 460 133
Sale of own shares		0	0	81 361
Convertible loan issue		2 823 183	0	0
Lease payments		-359 934	-263 594	-345 966
Repayment of loans		-450 124	-308 254	-439 928
Cash flow from financing		2 512 790	-571 848	1 755 600
Cash at beginning of period		4 300 351	3 086 962	3 086 962
Net change in cash and cash equivalents		-571 180	-1 174 861	1 213 389
Cash at end of period		3 729 171	1 912 101	4 300 351

Change in equity

(EUR)	Share capital	Share premium fund	Other equity	Currency translation reserve	Total equity
Equity 01.01.2022	6 996 859	7 763 174	-4 597 778	101 739	10 263 994
Profit (loss) after tax	0	0	-1 932 724	0	-1 932 724
Other comprehensive income	0	0	0	-175 722	- 175 722
Share issue	503 079	0	0	0	503 079
Equity 30.09.2022	7 499 938	7 763 174	-6 530 503	-73 983	8 658 627

(EUR)	Share capital	Share premium fund	Other equity	Currency translation reserve	Total equity
Equity 01.01.2021	5 162 293	7 056 247	-4 301 385	-260 571	7 656 584
Profit (loss) after tax	0	0	-53 534	0	-53 534
Other comprehensive income	0	0	0	266 641	266 641
Equity 30.09.2021	5 162 293	7 056 247	-4 354 919	6 070	7 869 691

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

General

As of 30 September 2022, Aega ASA had a share capital of NOK 71 375 949 comprising 71 375 949 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 30 September 2022

Shareholders	Share	Percentage
MAMALAO AS	5 086 643	7,13 %
ASBJØRN JOHN BUANES	2 753 136	3,86 %
ERIK WAHLSTRØM	2 108 315	2,95 %
RYBO NOR AS	1 738 735	2,44 %
MORO AS	1 622 777	2,27 %
THORVALD MORRIS HARALDSEN	1 452 100	2,03 %
SOHAIL SARWAR MIRZA	1 241 055	1,74 %
NORDNET LIVSFORSIKRING AS	1 211 810	1,70 %
JAN P HARTO AS	1 210 566	1,70 %
NORDNET BANK AB	1 177 909	1,65 %
FIN SERCK-HANSEN	1 160 741	1,63 %
HEDEN HOLDING AS	999 681	1,40 %
BREZZA AS	882 793	1,24 %
KÅRE REIDAR JOHANSEN	844 722	1,18 %
OLAV VESAAS	836 142	1,17 %
ROALD ARNOLD NYGÅRD	753 720	1,06 %
VESOLDO AS	690 880	0,97 %
RACCOLTA AS	689 022	0,97 %
JAN STEINAR NEREM	632 069	0,89 %
C - BY - C AS	593 208	0,83 %
Total 20 largest shareholders	27 686 024	38,79 %
Aega ASA outstanding shares	71 375 949	100,00 %

Note 3: Subsequent events

- In October the Italian government followed France, Spain and others and imposed a decree that imposes a time limited price cap on solar energy produced under the Feed in Tariff regime. The decree is time limited and came into retroactive force from February 1, 2022 and ends June 30, 2023. The effects are reflected in this report.



Aega ASA

Thunes vei 2
0274 Oslo, Norway

E-mail: ceo@aega.no

