

EAM SOLAR AS

Q1 REPORT 2025

Interim condensed consolidated financial statements for the first
quarter of 2025

HIGHLIGHTS Q1 2025

- Q1 power production 761 MWh, 26% below normal production, Q1 power production approx. 15% of annual production due to seasonality. FIT revenues on all 4 power plants.
- First quarter EBITDA negative with a EUR 165k. Cost of the Oslo stock exchange relisting process was approx.. EUR 100k in the quarter.
- First quarter legal costs were EUR 112k, mainly related to cost of the FIT reinstatement of ENFO 25.
- Cash position at the end of the quarter was EUR 455k.
- Supreme Court of Italy expected to make a decision on the appeal in the criminal proceedings on the 17th of June.
- Remember to vote in the annual general meeting the 11th of June.

Key figures

EUR 000'	Q1 2025	Q1 2024	2024	2023
Revenues	233	210	1 283	993
Cost of operations	-56	-58	-198	-237
Sales, general and administration expenses	-230	-114	-931	-743
Legal costs	-112	-42	-1 538	-983
EBITDA	-165	-3	-1 384	-971
Depreciation and amortizations	-141	-141	-565	-564
EBIT	-307	-144	-1 949	-1 535
Net financial items	-34	420	300	584
Profit before tax	-340	276	-1 649	-951
Income tax gain/(expense)	-7	-13	-138	-260
Net income	-347	263	-1 786	-1 211
Earnings per share (fully diluted):	0,00	0,04	-0,01	-0,18
Million no. of shares (fully diluted)	152,99	6,85	152,99	6,85
EBITDA adjusted	-53	39	154	12
EBIT adjusted	-194	-102	-410	-552
Net income adjusted	-235	305	-286	668

INTERIM REPORT

EAM Solar AS (“EAM”, “EAM AS”, or “the Company”) is a company listed on the Oslo Stock Exchange under the ticker “EAM”. The Company’s primary business is to own solar power plants and sell electricity under long-term fixed price sales contracts, and to pursue legal proceedings to restore company values. The Company owns four power plants in Italy, in the Puglia and Basilicata regions.

The first quarter 2025 interim report is significantly shorter than earlier reports and should therefore be read in combination with the 2024 Annual report and stock exchange notices up to the reporting date. This financial report includes all relevant information up to the reporting date the 4th of June 2025.

Organizational change and focus

Beginning in January 2025, EAM began to execute necessary organizational changes in due to the termination of the management agreement with Energeia AS.

Erik B Reisenfeld was employed as the Company’s new CEO. The Company Chairman, Mr. Viktor E Jakobsen is no longer employed in Energeia AS and is currently working with various administrative and legal tasks in EAM.

As of the reporting date, EAM has established its own physical head office in Oslo, and has terminated the management agreement with Energeia AS. The final date of services under the agreement was 31 March 2025.

Current focus of EAM is to keep operating costs within the financial limitations given by its power plants. The future financial strategy is dependent on the outcomes of various legal proceedings currently ongoing in Italy.

Change in listing of Company shares on the Oslo Stock Exchange

Following the general meeting decision in June 2024, EAM’s legal registration is no longer a public limited company (ASA or allmennaksjeselskap), but a limited liability company (AS or aksjeselskap) under Norwegian law. The decision was made to reduce operating costs.

The change in legal form has as a consequence that the Company no longer complies with the requirements for the listing of the Company’s shares on the Oslo Stock Exchange Euronext Expand. The Company’s shares are therefore on a so-called “penalty bench”, which implies a notification to the stock market of non-compliance with listing requirements. The notification has no consequence for the trading in the Company’s shares.

The Company has, with its legal and financial counsel, applied for a listing of the Company’s shares on the Oslo Stock Exchange Euronext Growth list. Approval by the stock exchange is pending.

Litigation activity review

The P31 Acquisition fraud transformed EAM from an operational Solar PV investment company to a company where a significant part of the activity and any future value are dependent on the outcomes of various litigation processes.

A detailed history of the various legal proceedings, both current and historical, can be found starting on page 7 of the Company’s 2024 Annual Report.

Criminal proceedings in Milan

On 4 July 2024 the Milan Criminal Court of Appeal announced its judgement. The first instance decision of 2019, with associated civil liability, were upheld in relation to the Indictment of fraud against the state of Italy for solar power plants that illegally had received state subsidies under Conto Energia II and IV. However, Marco Giorgi and Igor Akhmerov were acquitted of the allegations contained in Indictment Point F) related to fraud against EAM.

Based on the advice of EAM’s criminal attorneys in Italy, EAM submitted an appeal of the Appeal Court decision to the Court of Cassation on 11 October 2024. The appeal is based on the information described in the 2024 Q2 report.

The Supreme Court of Cassation had informed the parties that a hearing will be held on 18 March 2025. This hearing was postponed at the discretion of the court as an administrative error caused several parties to not receive notifications of the proceedings. In order to grant these parties their right to be heard, the hearing was postponed until 17 June 2025. It is expected, but not guaranteed, that a decision will be given on the same date.

Should EAM be successful in overturning the Appeal

Court decision, the Supreme Court then must decide whether to send the matter back to the Court of Appeal again, or to make a conclusive and final decision themselves.

Should the Cassation Court send the matter back to the Court of Appeal, a new series of hearings will be held in the Court of Appeal, before a new set of judges. This will include rigid instructions from the Court of Cassation. This process would be estimated to last at least one year from the decision in the Court of Cassation.

Should the Court of Cassation elect to decide for themselves, the proceedings will conclusively end and the ruling of the Court of Cassation will become the permanent and final ruling in the criminal case.

First Arbitration proceedings in Milan of 2016

An overview of the history of this proceeding can be read in previous financial reports. The matter is still pending before the Court of Cassation and there has been no development in Q1 2025.

Second Arbitration in Milan of 2020

The Milan Chamber of Arbitration's final decision in the arbitration between EAM Solar ASA and Aveleos SA was received 29 February 2024. After a question of interest rates was resolved, by order from the tribunal on 16 May 2024, a new amount in favour of EAM was awarded of EUR 2 729 796 after interest as of 22 May 2024.

Aveleos has appealed the award. On 5 February 2025, the first hearing took place in this appeal. The court has given primary dates for the process and provisionally scheduled the final hearing for 11 March 2026.

Civil Court Italy: UBI (now Intesa Sanpaolo)

In November 2018 EAM Solar ASA was served with a notice that UBI Leasing had requested the Court of Brescia for an injunction of EUR 6 million on EAM assets. The court granted a preliminary non-enforceable injunction. EAM challenged the injunction.

The final hearing in this matter was heard on 3 December 2024. EAM was informed on 8 January 2025 that a judgement had been entered in this case. The Judge found in favour of UBI and has ordered EAM to pay an amount of EUR 4,393,821.03 plus interest and expenses.

The judge found that even though UBI was the legal owner of the plants at the time the fraudulent applications for accessing the Feed-in tariffs were made, it was the SPVs, not UBI, who had the responsibility to confirm the plants' completion. Further, the termination, by GSE, of the Feed-in Tariff contracts and the SPVs' subsequent insolvencies were not deemed to be sufficient to relieve EAM of its duty to keep the SPVs financially alive and to prevent them from going into bankruptcy.

EAM intends to appeal this decision and will make such determination no later than 4 July 2025.

In the meantime, EAM and UBI Leasing (Intesa Sanpaolo) have engaged discussions about finding alternative solutions. As of the date of this report, Intesa Sanpaolo has not served the judgement on EAM nor attempted to enforce the judgement.

Civil Court Luxembourg

EAM Solar ASA filed a civil lawsuit in Luxembourg in July 2019 against the Aveleos shareholder, Enovos, along with the four Enovos- employed directors of Aveleos. This civil claim is subordinate to the original criminal complaint with civil action filed in 2016, which itself remains pending before the investigating judge in Luxembourg.

Standstill agreement proceedings against Aveleos in Luxembourg

An overview of the history of this proceeding can be read in previous financial reports. The matter is still subject to a stay of proceedings granted in October 2022 and reaffirmed in May 2023.

Akhmerov Case against EAM in Oslo

On 29 October 2024, Igor Akhmerov petitioned the Oslo District Court for an arrest over assets against EAM for EUR 250.000. This petition was based on a possible future civil claim for legal costs arising from the Italian Criminal Case.

On 9 December 2024, the judge in the matter ruled that Mr. Akhmerov must provide a financial security to cover any potential financial harm such arrest might cause EAM should Mr. Akhmerov's future civil claim fail. This was to be paid within the deadline of 6 January 2025.

EAM received notice that Igor Akhmerov chose to drop the petition for arrest before the Oslo District Court. On 27 January 2025, EAM was informed that the judge formally dismissed Mr Akhmerov's case and ordered Mr. Akhmerov to pay EAM NOK 100.000 for legal costs.

Financial review

The preliminary accounts for the first quarter have not been subject to a full audit.

Solar PV power plant production

EAM ASA owns 4 solar power plants with a combined installed capacity of 4.0 MW. The normal annual power production is approximately 5.4 GWh.

First quarter 2025 power production was 761 MWh, 26% below normal production. The main reason for lower production from two out of four power plants is due to reduced production capacity from lacking PV modules following thefts. First quarter power production makes up 15% of annual production because of the seasonality in solar power production.

Revenues

First quarter revenues were EUR 232 892, of which EUR 141 491 stems from FIT revenues and EUR 88 016 stems from PPA revenues.

Cost of operations

First quarter cost of operations was EUR 55 824 resulting in an EBITDA operations of EUR 177 067 (76% margin).

SG&A costs

First quarter SG&A costs were EUR 230 224, of which wages and social cost amounted to EUR 60 809. The cost of the Oslo stock exchange relisting process was approximately EUR 100 000 in the quarter. First quarter EBITDA after operating and SG&A costs were negative with a EUR 53k.

Legal costs

First quarter legal costs were EUR 112k. This cost was mainly related to cost of the FIT reinstatement of ENFO 25.

EBITDA and EBIT

First quarter EBITDA came in at a loss of EUR 165K. With depreciation of EUR 141k, earnings before interest and taxes came in at a loss of EUR 306k.

Financial items

First quarter net financial items came in at a loss of EUR 34k.

Taxes and profit/loss

Preliminary tax estimate is EUR 6 827. The first quarter net loss was EUR 347 289.

Balance sheet

Total assets were EUR 11.3 million with Group book equity of EUR 796k representing an equity ratio of 6,7%.

Cash position

Cash position at the end of the quarter was EUR 455k, of which EUR 33k was seized or restricted.

Current assets, payables and short-term debt

Current assets were EUR 6.5 million while short term debt and payables was EUR 3.2 million.

Long term assets and other long-term debt

Long term assets being the 4 power plants was EUR 4.7 million end, while the financial lease obligations for the power plants were EUR 2.7 million.

Other long -term, debt is mainly provision for the EUR 4.4 million court decision of Brescia booked as a long-term debt. The reason for booking this as a long-term debt is that the anticipated appeal procedure may take up to two years to conclude.

Shares and share capital

Total shares outstanding at the end of the quarter is 152 994 784 with a nominal value NOK 0,10 per share.

EAM

Subsequent events

The financial report includes all material information up to the date of publication including events after the balance sheet date of the 31st of March 2024.

Going concern

The financial statements and annual report are prepared under the assumption of going concern.

However, although the Group's asset base and operating revenues cover ordinary operations, administration and service of operating assets debt obligations, the cost of legal representation in the various litigation processes the Company is involved in has over the years drained any surplus liquidity in the Group. Continued cost of litigation may need to be funded through further injection of cash in the Company.

In February 2024, the Arbitration Court of Milan awarded EAM a net proceeds of EUR 2.29 million against Aveleos SA. To the extent the award is not paid by Aveleos, or enforcement of payment proves unsuccessful, the Group's liquidity may be challenged in the future.

The award enables EAM to improve the Group's liquidity through sale of power plants. Such sale has not been possible due to pledges on the power plants related to Aveleos. The award should release the pledges, however, due to the unwillingness of Aveleos to release the pledges, such release requires court proceedings in Italy that may take time to conclude.

Furthermore, the Group's liquidity may be challenged if the decision by the Court of Brescia granting UBI Leasing a preliminary award of EUR 4.4 million should be enforced. Although UBI Leasing has not served the court decision on EAM Solar AS at the date of this report, such action may be taken by UBI Leasing in 2025.

EAM intends to appeal the Brescia court decision, and in conjunction with such an appeal, request the appeal court to halt any enforcement of the Brescia decision. However, in the case UBI Leasing should be given the opportunity to enforce the claim of EUR 4.4 million, EAM may not be able to secure going concern.

The above circumstances implies that there may be a need for the Company to raise addition equity to secure going concern. There exists a material uncertainty regarding the Group's ability to continue as a going concern.

CONSOLIDATED INTERIM FINANCIAL INFORMATION

Consolidated statement of profit or loss

EUR	Q1 2025	Q1 2024	2024	2023
Revenues	232 892	210 470	1 506 918	992 716
Cost of operations	-55 824	-57 966	-218 461	-237 408
Sales, general and administration expenses	-230 224	-113 766	-906 880	-743 296
Legal costs & non recurring	-112 150	-42 110	-1 575 255	-982 772
EBITDA	-165 306	-3 373	-1 193 678	-970 760
Depreciation, amortizations and write downs	-141 221	-141 071	-564 882	-564 108
EBIT	-306 527	-144 443	-1 758 561	-1 534 869
Finance income	2 235	489 703	923 437	1 404 806
Finance costs	-36 171	-69 428	-547 618	-820 867
Profit before tax	-340 463	275 832	-1 382 742	-950 929
Income tax gain/(expense)	-6 827	-13 298	66 421	-260 378
Profit after tax	-347 289	262 534	-1 316 321	-1 211 308

Consolidated statement of financial position

EUR	Q1'2025	2024	2023
ASSETS			
Property, plant and equipment	4 730 941	4 872 162	5 429 870
Intangible assets	7 701	7 701	8 401
Other long term assets	69 856	229 835	200 290
Deferred tax assets	29 461	29 461	40 002
Non-current assets	4 837 959	5 139 159	5 678 563
Current assets			
Trade and other receivables	5 502 440	5 368 643	1 733 201
Other current assets	586 740	548 819	649 876
Cash and cash equivalents	455 461	1 095 326	391 720
Current assets	6 544 640	7 012 788	2 774 798
TOTAL ASSETS	11 382 599	12 151 947	8 453 361
EQUITY AND LIABILITIES			
Equity			
Paid in capital			
Issued capital	3 569 935	3 569 935	8 126 110
Share premium	28 126 436	28 126 436	27 603 876
Paid in capital	31 696 371	31 696 371	35 729 986
Other equity			
Translation differences	-9 253 132	-9 253 132	-8 711 181
Other equity	-21 683 637	-21 350 611	-25 260 400
Other equity	-30 936 769	-30 603 743	-33 971 581
Total equity	759 602	1 092 628	1 758 405
Non-current liabilities			
Leasing liabilities	2 408 544	2 408 544	2 886 601
Long term loan - interest bearing	0	0	
Deferred tax liabilities	979 336	979 336	974 368
Other non current liabilities	4 068 110	4 739 908	343 887
Total non-current liabilities	7 455 990	8 127 788	4 204 856
Current liabilities			
Leasing	325 726	477 942	453 731
Trade and other payables	2 834 596	2 453 588	2 035 127
Tax payables	6 687	0	1 242
Total current liabilities	3 167 008	2 931 530	2 490 100
Total liabilities	10 622 998	11 059 318	6 694 956
TOTAL EQUITY AND LIABILITIES	11 382 599	12 151 947	8 453 361

Oslo, 4 June 2025

Pål Hvammen
Non-executive
director

Erik Alexander
Non-executive
director

Viktor Erik Jakobsen
Chair

Erik Brandon
Reisenfeld
CEO

EAM Solar AS

Q1 2025 REPORT



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