



Aega ASA

Q2 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

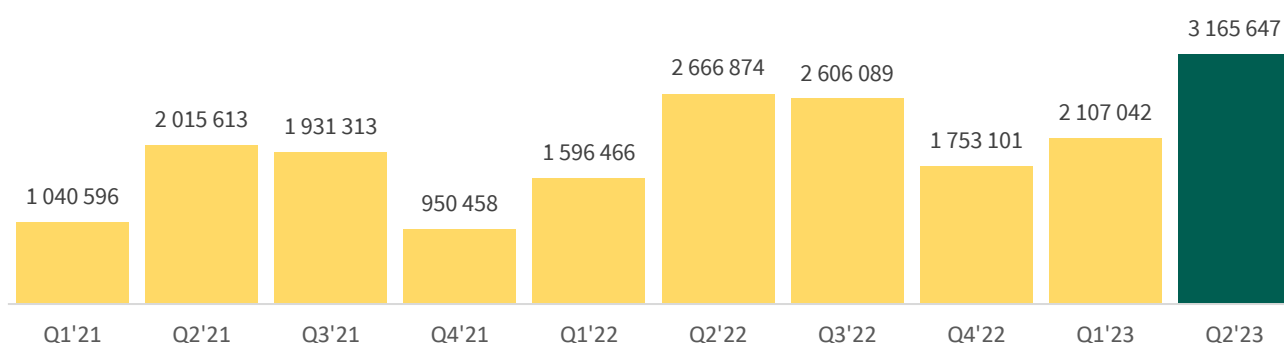
Highlights of the quarter

- Aega had nine operating solar parks during the quarter. Total production in Q2 was 3 165 647 kwh.
- Main focus has been to continue a cost-effective operation of all our assets.

Subsequent events

- A reverse share split in Aega ASA, resolved in the ordinary general meeting held on 31 May 2023, was carried through with ex-date 7 July 2023. Three (3) shares with par value NOK 1 gave one (1) share with par value NOK 3. In the same general meeting, it was resolved to reduce the share capital by reducing the par value of each share from NOK 3 to NOK 1. The share capital reduction amount shall be transferred to other equity. At the release date of this report the share capital reduction was not yet registered with the Norwegian Register of Business Enterprises.
- Secured exclusivity for 1 MW New Build Project in Lazio

Figure 1: Power Generation (kWh)



Letter from the CEO

Dear shareholders and stakeholders,

In the second quarter of 2023 Aega delivered revenues of EURt 919 (Q2 2022: EURt 727). EBITDA was positive at EURt 443 (Q2 2022: EURt 238).

Energy Markets and opportunities

Through the quarter and basically since the beginning of this year, the energy prices have come down, as have the volatility. We entered 2023 with prices on average around 180Eur/MW and at the end of the second quarter the prices stabilized on healthy levels around 100Eur/MW. The market expectation is around these levels for the next months with a somewhat tighter situation with increasing prices when we enter winter season. Italian gas inventories are filled up (+85% filled) and in this respect Italy is in a good position to smoothen supply if needed. Quite the opposite of the situation for the winter 21/22.

With respect to Aega in this picture we have 6 parks on shorter ppa's (power purchase agreements), two parks in the spot market and one with fixed long-term price. This is a balance we are comfortable with and one that gives a risk and reward ratio we find attractive and acceptable.

In addition to the enormous spike in volatility and prices we saw through 2022 the largest topic in the Italian energy sector has been government response to this spike in prices. It is no secret that my opinion is that we as producers have been harshly punished over the 17 months the capping of prices was enforced (ended June 30). The level of the price capping, the retroactive force used and

especially the "extra profit contribution tax" shows a state apparatus that in my opinion reacted a bit populist. We do understand that measures were needed, however believe the sanctions should have been removed earlier. Nevertheless, we have worked our way through it and our focus is, as always, forward. I am optimistic about the coming periods as we are now again operating in a liberal market and look forward to a more stable environment. Both for ourselves and our customers.

To counter the dependence on fossil fuels, Italy has initiated aggressive goals to install more renewable energy. The Italian focus is continued development of solar parks from 0.8MW to 10MW. As you all know this is the part of the market where Aega operates and where we have expertise, skills, and knowledge. I am working together with our team, and the board of directors, to investigate possible ways to further fund a growth phase for Aega on the ground in Italy. As a subsequent event to the Q2 report we have secured exclusivity for an exciting project in Lazio and I hope to be able to share more on this progress in the next report.

As always, the Aega team is committed to further developing the company and to deliver more green solar power to the Italian market!

Best regards,
Nils Petter Skaset
CEO

Operational development

Aega had nine operating solar parks during the quarter, total production in Q2 was 3 165 647 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 Q2 was EURt 919 (Q2 2022: EURt 727), while EBITDA for the period ended at EURt 443 (Q2 2022: EURt 238).

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 of up to approximately 30MWp with today's infrastructure. Aega remains optimistic with regard to its deal flow.

Condensed financial statements



Consolidated statement of comprehensive income

(EUR)	Note	Q2-2023 (unaudited)	Q2-2022 (unaudited)	H1-2023 (unaudited)	H1-2022 (unaudited)	FY 2022 (audited)
Feed-In Tariff revenue		689 283	542 685	1 219 358	1 000 202	2 143 942
Sales of electricity		229 593	183 986	421 614	322 867	496 213
Revenues		918 876	726 671	1 640 972	1 323 069	2 640 155
Cost of operations		-219 228	-162 159	-388 083	-265 722	-609 642
Personnel expenses		-113 655	-118 098	-231 306	-227 255	-497 045
Other operating expenses		-143 473	-208 182	-275 928	-381 557	-589 892
EBITDA		442 521	238 231	745 654	448 535	943 577
Depreciation and amortization		-433 310	-333 628	-873 620	-622 256	-1 399 719
Operating profit		9 210	-95 397	-127 966	-173 722	-456 142
Net finance		-657 735	-473 304	-1 010 228	-1 572 199	-1 455 930
Profit before income tax		-648 525	-568 701	-1 138 194	-1 745 921	-1 912 071
Income tax		-49 607	-53 900	-76 556	-95 917	-62 866
Profit for the period		-698 131	-622 600	-1 214 750	-1 841 838	-1 974 937
Other comprehensive income						
<i>Items that may be reclassified to P&L</i>						
Translation differences and other elements		26 414	-387 063	192 072	-54 900	-32 658
Total comprehensive income		-671 717	-1 009 663	-1 022 678	-1 896 738	-2 007 595
Profit for the period attributable to:						
Equity holders of the parent company		-671 717	-1 009 663	-1 022 678	-1 896 738	-2 007 595

Consolidated balance sheet

(EUR)	Note	30.06.2023 (unaudited)	31.12.2022 (audited)
ASSETS			
Property, plant and equipment		11 164 180	11 721 516
Right-to-use assets		5 059 157	5 355 419
Financial investments		613 509	1 501 612
Non-current assets		16 836 846	18 578 547
Receivables		1 492 519	1 858 711
Other current assets		1 468 702	1 240 192
Cash and short-term deposits		2 239 970	2 534 385
Current assets		5 201 190	5 633 288
TOTAL ASSETS		22 038 036	24 211 835
EQUITY AND LIABILITIES			
Paid in capital	2	10 190 735	15 165 602
Other equity		-2 551 445	-6 572 715
Total equity		7 639 290	8 661 968
Long term loans		4 805 609	5 241 641
Convertible loans		2 552 973	2 841 979
Leasing		4 840 665	5 055 788
Total non-current liabilities		12 199 248	13 139 408
Short term leasing		478 357	467 351
Trade payables and other payables		881 227	1 060 868
Short term financing		745 828	769 260
Current tax		94 086	112 980
Total current liabilities		2 199 498	2 410 459
Total liabilities		14 398 746	15 549 867
TOTAL EQUITY AND LIABILITIES		22 038 036	24 211 835

Consolidated statement of cash flows

(EUR)	Note	H1-2023 (unaudited)	H1-2022 (unaudited)	FY 2022 (audited)
Profit before tax		-1 138 194	-1 745 921	-1 912 071
Depreciation		873 620	622 256	1 399 719
Changes in NWC items		-60 852	-28 390	-798 115
Fair value adjustment financial assets		627 274	1 454 488	1 448 561
Other items without cash effect		226 789	-	-
Cash flow from operations		528 637	302 433	138 094
Acquisition net of cash acquired		-	-1 652 711	-3 826 327
Additions property, plant and equipment		-20 022	-	-
Cash flow from investments		-20 022	-1 652 711	-3 826 327
Proceeds from issue of shares		-	-	405 569
Convertible loan issue		-	1 991 874	2 823 183
Lease payments		-343 566	-195 412	-555 683
Repayment of loans		-459 464	-325 124	-750 802
Cash flow from financing		-803 030	1 471 338	1 922 267
Cash at beginning of period		2 534 385	4 300 351	4 300 351
Net change in cash and cash equivalents		-294 414	121 060	-1 765 966
Cash at end of period		2 239 970	4 421 411	2 534 385

Consolidated statement of changes in equity

(EUR)	Share capital	Not registered capital reduction	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	-	-	-	-1 214 750	-	-1 214 750
Other comprehensive income	-	-	-	-	192 072	192 072
Share capital reduction	-	-4 974 867	-	4 974 867	-	-
Equity 30.06.2023	7 499 938	-4 974 867	7 665 664	-2 812 598	261 153	7 639 290

(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

General

As of 30 June 2023, 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.

Subsequent events related to shares and share capital

A reverse share split in Aega ASA, resolved in the ordinary general meeting held on 31 May 2023, was carried through with ex-date 7 July 2023. Three (3) shares with par value NOK 1 gave one (1) share with par value NOK 3. In the same general meeting, it was resolved to reduce the share capital by reducing the par value of each share from NOK 3 to NOK 1. The share capital reduction amount shall be transferred to other equity. At the release date of this report the share capital reduction was not yet registered with the Norwegian Register of Business Enterprises.

Largest 20 shareholders as of 30 June 2023

Shareholders	Share	Percentage
MAMALAO AS	5 086 643	7,13 %
ASBJØRN JOHN BUANES	2 753 136	3,86 %
ERIK WAHLSTRØM	2 266 102	3,17 %
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	1 230 473	1,72 %
FIN SERCK-HANSEN	1 211 247	1,70 %
JAN P HARTO AS	1 210 566	1,70 %
NORDNET BANK AB	1 164 545	1,63 %
BREZZA AS	882 793	1,24 %
KÅRE REIDAR JOHANSEN	844 722	1,18 %
OLAV VESAAS	836 142	1,17 %
RACCOLTA AS	787 401	1,10 %
ROALD ARNOLD NYGÅRD	753 720	1,06 %
VESOLDO AS	690 880	0,97 %
JAN STEINAR NEREM	632 069	0,89 %
BJØRN ERIK TVETER	595 350	0,83 %
C - BY - C AS	593 208	0,83 %
Total 20 largest shareholders	27 593 664	38,66 %
Aega ASA outstanding shares	71 375 949	100,00 %

Responsibility statement

We confirm that, to the best of our knowledge, the condensed interim financial statement for the period 1 January 2023 to 30 June 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and result for the period.

We also confirm that the interim report includes a fair review of any significant events which arose during the period and their effect on the financial report and any significant related party transactions. The report includes, to the best of our knowledge, a description of the material risks which the board of directors deems at the time of this report might have a significant impact on the financial performance of the company.

Oslo, 30 August 2023

Halldor Christen Tjoflaat
Chairman

Jan Peter Harto
Board member

Kristine Malm Larneng
Board member

Nils Petter Skaset
CEO

