



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	996 411 265
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	EAM SOLAR AS
Forretningsadresse:	Karenslyst allé 10 0278 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Elisabeth Dragseth
Dato for fastsettelse av årsregnskapet:	27.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	13 347 362	14 653 755
Sum inntekter		13 347 362	14 653 755
Kostnader			
Lønnskostnad	3,4	1 145 818	1 290 471
Annen driftskostnad	4,5,6	13 407 080	20 713 114
Sum kostnader		14 552 898	22 003 585
Driftsresultat		-1 205 536	-7 349 830
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		7 053 706	4 264 001
Annen renteinntekt		123 998	39 390
Annen finansinntekt		15 919 692	12 010 341
Sum finansinntekter		23 097 396	16 313 732
Nedskrivning av finansielle eiendeler	7	43 726 861	38 347 836
Annen rentekostnad			1 105
Annen finanskostnad		6 300 712	6 461 370
Sum finanskostnader		50 027 573	44 810 311
Netto finans		-26 930 177	-28 496 579
Ordinært resultat før skattekostnad		-28 135 713	-35 846 409
Skattekostnad på ordinært resultat	8	2 496 659	1 029 814
Ordinært resultat etter skattekostnad		-30 632 372	-36 876 223
Årsresultat		-30 632 372	-36 876 223
Overføringer og disponeringer			
Tilleggsutbytte			137 044
Udekket tap			-5 422 940
Transferred from share premium		-30 632 371	-31 590 327
Sum overføringer og disponeringer		-30 632 371	-36 876 223



Resultatregnskap

Beløp i: NOK	Note	2023	2022
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Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	7,10	1 044 924	1 044 924
Lån til foretak i samme konsern	7,11	41 991 172	57 644 331
Investeringer i aksjer og andeler		1 113	1 113
Andre fordringer		2 270 994	3 409 602
Sum finansielle anleggsmidler		45 308 203	62 099 970
Sum anleggsmidler		45 308 203	62 099 970
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	11	1 529 449	5 195 187
Konsernfordringer	11	1 646 301	647 161
Sum fordringer		3 175 750	5 842 348
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	12	823 425	9 860 930
Sum bankinnskudd, kontanter og lignende		823 425	9 860 930
Sum omløpsmidler		3 999 175	15 703 278
SUM EIENDELER		49 307 378	77 803 248
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9	68 522 100	68 522 100
Sum innskutt egenkapital		68 522 100	68 522 100



Balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Udekket tap		36 055 311	5 422 940
Sum opptjent egenkapital		-36 055 311	-5 422 940
Sum egenkapital		32 466 789	63 099 160
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	10 952 387	8 455 728
Sum avsetninger for forpliktelser		10 952 387	8 455 728
Annen langsiktig gjeld			
Sum langsiktig gjeld		10 952 387	8 455 728
Kortsiktig gjeld			
Leverandørgjeld		3 562 638	1 845 148
Skyldige offentlige avgifter		262 048	10
Kortsiktig konserngjeld	7	417 216	
Annen kortsiktig gjeld		1 646 301	4 403 203
Sum kortsiktig gjeld		5 888 203	6 248 361
Sum gjeld		16 840 590	14 704 089
SUM EGENKAPITAL OG GJELD		49 307 379	77 803 249



Konsernets resultatregnskap

Beløp i: EUR	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	9	992 716	1 221 073
Sum inntekter		992 716	1 221 073
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	13,21	564 108	563 575
Cost of operations		237 408	813 734
Sales, general and administration expenses	5,6	743 296	949 613
Legal costs		982 772	1 386 837
Sum kostnader		2 527 584	3 713 759
Driftsresultat		-1 534 868	-2 492 686
Finansinntekter og finanskostnader			
Annen finansinntekt	8	1 404 806	1 192 570
Sum finansinntekter		1 404 806	1 192 570
Annen finanskostnad	8	820 867	764 986
Sum finanskostnader		820 867	764 986
Netto finans		583 939	427 584
Ordinært resultat før skattekostnad		-950 929	-2 065 102
Skattekostnad på ordinært resultat	11	260 378	140 582
Ordinært resultat etter skattekostnad		-1 211 307	-2 205 684
Årsresultat		-1 211 307	-2 205 684
Translation differences		-896 286	-686 065
Sum resultatkomponenter for IFRS-foretak		-896 286	-686 065
Totalresultat		-2 107 592	-2 891 657
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		2 107 592	2 891 657
Sum overføringer og disponeringer		2 107 592	2 891 657



Konsernets resultatregnskap

Beløp i: EUR	Note	2023	2022
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Konsernets balanse

Beløp i: EUR	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11	40 002	64 018
Intangible assets	21	8 401	9 101
Sum immaterielle eiendeler		48 403	73 119
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	13	5 429 870	5 987 981
Sum varige driftsmidler		5 429 870	5 987 981
Finansielle anleggsmidler			
Other long term assets		200 290	324 297
Sum finansielle anleggsmidler		200 290	324 297
Sum anleggsmidler	9	5 678 563	6 385 397
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables	7,16	1 733 201	2 174 744
Other current assets		649 876	634 662
Sum fordringer		2 383 077	2 809 406
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	17	391 720	1 464 397
Sum bankinnskudd, kontanter og lignende		391 720	1 464 397
Sum omløpsmidler		2 774 797	4 273 803
SUM EIENDELER		8 453 360	10 659 200

BALANSE - EGENKAPITAL OG GJELD



Konsernets balanse

Beløp i: EUR	Note	2023	2022
Egenkapital			
Innskutt egenkapital			
Selskapskapital		8 126 110	8 126 110
Overkurs		27 603 876	27 603 876
Sum innskutt egenkapital	18	35 729 986	35 729 986
Opptjent egenkapital			
Annen egenkapital		-25 260 400	-24 049 092
Translation differences		-8 711 181	-7 814 895
Sum opptjent egenkapital		-33 971 581	-31 863 987
Sum egenkapital		1 758 405	3 865 999
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	974 368	804 250
Sum avsetninger for forpliktelser		974 368	804 250
Annen langsiktig gjeld			
Leasing	13	2 886 601	3 340 536
Other non current liabilities		343 887	343 887
Sum annen langsiktig gjeld		3 230 488	3 684 423
Sum langsiktig gjeld		4 204 856	4 488 673
Kortsiktig gjeld			
Leverandørgjeld	19	2 035 127	1 873 690
Betalbar skatt	11	1 242	
Leasing	13	453 731	430 836
Sum kortsiktig gjeld		2 490 100	2 304 526
Sum gjeld		6 694 956	6 793 199
SUM EGENKAPITAL OG GJELD		8 453 361	10 659 198



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 679586

Enheten

Organisasjonsnummer: 996 411 265
Organisasjonsform: Allmennaksjeselskap
Foretaksnavn: EAM SOLAR ASA
Forretningsadresse: Cort Adellers gate 33
0254 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Elisabeth Dragseth
Dato for fastsettelse av årsregnskapet: 27.06.2024

Grunnlag for avgivelse

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År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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Brønnøysundregistrene, 29.07.2024



Organisasjonsnr: 996 411 265
EAM SOLAR ASA

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	13 347 362	14 653 755
Sum inntekter		13 347 362	14 653 755
Kostnader			
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Annen driftskostnad	4,5,6	13 407 080	20 713 114
Sum kostnader		14 552 898	22 003 585
Driftsresultat		-1 205 536	-7 349 830
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		7 053 706	4 264 001
Annen renteinntekt		123 998	39 390
Annen finansinntekt		15 919 692	12 010 341
Sum finansinntekter		23 097 396	16 313 732
Nedskrivning av finansielle eiendeler	7	43 726 861	38 347 836
Annen rentekostnad			1 105
Annen finanskostnad		6 300 712	6 461 370
Sum finanskostnader		50 027 573	44 810 311
Netto finans		-26 930 177	-28 496 579
Ordinært resultat før skattekostnad		-28 135 713	-35 846 409
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Tilleggsutbytte			137 044
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Organisasjonsnr: 996 411 265
EAM SOLAR ASA

BALANSE

Beløp i: NOK Note 2023 2022

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Finansielle anleggsmidler

Investering i datterselskap	7,10	1 044 924	1 044 924
Lån til foretak i samme konsern	7,11	41 991 172	57 644 331
Investeringer i aksjer og andeler		1 113	1 113
Andre fordringer		2 270 994	3 409 602
Sum finansielle anleggsmidler		45 308 203	62 099 970
Sum anleggsmidler		45 308 203	62 099 970

Omløpsmidler Varer

Fordringer

Andre fordringer	11	1 529 449	5 195 187
Konsernfordringer	11	1 646 301	647 161
Sum fordringer		3 175 750	5 842 348

Bankinnskudd, kontanter og lignende

Bankinnskudd, kontanter og lignende	12	823 425	9 860 930
Sum bankinnskudd, kontanter og lignende		823 425	9 860 930

Sum omløpsmidler 3 999 175 15 703 278

SUM EIENDELER 49 307 378 77 803 248

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital			
Selskapskapital	9	68 522 100	68 522 100
Sum innskutt egenkapital		68 522 100	68 522 100

Opptjent egenkapital

Udekket tap		36 055 311	5 422 940
Sum opptjent egenkapital		-36 055 311	-5 422 940

Sum egenkapital 32 466 789 63 099 160



Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	10 952 387	8 455 728
Sum avsetninger for forpliktelser		10 952 387	8 455 728
Annen langsiktig gjeld			
Sum langsiktig gjeld		10 952 387	8 455 728
Kortsiktig gjeld			
Leverandørgjeld		3 562 638	1 845 148
Skyldige offentlige avgifter		262 048	10
Kortsiktig konserngjeld	7	417 216	
Annen kortsiktig gjeld		1 646 301	4 403 203
Sum kortsiktig gjeld		5 888 203	6 248 361
Sum gjeld		16 840 590	14 704 089
SUM EGENKAPITAL OG GJELD		49 307 379	77 803 249



Organisasjonsnr: 996 411 265
EAM SOLAR ASA

KONSERNRESULTATREGNSKAP

Beløp i: EUR	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	9	992 716	1 221 073
Sum inntekter		992 716	1 221 073
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	13,21	564 108	563 575
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Ordinært resultat etter skattekostnad		-1 211 307	-2 205 684
Årsresultat		-1 211 307	-2 205 684
Translation differences		-896 286	-686 065
Sum resultatkomponenter for IFRS-foretak		-896 286	-686 065
Totalresultat		-2 107 592	-2 891 657
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		2 107 592	2 891 657
Sum overføringer og disponeringer		2 107 592	2 891 657



Organisasjonsnr: 996 411 265
EAM SOLAR ASA

KONSERNBALANSE

Beløp i: EUR	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11	40 002	64 018
Intangible assets	21	8 401	9 101
Sum immaterielle eiendeler		48 403	73 119
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	13	5 429 870	5 987 981
Sum varige driftsmidler		5 429 870	5 987 981
Finansielle anleggsmidler			
Other long term assets		200 290	324 297
Sum finansielle anleggsmidler		200 290	324 297
Sum anleggsmidler	9	5 678 563	6 385 397
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables	7,16	1 733 201	2 174 744
Other current assets		649 876	634 662
Sum fordringer		2 383 077	2 809 406
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	17	391 720	1 464 397
Sum bankinnskudd, kontanter og lignende		391 720	1 464 397
Sum omløpsmidler		2 774 797	4 273 803
SUM EIENDELER		8 453 360	10 659 200
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		8 126 110	8 126 110
Overkurs		27 603 876	27 603 876
Sum innskutt egenkapital	18	35 729 986	35 729 986
Opptjent egenkapital			



Annen egenkapital		-25 260 400	-24 049 092
Translation differences		-8 711 181	-7 814 895
Sum opptjent egenkapital		-33 971 581	-31 863 987
Sum egenkapital		1 758 405	3 865 999
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	974 368	804 250
Sum avsetninger for forpliktelseser		974 368	804 250
Annen langsiktig gjeld			
Leasing	13	2 886 601	3 340 536
Other non current liabilities		343 887	343 887
Sum annen langsiktig gjeld		3 230 488	3 684 423
Sum langsiktig gjeld		4 204 856	4 488 673
Kortsiktig gjeld			
Leverandørgjeld	19	2 035 127	1 873 690
Betalbar skatt	11	1 242	
Leasing	13	453 731	430 836
Sum kortsiktig gjeld		2 490 100	2 304 526
Sum gjeld		6 694 956	6 793 199
SUM EGENKAPITAL OG GJELD		8 453 361	10 659 198



Organisasjonsnr: 996 411 265
EAM SOLAR ASA

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
3

Antall årsverk i regnskapsåret
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



Organisasjonsnr: 996 411 265
EAM SOLAR ASA

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note
6

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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COMPLIANCE REPORT · ESG REPORT · FINANCIAL

eam

Årsregnskap regnskapsåret 2024

EAM Solar ASA

ANNUAL REPORT 2024

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EAM SOLAR ASA IN BRIEF

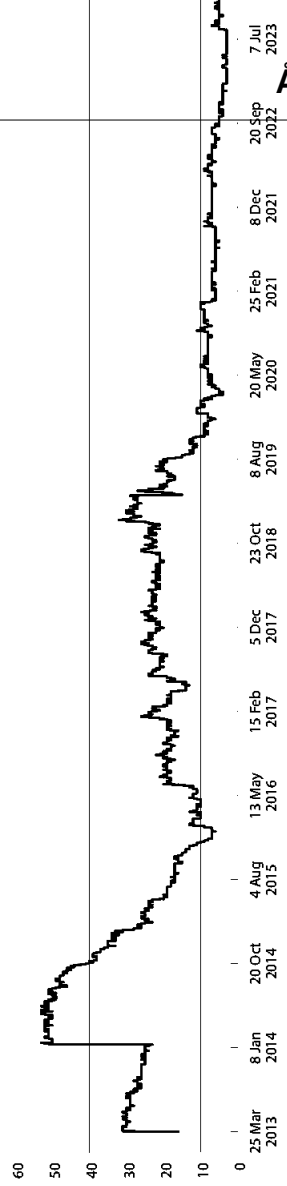
Energeia AS established EAM Solar ASA (EAM or the Company) in January 2011. The Company was established with the purpose of owning Solar PV power plants under long-term electricity sales contracts and distributing dividends on a regular basis to its shareholders. The Company was listed on the Oslo Stock Exchange under the ticker EAM in March 2013, becoming the world's first publicly listed pure solar PV "YieldCo".

EAM has no employees and is managed by Energeia AS. Energeia AS conducts all administrative and technical tasks with own employees and subcontractors. The annual general meeting of EAM elects the Company's board of directors, who make all material investments, divestments, and contractual decisions. EAM acquired the first power plant in Italy in 2011. At the end of 2023 EAM owned and operated 4 power plants with a combined capacity of 4.0 MW generating an average annual production of 5.4 GWh annually (P50 production).

EAM entered into a Share Purchase Agreement with Aveleos S.A. in July 2014 to acquire 31 PV power plants in Italy, for a total consideration of EUR 115 million. One week after the transfer of 21 of the 31 power plants, it appeared that 27 of 31 power plants comprised by the Share Purchase Agreement, and two directors of the sellers,

EAM Solar annual report 2023

VALUATION
(EUR million)



were already the targets of a criminal investigation conducted by the Prosecutor's Office of Milan.

Based on the criminal proceedings, the companies contractual counterpart for purchase of electricity, the state-owned utility company Gestore dei Servizi Energetici (GSE), firstly suspended and then terminated the long-term electricity sales contract for 17 of the 21 PV power plants transferred to EAM in July 2014. The Administrative Court of Lazio legalized GSE's decision to terminate in June 2016.

EAM's calculated loss of revenues due to terminated FIT contracts and permanent closure of power plants because of lacking technical certification, amounts to more than EUR 300 million. This has resulted in the bankruptcy of the SPVs affected by the criminal proceedings in 2016.

The annual accounts of 2023 have identified a gross after tax loss of EUR 1.211 thousand, the negative result is stemming from extensive legal costs.

On the basis of the fundamental breach of contract and guarantees in the Share Purchase Agreement, resulting in the suffering by EAM, and the lack of willingness from the seller in the flawed sale, EAM has been forced to initiate legal proceedings against the sellers to recover losses and damages. This effectively changed EAM from a YieldCo to a litigation company.

Because of the fraud, EAM's market valuation dropped to 10 million in the beginning of 2016, 80 per cent below the equity capital of EUR 55 million. During 2016, 2017 and

market value increased to EUR 27 million. In 2019 the market value decreased to EUR 8 million. In 2020 the market value further decreased to EUR 6 million, where it remained in 2021 with a further decrease to EUR 3-4 million in 2022. In 2023 the market value increased to EUR 9 million.

Strategic review and outlook

The company is in its tenth year of litigation activity following the P31 fraud. Consequently, the company have lost out on opportunities within its initial core business activity in renewable energy.

Litigation activities

Criminal complaints have been lodged in relevant jurisdictions against the involved parties in the P31 fraud against EAM Solar ASA. However, as of today, no police authority in these jurisdictions have conducted any investigation of the fraud of EAM Solar ASA.

At current, the only ongoing criminal proceeding related to the fraud is the criminal proceedings in the Court of Milan. The criminal proceedings recommenced in the Criminal Court of Appeal of Milan in November 2023 following the Italian Supreme Courts annulment of the previous appeal court decision of 2021. The final hearing is scheduled for 16 May 2024.

Business development activities

The Company does not foresee any business development activities beyond the litigation activities until the litigation activities are finally resolved.

Litigation activity review

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

In July 2014 EAM Solar ASA transferred EUR 30 million to Aveleos SA, a Joint Venture investment vehicle owned by the Enovos group in Luxembourg (59 per cent) and Renova/Avelar group in Switzerland/Cyprus (41 per cent).

The cash transfer was the initial payment in a EUR 114 million transaction of 31 Solar PV power plants constructed by Aveleos et.al in 2010 and 2011, operational since 2011 with long-term subsidised electricity contracts with the State of Italy.

In July 2014 ownership of shares in companies with 21 of the 31 power plants was transferred to EAM Solar ASA, with the remaining 10 power plants to be transferred by December 2014. This transfer was never conducted.

In August 2014, the State of Italy suspended payment of electricity delivered under the long-term subsidy contracts for 17 of the 21 transferred power plants. In June 2016 the competent Italian court ruled that it was a final legal fact that the 17 power plants did not have valid subsidised "feed in tariff" contracts and as such lost all its value.

During the criminal proceedings commencing in 2016, EAM received evidence that the Prosecutors office of Milan already in 2012 had initiated a broad investigation into Aveleos et.al. for fraud against the state of Italy in relation to subsidized electricity contracts. This fact

was known to the directors of Aveleos prior to negotiating the power plants to EAM Solar ASA.

The Enovos/Renova/Aveleos group has failed to honour actual obligations and has as such dragged EAM Solar prolonged and costly process of losses, litigations, and

EAM Solar ASA filed criminal complaints for fraud to the police authorities in Italy in 2014, Luxembourg 2016 and 2018/2019.

Criminal proceedings in Oslo

On Friday 28 May 2021, EAM Solar ASA filed a private criminal proceeding for the crime of serious fraud against the company Enovos Luxembourg SA in Oslo District Court. The private proceeding was initiated in accordance with section 40 Norwegian Criminal Procedure Act, and formally initiated in District Court.

The Oslo District Court decided to conduct a court hearing fraud case against Enovos Luxembourg SA. The hearing is scheduled to take place in Oslo District Court on 31 January 2022, but later postponed to 21 April and 22 April 2022.

On 1 July 2022 Oslo District Court, presided by Judge Fløm, dismissed EAM Solar ASA's request for a Private Criminal proceeding against Enovos Luxembourg SA.

On 4 July 2022 the Company decided to appeal the decision of the Oslo District Court to the Borgating Appellate Court. The appeal was substantiated in both factual errors as well

interpretation of the law in the decision made by the Oslo District Court on 1 July 2022.

On 21 October 2022 Borgarting Court of Appeal rejected EAM Solar ASA's appeal against Oslo District Court's decision to reject the start of a private criminal proceedings against Enovos Luxembourg S.A.

According to the Borgarting Court of Appeal, the fraud against EAM Solar ASA should not be brought before a Norwegian court in a private criminal proceedings since this is not in the public interest. The Court of Appeal concludes that the fraud case falls under the jurisdiction of the Norwegian Criminal Code, and writes in its ruling that:

"The evidence and evidentiary arguments that EAM has shown points overall to the fact that Enovos' representatives on the board of Aveleos had so much information about the suspicion and the investigation related to false documents about the country of origin, which in turn had an impact on the right to subsidies, that it meant that EAM was misled by Enovos in connection with the purchase."

The Borgarting Court of Appeal, however, concludes in its assessment of the case's evidence "at a more general level" that there is "reasonable doubt as to whether EAM will be able to provide sufficient evidence of criminal guilt".

Criminal proceedings in Milan

In January 2015 the prosecutor's Office of Milan filed a request for trial to the Criminal Court of Milan against 9 individuals for fraud against the State of Italy in conjunction with subsidized electricity sales contracts.

The criminal proceedings commenced in June 2016, and in April 2019 the Criminal Court of Milan published its decision, where the indicted Aveleos directors, Mr Giorgi, and Mr Akhmerov, was found guilty of criminal contractual fraud against EAM Solar ASA in conjunction with the sale of the P31 portfolio and sentenced them to prison terms and provisional damages of EUR 5 million. Aveleos S.A., as civil liable party, was condemned to be financially responsible for the same provisional damage.

The 2019 ruling by the Criminal Court of Milan was appealed by several parties, and the appeal procedure in the Criminal Court of Appeal of Milan commenced with one hearing in October 2020 and two hearings in December 2020, and on 20 January 2021, the Criminal Appeal Court of Milan decided to revoke the first instance judgement of the Criminal Court of Milan.

EAM Solar ASA decided to join with the Prosecutor's Office in Milan in appealing the Criminal Appeal Court of Milan decision to the Italian Supreme Court of Cassation in 2021.

On 7 October 2021 the Supreme Court of Italy decided to annul the acquittal decision of by the Criminal Appeal Court of Milan in its entirety.

In November 2021 the Supreme Court issued its full grounds for the annulment decision of the acquittal ruling. The Supreme Court found that the Criminal Appeal Court of Milan did not fulfil its obligation to conduct a correct and comprehensive review of the factual evidence in the criminal case, resulting in an erroneous evaluation of the evidence with the effect that the acquittal decision was based on obvious inconsistent and illogical arguments.

The Supreme Court sent the criminal proceedings back to the chamber of the Criminal Appeal Court of Milan for new proceedings to be conducted, with the requirement that the new proceedings must be based on a complete review of the evidence and correct application of the principles of law and the rules formulated in the Supreme Court decision.

On the fraud of EAM, the Supreme Court concluded that evidenced withholding of essential information during actual negotiations constitutes a contractual fraud.

In July 2023, Section V of the Court of Appeal in Milan notified parties that the appeal proceedings would continue, and a hearing took place on 30 November 2023. The Criminal Appeal Court of Milan has stated its intention to render its judgement in the case at the conclusion of the 16 May 2024.

New criminal investigation for subsidy fraud in

On 28 October 2020, EAM Solar ASA was informed that the Criminal Court of Bolzano had ordered Guardia Di (the financial police) to perform a "search and seizure" from 57 Italian companies owning 58 Solar PV power plants subsidized electricity sales contracts towards the State. The search and seizure were conducted in relation to an investigation into subsidy fraud against the State of Italy.

The Milan office of EAM Solar ASA's Italian subsidiaries (Srl, Energia Fotovoltaica 25 Srl and EAM Solar Italy Hold) visited by officers of Guardia Di Finanza who retrieved documents related to the above-mentioned companies. In addition,

and seizure order also identified Energia Fotovoltaica 14 Srl, which already is part of the criminal proceedings in Milan and was sent into bankruptcy in 2016.

The search and seizure order issued by the Prosecutor identified 79 individuals as persons of interest to the public prosecutor. Viktor E Jakobsen, CEO of EAM Solar ASA, holds the position as Sole Managing Director in ENS Solar One Srl, ENFO 14 Srl and ENFO 25 Srl, and is consequently named as one of the 79 individuals.

With this new investigation, and the existing criminal proceedings in Milan, all power plants sold to EAM Solar ASA by Enovos and Avelar through their Joint Venture Aveleos SA, are subject to criminal proceedings or under investigation for subsidy fraud against the state of Italy.

In January 2021, EAM Solar ASA learned that the Bolzano Public Prosecutor requested the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime ("Økokrim") to search the offices of EAM Solar ASA in relation to the above-mentioned investigation.

EAM Solar ASA has been in a continuous dialogue with Økokrim since 2017 in relation to the fraud conducted against the company in 2014.

Following the request from Bolzano, Økokrim was invited to EAM Solar ASA's offices for voluntary transfer of relevant documents. This was conducted on 21 January 2021. EAM Solar ASA will continue to support the investigation to the extent requested by Økokrim and the Prosecutors office of Bolzano.

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EAM Solar ASA was informed on 3 March 2021 that the Criminal Court of Bolzano, on the request of the Public Prosecutor, has decided that the Company's CEO, Viktor E Jakobsen, no longer is considered as a "person of interest" (suspect) in the ongoing investigation.

The Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime ("Økokrim") is fully informed of the change in status of the Company's CEO.

No provisions are made in the accounts on this matter.

Arbitration proceedings in Milan of 2016

Following the final legal ruling by the Administrative Court of Lazio (TAR) in June 2016 that the 17 terminated FIT contracts were invalid, the Company summoned Aveleos S.A. to the Milan Chamber of Arbitration requesting the Share Purchase Agreement between the parties to be declared null and void based on fundamental breach of contract.

On 2 April 2019 a final award was made by the Arbitral Tribunal of the Milan Chamber of Arbitration. The Arbitration decision was not unanimous, with one of three arbitrators dissenting to dismissing the claims brought by EAM Solar ASA. The dissenting opinion was published together as an integrated part of the of the arbitration ruling.

On 4 July 2019 EAM Solar ASA filed an appeal against the Arbitration Tribunal decision in the civil Court of Appeal of Milan asking the court to annul the arbitration award of 2 April 2019 based on 12 different accounts of breach of Italian law in its conclusions and the basis for the arbitration award. On 23 June 2021 the Civil Court of Appeal of Milan decided to dismiss the request for the annulment of the

Arbitration award. However, The Arbitration decision of appeal yet final since EAM decided to appeal the dismissal by the Court in Milan to the Supreme Court in Italy within the 22 September 2021.

New Arbitration in Milan of 2020

On 5 October 2020, the Arbitration Chamber of Milan notified EAM Solar ASA and its subsidiary EAM Solar Italy Holding Srl. EAM Solar ASA had filed for two new arbitration proceedings in relation to SPA with reference to shareholder loans and corporate law. The two proceedings have later been merged into one.

The Milan Chamber of Arbitration's final decision in the arbitration between EAM Solar ASA and Aveleos SA was received 29 October 2024. The arbitration court conclusion was a net amount of EUR 2 686 810 and EUR 2 999 814 after tax applied.

A range is stated above due to a possible clerical error in the Final Award. Aveleos has requested the Arbitration Chamber of Arbitration to correct the error and revise the stated interest rates. Aveleos has challenged the application of other interest rates. This is expected to be sorted by 27 May 2024. The total amount considered preliminary until this date.

Further, Aveleos has until 18 June 2024 to submit an appeal against the Final Award.

Civil Court Italy; Aveleos

EAM Solar Italy Holding Srl was on 10 December 2020 notified by Aveleos had filed a petition, without EAM's knowledge,

Court in Milano claiming payment of shareholder loans in the amount of EUR 12 683 721 under the Sale and Purchase Agreement of the P31 transaction.

EAM Solar ASA and its subsidiary is of the opinion that such claim does not exist and have third party expert opinions supporting this fact. The fact is that Aveleos SA owes EAM Solar ASA money following the SPA due to the non-transfer of 10 power plants.

EAM Solar Italy Holding Srl contested the decision in January 2021 and enrolled the case to Court. A hearing was expected to take place in June 2021 but ended up being scheduled for 7 September 2021. In the meantime, Aveleos adhered to our objection that an arbitration was already pending on the same issue, and accordingly decided to drop the case. This will bring the proceedings to an end.

No provisions are made in the accounts on this matter.

Civil Court Italy; UBI

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 of Brescia granted a preliminary non-enforceable injunction. EAM challenged the injunction. Court hearings in this matter has been ongoing since 2019 until this day.

EAM has requested UBI to provide both witnesses and documentation of the bank's handling of the leasing financing activities of the Solar PV power plants in 2010 and 2011 in the proceedings. On 10 November 2022 the Judge decided that UBI must submit certain documents on EAM's request. A hearing was conducted on 30 March 2023 where UBI submitted more documents.

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The final hearing in this matter was heard on 4 March 2024. The Judgement is expected in early May 2024.

No provisions are made in the accounts on this matter.

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.

Administrative Court Italy – ENFO 25

In September 2019, the Company received notice from GSE that they had suspended payments of electricity delivered under the feed-in-tariff contracts for ENFO 25. The Company appealed the order before the Administrative Court "TAR" in Lazio (Rome). Subsequent hearings in this matter have been conducted in TAR since in 2019.

In July 2021 TAR decided in a court ruling that the termination decision made by GSE on the FIT contract for ENFO25 in September 2019 is invalid and consequently cancelled.

GSE has not paid the FIT tariff for the electricity delivered by ENFO 25 since July 2019, and currently owe ENFO 25 approximately EUR 1.06 million in unpaid electricity bills. The Administrative Court also ordered GSE to cover the legal costs of EAM Solar ASA. How and when GSE will restore their contractual obligations is not yet determined.

Management evaluated the situation of ENFO 25 and its net receivable position against GSE at year end 2022, concluding that it is more likely than not, that the net receivable against GSE will not

be collected in the short-term. Based on this conclusion receivable against GSE and the corresponding provision was written down and the net amount recognised as at cost, write down of trade receivables amounting to EUR 1.06 million at year-end 2022. Revenues recognition and reporting for 2022 remained unchanged, however from 1 January 2023 Company has not recognised Feed-In-Tariff revenues for

No further provisions are made in the accounts on this

Breach of standstill agreement proceedings against Aveleos S.A. in the Court of Luxembourg.

In a ruling communicated in March 2017 the court decided in favour of Aveleos. The standstill agreement between Aveleos and EAM Solar ASA shall be put to a halt until the award before the Arbitration Tribunal in Milan is finalized.

In October 2022 the matter was brought for a renewal. The court has reconfirmed stay of any proceedings.

On 25 April 2023, Aveleos requested permission from the court to appeal the 2022 stay of the standstill proceedings. Aveleos argued that its human rights had been violated by the court's decision to stay proceedings. On 2 May 2023, the Court heard arguments on 5 May 2023 decided to reject Aveleos' appeal on the standstill agreement. Consequently, the 2022 decision remains in effect.



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DIRECTORS' REPORT

The 2023 annual report

EAM Solar ASA (EAM or the Company) is a public limited liability company, incorporated and domiciled in Norway, with registered address at Cort Adelers gate 33, 0254 Oslo, Norway. Energeia AS established EAM on 5 January 2011.

EAM Solar ASA ("EAM", "EAM ASA", 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, which are located in the Puglia and Basilicata regions in Southern Italy. Energeia AS manages EAM under a long-term management agreement.

The geographical focus of EAM has since its inception been to acquire power plants under long-term contracts in Europe. EAM acquired its first power plant in Italy in 2011. Since then, EAM has acquired in total 25 power plants with a combined capacity of 27.1 MW generating 38.3 GWh annually, representing annual revenue of EUR 13.5 million.

At the beginning of 2015, EAM had EUR 110 million in capital employed, EUR 180 million in contractual revenue reserve, EUR 50 million in future market price sales and an expected EBITDA from the 17-year contract period of EUR 200 million.

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However, the period from 2014-2016 became very challenging for EAM on the back of the flawed acquisition of 21 PV power plants from Enovos Luxembourg S.A. and Avelar Energy Ltd. through their jointly owned single purpose vehicle Aveleos S.A.

Seventeen of the 21 PV power plants transferred to EAM in July 2014 did not have valid long-term feed-in-tariff contracts (FIT) according to the contractual counterparty Gestore dei Servizi Energetici GSE S.p.A, owned by the State of Italy, as warranted by Enovos Luxembourg S.A. and Avelar Energy Ltd under the Share Purchase Agreement.

In the fourth quarter 2015, GSE terminated the FIT contracts, which had been suspended since August 2014, and demanded a repayment of previously received FIT from 5 of the 7 companies acquired by EAM.

Due to Enovos Luxembourg S.A. and Avelar Energy Ltd lack of willingness to assume what the Company believes is their contractual obligation as owners of Aveleos S.A. and to remedy the situation, EAM has been forced to initiate legal proceedings in Italy, Luxembourg, and Norway.

The events following the so-called "P31 acquisition" have effectively transformed EAM from a dividend paying "YieldCo" to a large lawsuit. Consequently, the share price of EAM Solar ASA on the Oslo Stock Exchange has dropped considerably.

The board of directors and the management are directing effort and attention to resolve this challenging situation through appropriate legal venues in order to restore the value of the Company and return the outcome to the shareholders.

Information on Corporate Governance is presented in a separate section.

Strategic review and outlook

EAM's strategy was in the outset to create value by acquiring additional power plants and, through an active ownership strategy, operations and achieve the best possible electricity yield and the lowest possible cost of operations, and highest possible return on capital.

The company is in its tenth year of litigation activity following the discovery of fraud. Consequently, the company has lost out on opportunities to invest within its initial core business activity in renewable energy.

Following the decision by the Criminal Appeal Court of Norway in January 2021, where the appeal court decided to revoke the appeal instance judgement of the Criminal Court of Norway, the management of the company deemed it appropriate to conduct a strategic review of the litigation activities and the initial activities. The decision in the appeal court was later overruled by the supreme court, see more details below.

Litigation activities

Criminal complaints have been lodged in relevant jurisdictions against the involved parties in the P31 fraud against EAM Solar ASA. However, as of today, no police authority in these jurisdictions have conducted any appropriate investigation of the fraud of EAM Solar ASA.

At current, the only ongoing criminal proceeding related to the fraud is the criminal proceedings in the Court of Milan. The criminal proceedings have recommenced in the Criminal Court of Appeal of Milan from November 2023 following the Italian Supreme Courts annulment of the previous appeal court decision of 2021. The final hearing is scheduled for 16 May 2024.

Business development activities

Following the dividend distributed to the company's shareholders in October 2022 of 1 share in Energeia AS for each share in EAM Solar ASA, the shareholders now have an investment in a litigation company and in a separate company operating within the Solar PV industry under normal business conditions.

Apart from this action in 2022, the Company does not foresee any business development activities beyond the litigation activities until the litigation activities are finally resolved.

Operational review

Power production

Throughout 2023 EAM Solar ASA owned and operated 4 power plants. The 4 power plants have a combined installed capacity of 4.0 MW with an average annual technical power production capacity of 5.4 GWh (P50 production).

Accumulated for the year power production was 4 333 MWh, 20.4 per cent below estimated production. The lower than estimated production was mainly due to lower production capacity of the power plants caused by thefts of solar PV modules.

Additional profit from sale of shares to Energeia AS

On 15 August 2019 EAM Solar ASA sold the shares in the subsidiary EAM Solar Norway Holding AS to Energeia AS. The board of directors decided to conduct this sale to protect and secure the financial integrity of EAM Solar ASA.

The final sales price for the shares consisted of two elements; 1) a fixed price for the shares, and 2) a profit split; if Energeia sold the power plants with a profit before year-end 2020. On 30 April 2020 Energeia AS sold the power plants indirectly owned by EAM Solar Norway Holding AS to a third party.

Since Energeia AS sold the power plants in 2020, EAM Solar ASA is entitled to receive 75 per cent of any net capital gains realized by Energeia AS above the purchase price from EAM Solar ASA.

The provisional capital gain for EAM Solar ASA was in 2020 estimated to be NOK 70.9 million and the profit was entered in the books in 2019 and 2020. The final sales price, including capital gain, will be determined in 2025 when all historical tax assessments relating to the period prior 2019, and taxes related to the sale of the power plant in 2020 are finalized with the tax authorities in Italy.

Corporate status

Legal proceedings

Criminal proceedings in Oslo

On Friday 28 May 2021, EAM Solar ASA filed a private criminal proceeding for the crime of serious fraud against the company EAM Solar ASA in Oslo District Court. The private criminal proceeding was initiated in accordance with section 40 of the Norwegian Criminal Procedure Act, and formally initiated in Oslo District Court.

The Oslo District Court decided to conduct a court hearing in the fraud case against EAM Solar ASA. The hearing was scheduled to take place in Oslo District Court on 31 January 2022, later postponed to 21 April and 22 April 2022.

On 1 July 2022 Oslo District Court, presided by Judge Fløy, dismissed EAM Solar ASA's request for a Private Criminal Proceeding against EAM Solar ASA.

On 4 July 2022 the Company decided to appeal the decision of the Oslo District Court to the Borgarting Appellate Court. The appeal was substantiated in both factual errors as well as interpretation of the law in the decision made by the Oslo District Court on 1 July 2022.

On 21 October 2022 Borgarting Court of Appeal rejected EAM Solar ASA's appeal against Oslo District Court's decision to reject the private criminal proceedings against EAM Solar ASA.

According to the Borgarting Court of Appeal, the fraud against EAM Solar ASA should not be brought before a Norwegian court in a private criminal proceedings since this is not in the public interest. The Court of Appeal concludes that the fraud case falls under the jurisdiction of the Norwegian Criminal Code, and writes in its ruling that:

“The evidence and evidentiary arguments that EAM has shown points overall to the fact that Enovos’ representatives on the board of Aveleos had so much information about the suspicion and the investigation related to false documents about the country of origin, which in turn had an impact on the right to subsidies, that it meant that EAM was misled by Enovos in connection with the purchase.”

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party, was condemned to be financially responsible for the same provisional damage.

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correct application of the principles of law and the rules formulated in the Supreme Court decision.

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New criminal investigation for subsidy fraud in Italy

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The search and seizure order issued by the Prosecutor identified 79 individuals as persons of interest to the public prosecutor. Viktor E Jakobsen, CEO of EAM Solar ASA, holds the position as Sole Managing Director in ENS Solar One Srl, ENFO 14 Srl and ENFO 25 Srl, and is consequently named as one of the 79 individuals.

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EAM Solar ASA has been in a continuous dialogue with Økokrim since 2017 in relation to the fraud conducted against the company in 2014.

Following the request from Bolzano, Økokrim was invited to EAM Solar ASA's offices for voluntary transfer of relevant documents. This was conducted on 21 January 2021. EAM Solar ASA will continue to support the investigation to the extent requested by Økokrim and the Prosecutors office of Bolzano.

EAM Solar ASA was informed on 3 March 2021 that the Criminal Court of Bolzano, on the request of the Public Prosecutor, has decided that the Company's CEO, Viktor E Jakobsen, no longer is considered as a "person of interest" (suspect) in the ongoing investigation.

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No provisions are made in the accounts on this matter.

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Civil Court Italy; Aveleos

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fact. The fact is that Aveleos SA owes EAM Solar ASA money following the SPA due to the non-transfer of 10 power plants.

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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.

Administrative Court Italy – ENFO 25

In September 2019, the Company received notice from GSE that they had suspended payments of electricity delivered under the feed-in-tariff contracts for ENFO 25. The Company appealed the order before the Administrative Court "TAR" in Lazio (Rome). Subsequent hearings in this matter have been conducted in TAR since in 2019.

In July 2021 TAR decided in a court ruling that the termination decision made by GSE on the FIT contract for ENFO25 in September 2019 is invalid and consequently cancelled.

GSE has not paid the FIT tariff for the electricity delivered by ENFO 25 since July 2019, and currently owe approximately EUR 1.06 million in unpaid electricity bills to ENFO 25. The Administrative Court also ordered GSE to cover the legal costs of EAM Solar ASA. How and when GSE will restore their contractual obligations is not yet determined.

Management evaluated the situation of ENFO 25 and its net receivable position against GSE at year end 2022, concluding that it is more likely than not, that the net receivable against GSE will not be collected. Based on this conclusion the trade receivable against GSE and the corresponding provision of payable was written down and the net amount recognised as an operating cost, write down of trade receivables amounting to EUR 569 thousand at year-end 2022. Revenues recognition and reporting of revenues for 2022 remained

unchanged, however from 1 January 2023 the Company recognised Feed-in-Tariff revenues for ENFO 25.

No further provisions are made in the accounts on this

Breach of standstill agreement proceedings against Aveleos S.A. in the Court of Luxembourg.

In a ruling communicated in March 2017 the court decided Luxembourg civil proceedings regarding the standstill agreement shall be put to a halt until the award before the Arbitration Milan is finalized.

In October 2022 the matter was brought for a renewal. The court reconfirmed stay of any proceedings.

On 25 April 2023, Aveleos requested permission to file an appeal the 2022 stay of the standstill proceedings. Aveleos stated that its human rights had been violated by the court's decision to stay proceedings. On 2 May 2023, the Court heard arguments on 5 May 2023 decided to reject Aveleos' application on the matter. Consequently, the 2022 decision remains in effect.

Business operations in 2023

At the end of 2023 EAM owned or controlled 4 power plants under normal conditions, with a combined installed capacity of 5.4 MW with an average annual technical power production of 5.4 GWh (P50 production).

The financial statements and annual reports are prepared on the assumption of going concern. However, although the Company's asset base and operating revenues covers ordinary operating

administration and service of operating assets debt obligations, the Company's liquidity is strained due to the significant legal costs relating to the litigation activities. See comment under headline Going concern.

Financial review

In 2023 EAM Solar ASA has continued the legal processes to restore the shareholder values. The legal processes are expensive and are heavily contributing to the loss in 2023.

Cap on the price of electricity from renewable energy sources in Italy

In 2022 the Italian government proposed a cap on the price of electricity from renewable sources known as the "Sostegni-ter Decree".

On 27 January 2022, Law Decree No. 4, known as the "Sostegni-ter Decree", (the "Decree") was published in the Italian Official Journal and entered into force on the same date, to mitigate, among others, the impact of the recent energy price increases and to protect consumers. One of the most significant measures introduced by the Decree is the limitation of the windfall profits of certain renewable power plants that have been able to benefit from rising energy prices, set out under Article 16.

On 29 March 2022, Law no. 25 (Sostegni ter Decree) entered into force. The Decree was initially intended to apply from February 2022 to the end of the year, but it was later extended to 30 June 2023. Following the Decree, the achieved market price of electricity has been limited to EUR 56 per MWh for the Company's power plants in the South of Italy. Based on the information received from GSE and the Decree, the Company has during the first half of 2023 had an estimated electricity sales revenue reduction of EUR 90 thousand.

EAM Solar annual report 2023

Consolidated statement of comprehensive income Revenue and production

The Group owns and operates four solar PV power plants in Italy as of year-end 2023. The business is investing in and operating power plants that have similar economic characteristics.

All 4 power plants owned or controlled by EAM produced electricity and delivered this to the grid in 2023. Total electricity production in 2023 was 4 333 MWh, 20.4 per cent below estimated production. Accumulated for the year revenues were EUR 993 thousand, of which EUR 474 thousand was received from market sales of electricity. EUR 7 thousand were other revenues.

All EAM's electricity sales are made under 20-year sale agreements in the feed-in-tariff (FIT) scheme, with the Italian renewable energy authority Gestore Servizi Energetici (GSE) as commercial counterparty.

During the year ended 31 December 2023 approximately EUR 602 thousand (2022: EUR 914 thousand) of the Group's external revenue was derived from sales to the Italian state, represented by GSE for the Feed In Tariff contracts.

Approximately EUR 474 thousand (2022: EUR 1 300 thousand) of the Group's external revenue was derived from sales to an international commodities trading house for the market price contracts. Due to the implementation of the Sostegni Ter Decree, which is applicable for companies with Feed In Tariff contracts, the achieved market price of electricity has been limited to EUR 56 per MWh for the Company's power plants in the South of Italy.

Based on the information received from GSE and the Decree, the Company has had an estimated electricity sales revenue of EUR 90 thousand for the period from 1 January 2023 to

Operating costs

Total cost of operations in 2023 amounted to EUR 237 thousand. The cost of operations consisted of cost related to insurance utilities, and security services. SG&A expenses amounted to thousand for the year.

Legal costs

The cost item consists almost entirely of legal costs. Accumulated for the year the legal costs amounted to EUR 983 thousand.

Operational earnings

Earnings before interest, depreciation, amortisation, and (EBITDA) amounted to minus EUR 971 thousand for 2023. Accumulated for the year depreciation and amortisation EUR 564 thousand, resulting in an operating profit (EBITDA) EUR 1 535 thousand.

Net financial items

Net financial items amounted to EUR 584 thousand for the

Profit before tax and net income after tax

Profit before tax amounted to minus EUR 951 thousand and tax amounted to EUR 260 thousand.

Reported net income after tax was minus EUR 711 thousand and reported loss per share were EUR -0.18 on a fully diluted

Cash flow and balance sheet statements Consolidated statement of financial position

Total assets amounted to EUR 8.5 million on 31 December 2023. This was down by EUR 2 million over the year.

Total equity amounted to EUR 1.8 million on 31 December 2023, a decrease by EUR 2 million over the year. The equity ratio was positive with 20.8 per cent on 31 December 2023, down from 36.3 per cent on 31 December 2022. Net working capital amounted to EUR 285 thousand on 31 December 2023.

Cash flow

Net cash flow from operating activities was negative with EUR 487 thousand in 2023. Net cash flow from investing activities was positive with EUR 180 thousand. Net cash flow from financing activities was negative with EUR 765 thousand. Cash and cash equivalents amounted to EUR 392 thousand on 31 December 2023, of which 229 thousand was restricted at year-end and 62 thousand was seized (see [note 17](#)).

EAM Solar ASA (parent company)

Profit and loss statement

Revenues are management services provided to subsidiaries (see [note 2](#)). Other operating expenses consist mainly of purchased services. Net financial items for 2023 were positive with NOK 26.9 million.

Balance sheet

Total assets amounted to NOK 49 million, of which NOK 44 million is intercompany. Cash amounted to NOK 823 thousand at year-end. Total equity amounted to NOK 32 million equal to 65.9 per cent of total assets, compared to 81.1 per cent in 2022. Current liabilities amounted to NOK 5.9 million.

Cash flow

Net cash flow from operational activities was positive with NOK 17 million and net cash flow from investments were negative with NOK 26 million.

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 covers ordinary operations, administration and service of operating assets debt obligations, the Group's liquidity is strained due to the significant legal costs relating to the litigation activities.

At year-end 2023 the Group had EUR 391 thousand in cash of which EUR 122 thousand was unrestricted. At the end of first quarter 2024, the cash was reduced to EUR 237 thousand of which EUR 25 thousand was unrestricted. The first quarter in a year is normally a loss making quarter due to the seasonality of power production.

In the final award of 29 February 2024 in the Milan arbitration, EAM Solar ASA was awarded an estimated net compensation payable by Aveleos SA between EUR 2 686 810 and EUR 2 939 814 after interest is applied. However, the Company does not foresee to receive such amounts without further legal procedures in conjunction with international collection procedures.

The final award in the arbitration does, however, open for the possibility of releasing pledges relating to Aveleos on the SPV ENS1, thus enabling EAM Solar ASA to sell the four remaining power plants in Italy. Such sale will release a significant amount of liquidity for the

Company. However, such sale may take between 9 and 12 months to conclude.

A final factor with regards to the assessment of going concern is the outcome of the ongoing criminal proceedings in Milan, the decision on 16 May 2024. A court decision upholding the decision of 2019 will secure going concern, an unfavourable decision for EAM Solar ASA may challenge the going concern assumption.

These circumstances imply that there will be a need for capital infusion. If this is not attainable, there will be a risk of insolvency regarding the group's ability to continue as a going concern.

The board has convened an extraordinary general meeting on 2024 in order to grant the board power of attorney to execute measures to improve the short term liquidity of the Group.

Risk associated with the economic situation in Europe

Throughout 2022 and 2023 markets in Europe have been characterised by surging energy prices, increasing interest rates and inflation in general. The Group has to a very small extent been affected by this.

Since the Decree in Italy has limited the market price of solar panels, half of 2023 there has been no windfall profit for the Group. Increased interest rates impact the group to a certain extent through the external leasing debt.

The War in Ukraine and sanctions against Russia

The war in Ukraine and the sanctions against Russia have had a direct impact on the Company's operations.

Market overview

Power prices in Italy

The average wholesale power price in Italy for 2023 decreased from 2022 but is still higher than in earlier years. The increased price in 2022 resulted in a decree from the Italian government to cap the price of electricity from renewable sources, known as the "Sostegni-ter Decree". The Decree was initially intended to apply from February 2022 to the end of the year but was later extended to 30 June 2023.

Events after the balance sheet date

Changes to the board of directors

The directors Stephan Jervell and Gro Prødel Hvammen has both informed the Company the need to resign from the board of directors prior to the ordinary annual general meeting for reasons unrelated to the Company.

The Company consequently has decided to convene an extraordinary shareholder's meeting on 10 May 2024 for the establishment of an interim board of directors pending the annual general meeting of the shareholders scheduled for 22 May 2024.

Criminal proceedings in Milan

The final hearing is scheduled for 16 May 2024. The Court of Appeal has stated its intention to render its judgement in the case at the conclusion of the hearing on 16 May 2024.

New 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. The arbitration court conclusion was a net amount in favour of EAM of between EUR 2 686 810 and EUR 2 939 814 after interest is applied.

A range is stated above due to a possible clerical error made in the Final Award. Aveleos has requested the Arbitration Chamber to correct the error and revise the stated interests. Aveleos has further challenged the application of other interest rates. This matter is expected to be sorted by 27 May 2024. The total amount should be considered preliminary until this date.

Further, Aveleos has until 18 June 2024 to submit an appeal of the Final Award.

Risk factors

The Company is exposed to several risk factors.

The largest risk to our current operation is regulatory (political) risk in Italy, i.e. retroactive changes in government incentives schemes, changes to regulatory framework for operation and changes in taxation of assets and renewable energy operations.

EAM is also exposed to risk related to market power price fluctuations and general technical operational risks. The Company mitigate these risks as far as possible through long-term electricity sales contracts with limited counterparty risk, hands-on operation, and insurance.

Regulatory risk

The unilateral and retroactive 8 per cent reduction of the long-term electricity price of the FIT contracts conducted by the State of Italy in 2015 through their wholly owned subsidiary, Gestore dei Servizi Energetici GSE S.p.A., is believed illegal and in a breach of the constitutional law of Italy by leading legal experts, law firms and courts of law in Italy. However, the state of Italy has made no attempt to amend this situation. The regulatory risk experienced in Italy is by far

the largest risk to PV power plant financial return and to the current moment.

It is unfortunately impossible to hedge against this type of risk in Italy at this point in time. The international regulatory insurance against State Government risk only is possible for countries classified as "underdeveloped" or "developing" United Nations system through the World Bank Group or institute MIGA (MIGA underwrite insurance against state unlawful punitive taxation etc.). Since Italy is classified as a country, insurance against regulatory risk in Italy is not obtain.

The new regulatory environment of the operation of solar plants in Italy, partially implemented in 2015, poses a significant PV power plant owners since these rules may be exploited or revoke long-term FIT contracts for non-material or non-reasons. This creates significant risk for corruption in administrative processes since the legal treatment of administrative decisions takes several years, in breach of Italian administrative exposing owners to financial default and bankruptcy with administrative measures judged in a court of law.

Litigation risk

The Company is involved in several legal processes where outcome is unknown. There is a risk that the company some or all these processes and that it can result in a cost from the other party in such legal processes. There is also a counterparty is unable to settle an award in favour of the

Credit risk

Under normal circumstances the risk of credit losses is considered low, since the main contractual counterparty is GSE, a state-owned entity. The Group has not made any set-off or other derivative agreements to reduce the credit risk against GSE.

The Company's gross credit-risk exposure against GSE on 31 December 2023 was EUR 132 thousand. EAM has made no financial arrangements to limit the credit risk further.

Asset value risk

EAM's cash balance was EUR 392 thousand on 31 December 2023, of which the Prosecutors Office of Milan has seized EUR 62 thousand.

EAM has identified no indicators for impairment of the power plants as described in IAS 36 after write-downs conducted in 2015 and the second quarter of 2016. The assumptions used in the impairment test, when there are indicators present, represent business development scenarios EAM finds most likely at the reporting date, although the actual outcome may be materially different due to on-going legal processes.

Risk associated with the economic situation in Europe

Throughout 2022 and 2023 markets in Europe have been characterised by surging energy prices, increasing interest rates and price increases in general. The Group has to a very little extent been affected by this.

Since the Decree in Italy has limited the market price during the first half of 2023 there has been no windfall profit for the Group in this period. Increased interest rates impact the group to a certain extent through the external leasing debt.

The War in Ukraine and sanctions against Russia

The war in Ukraine and the sanctions against Russia has had no direct impact on the Company's operations.

Transactions with related parties Related parties

Energeia AS is the manager of EAM. Energeia AS in Norway and Italy employs or subcontract all the personnel conducting the technical and administrative services for EAM. Energeia AS owns 9.5 per cent of the shares in EAM.

Sundt AS and Canica AS are shareholders in EAM. They are also shareholders in Energeia AS, but not involved in the day-to-day operations of Energeia AS. Sundt AS was represented on the board of directors of Energeia AS until 13 December 2022. Certain key personnel managing the day-to-day operations of EAM are also investors in Energeia AS.

Transactions with related parties

All the transactions have been carried out as part of the ordinary operations and at arms-length prices.

Energeia AS invoice all billable hours at a predetermined rate for each consultant working on the assignment. Out-of-pocket expenses is billed separately at cost. The hourly rate per consultant will be adjusted yearly in conjunction with the budget process and approval in EAM Solar ASA.

Accumulated for the year Energeia AS' direct costs for the payment of EAM was EUR 488 thousand, of which EUR 361 was related to SG&A, and EUR 127 thousand was related to litigation work in conjunction with the P31 Acquisition in Norway.

On 15 August 2019 EAM Solar ASA sold the shares in the EAM Solar Norway Holding AS to Energeia AS. The board decided to conduct this sale to protect and secure the integrity of EAM Solar ASA.

The final sales price for the shares consisted of two elements: 1) a fixed price for the shares, and 2) a profit split if Energeia AS power plants with a profit before year end 2020. On 30 November 2020 Energeia AS sold the power plants indirectly owned by Norway Holding AS to a third party.

Since Energeia AS sold the power plants in 2020, EAM Solar AS is entitled to receive 75 per cent of any net capital gains received by Energeia AS above the purchase price from EAM Solar ASA.

The provisional capital gain for EAM Solar ASA was in 2020 to be NOK 70.9 million and the profit was entered in the 2019 and 2020. The final sales price, including capital gain, is determined in 2025 when all historical tax assessments for the period prior 2019, and taxes related to the sale of the power plants in 2020 are finalized with the tax authorities in Italy.

Health, safety, and the environment

EAM has no employees, and therefore no statistics related to health issues, recruiting processes, salaries or working conditions.

The board of directors comprised at year end of two male and one female director.

Energeia AS and sub-suppliers to the manager provide all administrative, technical, and commercial services. The manager is responsible for requirements related to gender neutrality, non-discrimination, and equal opportunities. The manager recruit employees on a gender-neutral and non-discriminatory basis.

Solar power plants offer a power source that is environmentally superior to fossil fuels. The power plants do not expose the environment to any harm, other than by occupying land and possibly altering its visual appearance. EAM's power plants are built with silicon-based solar panels, and the power production facilities produce no harmful waste.

Activities related to the management of the business have no impact on the natural environment apart from effects related to normal office work.

Values and guidelines for business ethics and CSR

Honesty, transparency, and trust are essential to the success of the Company. EAM is committed to transparency in its management practices, and in particular in the relationship between EAM and Energeia AS. The board of directors always have access to all information and assistance from the employees of the manager.

The Company's work to integrate consideration for human rights,

employee rights and social conditions, the external environment, the fight against corruption in its business strategies, in actions and in its relations with its stakeholders takes place in meeting suppliers and society in general.

The Company has in total identified 6 groups that are relevant to the company's work to translate the company's guidelines These can be summarized as follows:

Stakeholder group	Relevance	Expected of the company	Arena for dialogue	Actions by the company
Investors – the Company is listed on Euronext Expand and has a broad investor base	High	Compliance with regulatory requirements for ESG reporting	Quarterly presentations, annual reporting and investor meetings	Comply with C Exchange guid lines
Customers – only 2 customers, the Italian state on 20-year feed-in-tariff contracts (56 per cent of revenue) and a local power trader on market price contracts (44 per cent of revenue)	Low	Corruption prevention	Meetings and dialogue. Written contracts	Formulate eth ical guidelines
Suppliers – very limited, mainly law firms in Norway and abroad, only small amounts for other suppliers	Low	Corruption prevention	Meetings and dialogue. Written contracts	Formulate eth ical guidelines
Civil society – legal proceedings have no impact on society and the solar PV power plants are not located near populated areas and are located on private ground	Low	Minimise local waste. Fencing and security measures around power plants to prevent contact with high voltage equipment	E-mail or local meetings	Establish main tenance procedu res
Authorities – delivery of electricity to the grid is a very standardised commodity	Low	Compliance with regulatory requirements for electricity production	Inspections and reporting portals	NO
Employees – there are no employees in the Company	None	None	None	Formulate eth ical guidelines
Financial institutions – Three out of four power plants are financed by leasing	Medium	Corruption prevention	Questionnaires and Written contracts	

Directors' report



EAM Solar annual report 2023

ESG GOVERNANCE REPORT



<p>Implementation and reporting on corporate governance</p> <p>Business</p> <p>Equity and dividends</p> <p>Equal treatment of shareholders and transactions with close associates</p> <p>Transfer of shares</p> <p>General meetings</p> <p>Nomination committee</p> <p>Board of directors: composition and independence</p> <p>Work of the board of directors</p> <p>Risk management and internal control</p> <p>Remuneration of the board of directors</p> <p>Remuneration of the manager and the CEO</p> <p>Information and communications</p> <p>Take-overs</p> <p>Auditor</p>	<p>Implementation and reporting on sustainability</p> <p>ESG - Relevance and materiality</p> <p>Materiality analysis: identification and prioritisation</p> <p>Summary of analysis</p> <p>Findings</p>
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CORPORATE GOVERNANCE AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING

EAM Solar ASA is committed to pursuing environmental, social and governance practices that supports the trust in the Company, its directors and management, the way it operates its business and thereby contribute to value creation.

As defined in the Euronext ESG Guide:

“Environmental, social and governance principles (ESG) are a set of standards by which a company and its investors can measure the wider impact of its operations and long-term strategy”.

The objective of corporate governance is to regulate the roles and responsibilities of shareholders, directors and management in a more comprehensive manner than is required by legislation.

Implementation and reporting on corporate governance Implementation

EAM Solar ASA's board of directors is responsible for executing best practice corporate governance and has prepared and approved the Company's policy for corporate governance.

Through its board and management, the Company conducts a review and evaluation of its principles for corporate governance on an annual basis.

EAM Solar ASA is a Norwegian public limited company listed on the Oslo Stock Exchange. Section 3-3b of Norway's Accounting Act requires the Company to provide an annual statement of its corporate governance principles and practices. These provisions also specify the minimum requirements for the content of this report.

The Norwegian Corporate Governance Board (NCGB) has issued the Norwegian code of practice for corporate governance (the code). Adherence to the code is based on the “comply or explain” principle, which means that a company must comply with the recommendations of the code or explain why it has chosen an alternative approach to specific recommendations.

The Oslo Stock Exchange requires listed companies to publish an annual statement of their policy on corporate governance in accordance with the code in force at the time. Rules on the continuing obligations of listed companies are available at www.oslobors.no.

EAM Solar ASA will comply with the above-mentioned regulations, and the current code, issued on 14 October for the following:

1. According to the code, the entire board of directors shall act as the Company's audit committee. Nevertheless, chosen to establish an audit committee consisting of directors. The reason for this is that EAM is exempt from the obligation to have an audit committee since the satisfies the criteria in section 6-41 (2) of the Norwegian Limited Liability Companies Act. With the exception of above, the Company has established an audit committee tasks and composition as mentioned in the Public Limited Companies Act, sections 6-41 to 6-43.

EAM Solar ASA provides a statement on its principles for governance in its annual report, and this information is on its website at www.eamsolar.no.

Business

The business purpose of EAM is defined in article 3 of the articles of association, which states that:

“The Company's business activities include identification, financing, operating, purchase, and sale of Solar power outside Norway, and naturally related activities, such as similar companies. In addition, the Company's business relation to Solar power plants.”

Equity and dividends

Equity

Total equity for the Group amounted to EUR 1.8 million at 31 December 2023, representing an equity ratio of 20.8 per cent.

The equity of the parent company amounted to EUR 2.9 million at 31 December 2023, representing an equity ratio of 65.8 per cent.

Dividend policy

The Company's primary objective is to generate a capital return and distribute this to its shareholders through dividends.

Based on the status of the Company no dividend will be declared for 2023.

Equal treatment of shareholders and transactions with close associates

Equal treatment

All the shares in the Company and shareholders have equal rights, including voting rights. Each share carries the right to one vote at the Company's general meeting.

If the board is mandated to buy the Company's own shares and decides to exercise this mandate, the transactions will be conducted through the stock exchange or at prevailing market prices if conducted in any other way.

Transactions with related parties

EAM has a long-term management agreement with Energeia AS. The latter provides all administrative, technical, and operational services required by the Company. EAM has no employees.

The transactions between EAM and the manager in 2023 have been conducted both as part of ordinary operations in accordance with the management agreement, and conducted by the manager in pursuing legal objectives in the various processes of the fraud case against EAM.

Any transactions, agreements or arrangements between the Company and its shareholders, directors, members of the executive management team or close associates of any such parties will only be entered into as part of the ordinary course of business and on arm's length market terms. All such transactions will comply with the procedures set out in the Norwegian Public Limited Liability Companies Act or similar provisions, as applicable.

Transfer of shares

The Company's articles of association place no general restrictions on transfers of the Company's shares.

No provisions in the articles would have the effect of delaying, deferring, or preventing a change of control of the Company, or would require disclosure of a level of ownership above any specified threshold, unless such transaction would be in violation of Norwegian law and in conjunction with criminal activities.

Transfers of shares in the Company do not require the consent of the board. Nor do they trigger any pre-emptive rights for other shareholders.

General meetings

Annual general meeting

The annual general meeting (AGM) is the Company's highest authority. The board strives to ensure that the AGM is an effective

forum for communication between the shareholders and encourages shareholders to attend.

Preparations for the AGM

The AGM will be held before 30 June, which is the latest permitted by Norwegian company law. It will approve the report and annual accounts, including the distribution of dividend, election of board, auditor and nomination committee, and other matters as may be set out in the notice of the meeting.

The AGM for 2024 will be held on 22 May 2024 at the Company's premises in Oslo, Norway.

The board can call for extraordinary general meetings. For an extraordinary general meeting at the request in writing of an auditor or shareholders representing at least five per cent of the share capital to deal with a specific subject.

The board summons general meetings. Notice of a general meeting will be issued at the latest 21 days before the date of the meeting and will include a proposed agenda. The notice will also be available on the Company's website at www.eam-solar.no.

A shareholder is entitled to submit proposals to be discussed at general meetings provided such proposals are submitted in writing in time for the proposal to be entered in the agenda for the meeting.

The date of the next AGM is included in the Company's financial calendar. The financial calendar for the coming year will be published no later than 31 December in the form of a stock exchange announcement, and will also be made available on the Company's website.

Participation in a general meeting

The Company's articles of association do not specify any requirements for giving notice of attending a general meeting.

Shareholders who are unable to attend the meeting are encouraged to appoint a proxy. The arrangements for appointing a proxy allow shareholders to specify how their proxy should vote on each matter to be considered. The directors are invited to attend the AGM, together with at least one member of the nomination committee and the auditor. The CEO represents the management at the AGM.

Agenda and conduct of the AGM

The board decides the agenda for the AGM. The main agenda items are determined by the requirements of the Public Limited Liability Companies Act and article 9 of the articles of association of EAM.

The shareholders may propose a person independent of the Company and the board to chair general meetings.

The board and the chair of the meeting will make appropriate arrangements for the general meeting to vote separately on each candidate nominated for election to the Company's governing bodies.

The minutes of the AGM are published in the form of a stock exchange announcement, and are also made available on the Company's website at www.eamsolar.no.

Nomination committee

EAM will have a nomination committee consisting of three members.

The Company's current nomination committee was elected for one year on the annual general meeting 22 May 2023 and consists of:

- Leiv Askvig, chair
- Nils Erling Ødegaard, member
- Georg Johan Espe, member

Members of the nomination committee will be shareholders or shareholder representatives.

The general meeting elects the members of the nomination committee, including its chair. These members will serve for one year unless the general meeting decides otherwise. This term commences from the date of election unless otherwise decided. It terminates at the end of the annual general meeting in the year when the term expires. Even if the term has expired, the member must remain in their post until a new member has been elected.

Remuneration for members of the nomination committee is determined by the general meeting.

The nomination committee has the following responsibilities:

- To provide the general meeting with recommendations on directors to be elected by the shareholders, subject to the provision that the manager has the right to recommend up to two directors
- To provide the general meeting with recommendations on the remuneration of directors
- To provide the general meeting with recommendations on members of the nomination committee

- To provide the general meeting with recommendations on remuneration of the members of the nomination committee
- The general meeting may issue further guidelines for the committee's work.

Board of directors: composition and independence Elections to the board

The general meeting elects directors. The Company's articles of association provide that the board will have no fewer than 10 and no more than seven. In accordance with Norwegian law, and at least half the directors must be either resident in Norway or citizens of or resident in an EU/EEA country.

Composition of the board

On 31 December 2023, the board of EAM Solar ASA consists of 10 directors, two men and one woman:

- Viktor Erik Jakobsen, chair
- Stephan Lange Jervell, non-executive director
- Gro Prødel Hvammen, non-executive director

At the annual general meeting on 22 May 2023, Viktor Erik Lange was elected as chair of the board, and at the same time date, Stephan Lange Jervell was re-elected as member of the board. Gro Prødel Hvammen was elected as member of the board.

Directors have been elected to serve for a period of one year, unless otherwise stated. Directors represent varied and broad knowledge from relevant industries and areas of technical specialisation, and contribute knowledge from both Norwegian and international

companies. More information about the expertise and background of directors can be found on the Company's website.

Independence of the board

Stephan Lange Jervell and Gro Prødel Hvammen are both independent of the Company's manager, material business contacts and largest shareholders.

The Company chair, Viktor E. Jakobsen, is the CEO of the manager Energeia AS and may thus not be considered as a completely independent director of the Company.

Work of the board of directors

Board's duties and responsibility

The board has the ultimate responsibility for managing the Company and for supervising management and make strategic decisions.

This includes participating in the development and approval of the Company's strategy, performing necessary monitoring functions, including supervision, to ensure that the Company manages its business and assets and carries out risk management in a prudent and satisfactory manner, and acting as an advisory body for the manager.

In the management agreement between the Company and the manager, the manager is effectively the CEO of the Company. Should an individual have to be appointed as the CEO, the manager will propose this person for approval by the board. The board of directors defines objectives, strategies, and risk profiles for the company's business activities to facilitate that the company creates value for shareholders.

The board of directors ensures that its members and executive personnel make the Company aware of any material interests that they may have in items which are considered by the board.

Mandate for the board

In accordance with the provisions of Norwegian company law, the terms of reference for the board are set out in a formal mandate that includes specific rules and guidelines on the work of the board and decision-making. The chair is responsible for ensuring that the work of the board is carried out in an effective and proper manner in accordance with legislation.

Mandate for the CEO

The CEO is the representative of the manager. The manager is responsible for executive management and day-to-day operations of the Company as defined in the management agreement.

Financial reporting

The board receives periodic reports on the Company's commercial and financial status. The Company follows the timetable laid down by the Oslo Stock Exchange for the publication of interim and annual reports.

Board meetings

The board holds regular meetings each year. Extraordinary board meetings are held when required to consider matters that cannot wait until the next regular meeting.

In 2023 the board of directors met on several occasions, either in person or by circulation.

Audit committee

EAM is exempted from the obligation to have an audit committee since the Company satisfies the criteria in section 6-41 of the Norwegian Public Limited Liability Companies Act. Nevertheless, the Company has established an audit committee, consisting of directors, with tasks and composition as mentioned in section 6-41 of the Norwegian Public Limited Liability Companies Act, sections 6-41 to 6-43. None of the members of the committee are employees of the Company. The audit committee will not make any decision on behalf of the board since it is effectively the board.

Board's evaluation of its own work

The board carries out an annual evaluation of its own performance, working arrangements and competence. The chair prepares a report on this evaluation, which is made available to the board and the audit committee.

Risk management and internal control

EAM's board is responsible for ensuring that the Company has sound internal control and sufficient systems for risk management. The Company's systems for internal control and procedures for management are intended to ensure timely and correct reporting, as well as compliance with the legislation and other requirements to which the Company is subject.

Follow-up of internal controls relating to financial reporting is taken by means of management's day-to-day monitoring and reports to the board and the work of the audit committee.

The board carries out an annual review of the Company's most important areas of exposure to risk and its internal control procedures. In addition, the auditor presents an annual review of the Company's internal control procedures to the audit committee, including the Company's accounting principles, risk areas, internal control routines and proposals for improvement.

The size and activity of the Company does not support the establishment of an internal audit function.

Remuneration of the board of directors

The AGM determines the board's remuneration, based on a recommendation from the nomination committee. Remuneration of directors will be reasonable and based on the board's responsibilities, work, the time invested and the complexity of the enterprise. Compensation will be a fixed annual amount. The chair receives a higher compensation than the other directors.

The board will be informed if individual directors perform other tasks for the Company than their role as directors. Work in sub-committees may be remunerated in addition to the remuneration received for the directorship. The Company's annual accounts provide information about the board's compensation.

There are no share options issued to members of the board of directors.

Remuneration of the manager and the CEO

Pursuant to the management agreement, the CEO receives no direct remuneration from the Company. The CEO is receiving his remuneration from the manager, Energeia AS. Energeia AS will invoice all

billable hours at a predetermined rate for each consultant working on the assignment. Out-of-pocket expenses will be billed separately at cost. The hourly rate per consultant will be adjusted yearly in conjunction with the budget process and approval in EAM Solar ASA.

The management agreement has been entered into for an initial term of 10 years. After the initial term, both parties may terminate the agreement by giving 12 months' notice, with effect at the earliest from 2021. Termination by the Company triggers a termination fee of five times the average fee for the two preceding fiscal years.

No member of the Company's board or other administrative or supervisory body has service contracts with the Company or any of its subsidiaries that provide benefits on the termination of employment. No loans or guarantees have been given to any members of the board or other company bodies.

Information and communications

EAM maintains regular dialogue with analysts and investors. The Company strives to publish relevant information continuously to the market in a timely, effective, and non-discriminatory manner, and considers it very important to inform shareholders and investors about the Company's commercial and financial performance. All stock exchange announcements are made available both on the Company's website and on the Oslo Stock Exchange news website at www.newsweb.no.

Financial reports

EAM publishes its fourth quarter results in the beginning of March and the full annual report, including approved and final financial statements and the directors' report, is available no later than 30 April

each year as required by the Securities Trading Act. The annual report and financial statements are made available to holders no later than three weeks prior to the AGM.

Quarterly interim reports are published within eight weeks of the quarter. The Company's financial calendar for the year is published as a stock exchange announcement and in on the Company's website and on the Oslo Stock Exchange in accordance with the continuing obligations for companies on the Oslo Stock Exchange. The Company will continue to publish quarterly reports in accordance with Oslo Børs Code of

Other market information

EAM may give open presentations in conjunction with the Company's interim results. At these presentations, management will review and comment on the published results, market conditions and the company's prospects.

Communication with shareholders

The manager gives high priority to communication with the market. Individual meetings are organised for major investment managers and analysts. The Company also attends conferences.

The board has issued guidelines for the Company's investor relations function, including the designation of authorised spokespeople for the company.

Take-overs

The board endorses the principle of non-discrimination to all holders. In the event of a take-over, the board will

professional manner and in accordance with applicable legislation and regulations.

The board will seek to comply with the recommendations in the code relating to the board's responsibilities and duties in a takeover situation.

Auditor

EAM is audited by RSM Norge AS, Norway.

The auditor presents a plan annually to the board for the audit work and confirms that the auditor satisfies established requirements for independence and objectivity.

In connection with the auditor's presentation of the annual work plan to the board, the board will specifically consider whether the auditor also exercises a control function to a satisfactory extent. The auditor attends board meetings that deal with the annual accounts and presents a review of the Company's internal control procedures to the audit committee, including the Company's accounting principles, risk areas, internal control routines and so forth, and proposals for improvement.

The board has established guidelines on the use of the auditor by the Company's executive management for services other than auditing. The board reports the remuneration paid to the auditor to the AGM, including details of fees paid for audit work and for other specific assignments.

IMPLEMENTATION AND REPORTING ON SUSTAINABILITY ESG – Relevance and materiality

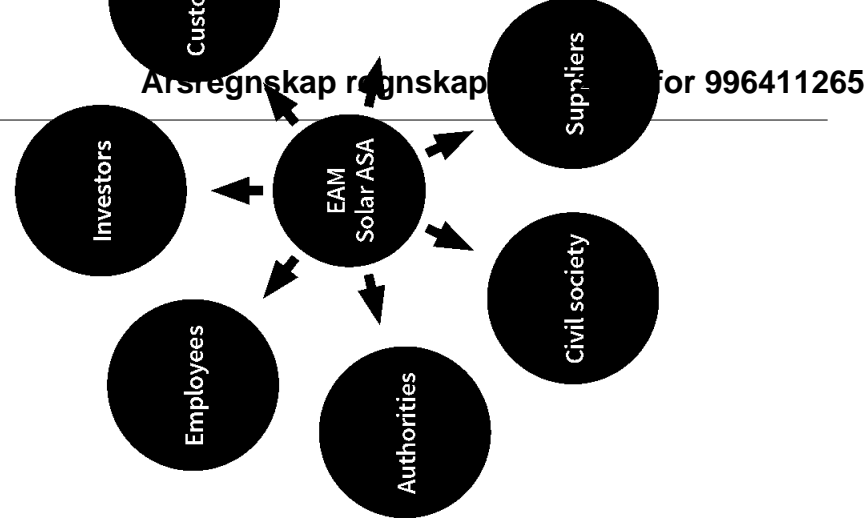
The information that investors and other stakeholders in the company consider material and relevant has changed drastically since the company went public in 2013.

At the outset, EAM's strategy was to create value by acquiring operational solar power plants and, through active ownership, to optimise operations and achieve the best possible electricity yield, lowest possible cost of operations, and highest possible dividend yield. However, considering the impact that the fraud and subsequent legal proceedings have had on the Company value, EAM has been forced to change from a YieldCo to a company primarily focused on litigation.

Consequently, when evaluating what information is considered relevant, meaning information that influences the opinion or decision of users by helping them to evaluate past, present, or future events or by confirming or correcting their past evaluations, such information will almost entirely be related to the legal proceedings and not to the renewable energy industry, as originally envisaged. Future value creation is not, at present, linked to traditional business development within renewable energy but rather to the restoration of lost values, stemming from the P31 fraud, via in-court legal proceedings in several jurisdictions or via out-of-court settlements.

The company has used the "Oslo Børs veiledning om rapportering av samfunnsansvar" and "Euronext Guidelines to Issuers for ESG Reporting" as a tool in preparing the report.

Materiality analysis: identification and prioritisation
When going deeper into the materiality analysis, which mapping the opportunities and risks the company faces identifying its most important stakeholders and their priorities of interest, it becomes clear that many of the stakeholders expect to find, are less relevant or not present at all. Using a light model, it looks like this:



Stakeholder group	Relevance	Expected of the company	Arena for dialogue	Actions by the company
Investors – the Company is listed on Euronext Expand and has a broad investor base	High	Compliance with regulatory requirements for ESG reporting	Quarterly presentations, annual reporting and investor meetings	Comply with Oslo guidelines
Customers – only 2 customers, the Italian state on 20-year feed-in-tariff contracts (56 per cent of revenue) and a local power trader on market price contracts (44 per cent of revenue)	Low	Corruption prevention	Meetings and dialogue. Written contracts	Formulate ethical
Suppliers – very limited, mainly law firms in Norway and abroad, only small amounts for other suppliers	Low	Corruption prevention	Meetings and dialogue. Written contracts	Formulate ethical
Civil society – legal proceedings have no impact on society and the solar PV power plants are not located near populated areas and are located on private ground	Low	Minimise local waste. Fencing and security measures around power plants to prevent contact with high voltage equipment	E-mail or local meetings	Establish maintain
Authorities – delivery of electricity to the grid is a very standardised commodity	Low	Compliance with regulatory requirements for electricity production	Inspections and reporting portals	Establish operation and reporting procedure
Employees – there are no employees in the Company	None	None	None	None
Financial institutions – Three out of four power plants are financed by leasing	Medium	Corruption prevention	Questionnaires and Written contracts	Formulate ethical

The main opportunities and risks the Company faces are given a score (1-5) based on the significance for stakeholders and the impact they have, based on the matrixes below.

Risk and opportunity matrix	Significance for the Company's impact on economic, social and environmental issues					Risk
	Negligible	Minor	Moderate	Considerable	Major	
Significance to the Company's stakeholders	0	1	2	3	4	Paramount
	1	0	0	0	0	
	2	1	2	3	4	
	3	2	4	6	8	
	4	3	6	9	12	
	5	4	8	12	16	
Legend:	0	1	2	3	4	Crucial
	5	6	7	8	9	
	10	11	12	13	14	

Risks and opportunities for the legal activities:

Risks:	Stakeholder score	Impact score	Total score	Opportunities:	Stakeholder score	Impact score	Total score
Not having enough liquidity to fund the legal strategy	5	4	20	Victory in court resulting in payment from the counterparties; out of court settlements	5	4	20
Lack of police investigation to collect evidence and prosecute	4	3	12				
Corrupt courts and/or judges – There is a risk that courts or legal proceedings are already influenced or could be influenced, so as to affect or alter rulings	4	4	16				
The counterparty evades payment for fraudulent actions even if sentenced in court either through continuous delays or even bankruptcy	4	3	12				
Risk that a case might be rejected by the courts due to statutory limitations, jurisdiction or other reasons	3	3	9				
Threats of physical injury or death towards individuals both internal and external representing the Company	3	3	9				

Risks and opportunities for the solar PV energy production activities:

Risks:	Stakeholder score	Impact score	Total score	Opportunities:	Stakeholder score	Impact score	Total score
Assets acquired are not built in accordance with standards and regulations and documents are falsified	2	2	4	New investments in solar PV in countries and regions where corruption is less probable at government level, in the business environment and in the judicial system	4	4	16
Regulatory risk, change in regulations relating to the GSE and payment of feed-in-tariff	3	3	9				

Summary of analysis

Based on the score from the matrix above, two risks and opportunities have been identified as significant and will form company's ESG reporting. These are:

Not having enough liquidity to fund the legal strategy
To successfully pursue the legal strategy, EAM Solar AS/CO has on having sufficient funds and liquidity to provide payment on legal costs related to the various legal proceedings. The legal costs related to the various legal proceedings. The Company does not have these funds. Consequently, the Company's legal integrity, stall progress proceedings or ultimately prevent the Company from receiving the desired outcome or result. The legal proceedings, in the Company is involved, are costly and require legal experts and professionals in several countries.

The Company defines the risk as whether or not available held by either the Company itself and/or by the management taken by the Company to monitor this risk are carried out of monthly reports to the board of directors or available accrued legal costs. The monthly reporting provides the management and the board of directors to continuously monitor the Company's financial situation and the cost of the legal proceedings.

To minimize the risk of not having enough liquidity to fund the strategy, the Company conducted the sale of power plants and Codroipo in 2019. The sale provided the Company with cash and removed the operational and administrative costs and the ownership of these powerplants. In addition, the Company continuously takes measures to reduce and optimize the

administrative costs on a general basis to improve liquidity within the Company.

The reporting on the risk will be conducted by classifying the Company's liquidity situation in one of the following three categories.

Satisfactory: The Company considers its liquidity to be good. The Company has sufficient liquidity to fund the legal strategy on a long-term basis.

Unsatisfactory: The Company considers its liquidity situation to be less than good. The Company has sufficient liquidity to fund the legal strategy on a short-term basis, but needs to take further measures to fund the legal strategy on a long-term basis.

Crucial: The Company considers its financial situation to be crucial and does not have sufficient liquidity to fund the legal strategy on either a short-term or long-term basis.

Corrupt courts and/or judges – There is a risk that courts or legal proceedings are already influenced or could be influenced, to affect or alter rulings

There is an imminent risk that attempts could be made to influence, or that influence has already been exerted over, judges or arbitrators to alter the outcome of a procedure or a decision rendered. These attempts could take the form of monetary value or non-monetary value such as promotions or benefits given both inside and outside the courts. Typically, arbitrators will have their own legal practice where such benefits could be received, while both judges and arbitrators could receive promotions that are not based on competence and experience. There could even be threats put forward to the same

individuals. These risks are more likely to occur in jurisdictions where corruption is more common than in Norway.

In jurisdictions where the counterparty is a state-controlled entity there might be express or indirect pressure from the authorities to reach a specific outcome. There could also be pressure to do nothing, or to obstruct or hinder investigations.

The corruption risk is considered high in Italy. Italy scores only 56 on the Transparency International Index for 2023 putting them tied for 42nd place out of a total of 180 countries, meaning that 41 countries in the world are considered less corrupt than Italy. The ENC.J's (European Network of Councils for the Judiciary) Report on Independence, Accountability and Quality of the Judiciary – performance indicators 2018-2019, show that the vast majority of judges in Europe do not experience inappropriate pressure to influence their decisions in judicial procedures. Across all countries 5 per cent of the judges report inappropriate pressure with less than 1 per cent reporting that this happens regularly. Italy on the other hand is the extreme case: 41 per cent believe corruption occurs, but 26 per cent believe this happens very rarely. And further, as shown in the Global Competitiveness Report 2019 issued by the World Economic Forum, Italy ranked at 60th place when it comes to Judicial Independence out of a total of 141 countries.

Luxembourg, on the other hand, is considered a low-risk country when it comes to corruption finishing in 9th place with a score of 78 on the Transparency International Index for 2023. The risk with Luxembourg is that the country is very small with only 633 100 inhabitants (www.britannica.com/place/Luxembourg), not much more than a small European city. In this context, everyone knows everyone.



That makes it more likely that an outcome might be in favour of a foreign company in a litigation against a state-controlled company. Not as outright corruption but as a silent, or even an outspoke, attempt to receive a particular outcome, or for the police and prosecutors to not take any action. According to the GAN Integrity Luxembourg Corruption Report (www.ganintegrity.com/countryprofile/luxembourg/), updated as of November 2020, corruption in Luxembourg constitute a problem for businesses in Luxembourg in general. The country has a strong legal framework to curb corruption.

anti-corruption laws are effectively enforced. Nonetheless, some corruption cases have revealed conflicts of interest between the private and public sectors, tainting transparency in the country.

For comparison, Norway is in 4th place with a score of 84 on the Transparency International Index for 2023 and Norway ranks among the least corrupt countries in the world.

The company's ability to mitigate this kind of risk is very limited. The company's ability to change the behaviour of individuals in the most risk-associated jurisdictions is non-existent. What the company can do, is to monitor for indications of influence over judges, arbitrators, police, and prosecutors and try to get the disputes in front of judges in countries that are less corrupt or influenced than Italy and Luxembourg. There are though legal limitations on which venues that are available to the company.

Victory in court resulting in payment from the counterparties, out of court settlements

One of the most significant opportunities for the company is the possibility to receive a payment that restores lost values stemming from the fraud and subsequent lost opportunities. Such payment might either be awarded by a competent court and enforced towards the counterparty or could be reached in an out-of-court agreement where the parties agree on fair settlement.

The company is actively pursuing a restoration of values in various venues and jurisdictions and will continue to do so until all such possibilities are exhausted. Any possible settlement talks would be conducted through our legal representation and be evaluated if presented.

EAM Solar annual report 2023

The outcome is binary, either you have an award or settlement, or you do not. Once an award has been irrevocably granted or a settlement reached, the company may also measure the outcome on a monetary scale, either in comparison with costs incurred and values lost or as a value per share issued in the company.

New investments in solar PV in countries and regions where corruption is less probable at government level, in the business environment and in the judicial system

EAM Solar ASA's strategy was, at the outset, to create value by acquiring operational power plants and, through active ownership, to optimise operations and achieve the best possible electricity yield, lowest possible cost of operations and highest possible dividend yield. Considering the legal proceedings and their impact on the Company's value, EAM has been forced to change from a YieldCo to a company primarily focused on litigation. The company is in its tenth year of litigation activity following the P31 fraud. Consequently, the company have lost out on opportunities within its initial core business activity in renewable energy.

The Company's manager, Energeia AS is currently investing and developing business opportunities in the Netherlands and Norway. As of year-end 2023, this activity has resulted in Energeia AS constructing, operating, and owning a solar PV power plant in the Netherlands, and developed a prospective Dutch project pipeline. In 2023 Energeia AS also identified and is currently working on the development of solar PV power plants in Norway. This activity is still in an early stage of development but may result in significant power plant developments in the coming years.

Therefore, Energeia AS and EAM Solar ASA have initiated a preliminary discussion with the aim to ensure that all shareholders of Solar ASA can participate in the future business development and value creation of Energeia AS.

The opportunity would provide additional value creation for the Company's shareholders and an opportunity to take part in development within the renewable energy sector. The opportunity is binary.

Energeia AS included the EAM Solar ASA shareholders in its management through a directed equity issue in September 2022. Solar ASA shareholders received one share in Energeia AS for each share in EAM Solar ASA as a dividend.

Findings

Not having enough liquidity to fund the legal strategy
The Company considers its liquidity situation to be uncertain. On a short-term basis, it is expected that the company's liquidity situation is adequate. However, due to uncertainty relating to the length of the legal proceedings and the time it takes to collect receivables outstanding the situation in a long-term is more uncertain.

Corrupt courts and/or judges – There is a risk that courts or legal proceedings are already influenced or could be influenced, to affect or alter rulings

Observations in the period 2016-2023 give reason to believe that decisions given in courts in Italy involving the company have been influenced, although this has not been proven.

Observations in the period 2016-2023 give reason to believe that the lack of police investigations and prosecution could stem from the result of influence or informal pressure, although this has not been proven.

EAM Solar ASA has filed criminal fraud complaints to police authorities in Italy (2014), Luxembourg (2016) and Norway (2018/2019). So far, no investigation of the fraud has been conducted to our knowledge.

Victory in court resulting in payment from the counterparties, out of court settlements

No irrevocable payment has yet been granted in court, nor have the parties agreed on any settlement.

New investments in solar PV in countries and regions where corruption is less probable at government level, in the business environment and in the judicial system

Energeia AS included the EAM Solar ASA shareholders in this development through a directed equity issue in September 2022, where EAM Solar ASA shareholders received one share in Energeia AS for each share in EAM Solar ASA as a dividend.



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR	Note	2023	2022
Revenue	9	992 716	1 221 073
Total revenue		992 716	1 221 073
Cost of operations		(237 408)	(813 734)
Sales, general and administration expenses	5, 6	(743 296)	(949 613)
Legal costs		(982 772)	(1 386 837)
Operating profit before depreciation and amortisation (EBITDA)	7, 9, 10	(970 760)	(1 929 111)
Depreciation, amortizations and write downs	13, 21	(564 108)	(563 575)
Operating profit (EBIT)		(1 534 869)	(2 492 686)
Finance income	8	1 404 806	1 192 570
Finance costs	8, 7	(820 867)	(764 986)
Profit before tax		(950 930)	(2 065 101)
Income tax gain/(expense)	11	(260 378)	(140 582)
Profit after tax		(1 211 308)	(2 205 683)

Årsregnskap regnskapsåret 2023 for 996411265

	2023
Other comprehensive income¹	(896 286)
Translation differences	(896 286)
Other comprehensive income for the year, net of tax	(896 286)
Total comprehensive income for the year	(2 107 594)
Profit for the year attributable to:	
Equity holders of the parent company	(1 211 308)
Equity holders of the parent company	(1 211 308)
Total comprehensive income attributable to:	
Equity holders of the parent company	(2 107 594)
Equity holders of the parent company	(2 107 594)
Earnings per share	2023
Continued operation	
- Basic	12
- Diluted	12

¹ Other comprehensive income that may be reclassified to profit and loss in subsequent periods.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
Property, plant and equipment	13	5 429 870	5 987 981
Intangible assets	21	8 401	9 101
Other long term assets		200 290	324 297
Deferred tax assets	11	40 002	64 018
Total non-current assets	9	5 678 563	6 385 396
Current assets			
Trade and other receivables	7, 16	1 733 201	2 174 744
Other current assets		649 876	634 662
Cash and cash equivalents	17	391 720	1 464 397
Total current assets		2 774 798	4 273 803
TOTAL ASSETS		8 453 361	10 659 199
EQUITY AND LIABILITIES			
Equity			
Paid in capital		8 126 110	8 126 110
Issued capital		27 603 876	27 603 876
Share premium		35 729 986	35 729 986
Total paid in capital	18	71 459 972	71 459 972
Other equity			
Translation differences		(8 711 181)	(7 814 895)
Other equity		(25 260 400)	(24 049 092)
Total other equity		(33 971 581)	(31 863 987)
Total equity		37 488 391	39 595 985
Non-current liabilities			
Lease liabilities	13	2 886 601	3 340 536
Deferred tax liabilities	11	974 368	804 250
Other non-current liabilities		343 887	343 887
Total non-current liabilities	19	4 204 856	4 488 674
Current liabilities			
Lease liabilities	13	453 731	430 836
Trade and other payables	19	2 035 127	1 873 690
Tax payables	11	1 242	-
Other current liabilities		-	-
Total current liabilities	19	2 490 100	2 304 526
Total liabilities		6 694 956	6 793 200
TOTAL EQUITY AND LIABILITIES		8 453 361	10 659 199

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR	Issued capital	Share premium fund	Other equity	Translation differences
Equity as at 1. January 2022	8 126 110	27 603 876	(21 830 374)	(7 128 830)
Profit (loss) After tax			(2 205 683)	
Issue of new shares			(13 035)	
Other comprehensive income				(686 065)
Equity as at 31. December 2022	8 126 110	27 603 876	(24 049 092)	(7 814 895)
Equity as at 1. January 2023	8 126 110	27 603 876	(24 049 092)	(7 814 895)
Profit (loss) After tax			(1 211 308)	
Other comprehensive income				(896 286)
Equity as at 31. December 2023	8 126 110	27 603 876	(25 260 400)	(8 711 181)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of EAM for the year ending 31 December 2023 were authorised for issuance by the board on 30 April 2024.

EAM is a public limited liability company, incorporated and domiciled in Norway, with registered office at Cort Adeler's gate 33, NO-0254 Oslo, Norway. The Company was founded on 5 January 2011 and listed on the Oslo Stock Exchange under the ticker "EAM" in 2013. EAM Solar ASA is the parent company of the Group. The primary business activity of EAM is both to own solar photovoltaic power plants and sell electricity under long-term fixed price sales contracts, and to pursue legal proceedings to restore company values. EAM was structured to create a steady long-term dividend yield for its shareholders. Following the P31 Acquisition, the main value of EAM is dependent on the future outcome of litigation activities.

EAM currently owns 4 photovoltaic power plants through a holding company and 2 subsidiaries in Italy. The Company has no employees.

01.01 Basis for preparation of the financial statement

The EAM Group's consolidated financial statements have been prepared in accordance with IFRS Accounting standards as adopted by the EU and mandatory for financial years beginning on or after 1 January 2023.

The consolidated financial statements are based on historical cost. In addition, interest rate swaps used for hedging is measured at fair value.

The consolidated financial statements have been prepared based on uniform accounting principles for similar transactions and events under similar circumstances.

The Group's presentation currency is Euro (EUR) and the parent company's functional currency is Norwegian Krone (NOK). Most of the Group's revenue and cost are in Euro, thus the group accounts are presented in Euro. Balance sheet items in the Group companies with a functional currency other than EUR are converted to Euro 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 financial statements and annual report are prepared under the assumption of going concern. However, although the Company's asset base and operating revenues covers ordinary operations, administration and service of operating assets debt obligations, the Company's liquidity is strained due to the significant legal costs relating to the litigation activities. See [note 23](#) for more information. The board and manager are placing all their effort into operating the Company in a prudent manner, pending the legal proceedings that is expected to ultimately solve the situation for EAM.

01.02 Consolidation principles

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries on 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition to the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group transactions, unrealised gains, and losses resulting from intra-group transactions and dividends are eliminated in full.

The acquisition method is applied when accounting for business combinations. A change in the ownership interest of a subsidiary, which does not result in the Group losing control, is accounted for as an equity transaction. When the Group acquires or loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative transaction differences recorded
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

01.03 Use of estimates in the financial statements

Management has used estimates and assumptions that have an impact on the amounts reported in the financial statements. Assets, liabilities, incomes, expenses, deferred tax asset and in potential liabilities.

Future events may lead to estimates being changed and estimates and their underlying assumptions are reviewed on a regular basis. Changes in accounting estimates are recognised during the period when the changes take place. If the changes also apply to future periods, the effect is accounted for prospectively. See also [note 4](#).

01.04 Foreign currency

The Group's consolidated financial statements are presented in EUR. Each entity in the Group determines its own functional currency, and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currency

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into the functional currency using the exchange rate applicable at the end of the reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchanges at the date when the fair value is determined. Change in exchange rates are recognised in the statement of comprehensive income as they occur during the accounting period.

Foreign operations

On consolidation, the assets, and liabilities of operations with a functional currency other than the EUR are translated to EUR at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at exchange rates prevailing at the dates of the transactions.

The average exchange rates are used as an approximation of the transaction exchange rate. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign

operation, the accumulated translation differences relating to the subsidiary are recognised in the statement of comprehensive income.

Translation differences arising from the translation of a net investment in foreign operations are specified as translation differences in the statement of equity.

01.05 Revenue recognition

Revenue is recognized when a customer obtains control of the goods or services.

Sale of solar power

EAM owns and operates four solar power plants in Italy, which generate electricity. Revenue from the sale of electricity is recognised in the statement of comprehensive income once delivery has taken place and the risk and return have been transferred.

All EAM's electricity sales are made under 20-year sale agreements in the feed-in-tariff (FIT) scheme, with the Italian renewable energy authority Gestore Servizi Energetici (GSE) as commercial counterparty.

In 2022 the Italian authorities set a limit on the market price to be realised for renewable energy and made the reductions applicable for companies with FIT contracts. More information on the Sostegni Ter Decree can be found under Financial Review above.

In previous years, the fixed price sales contracts (FIT) accounted for approximately 80 per cent of revenues, with electricity sales at market prices accounting for approximately 20 per cent. This was substantially changed in 2022 following the increase of market prices. In 2023 the FIT revenues accounted for approximately 56 per cent and market price revenue accounted for approximately 44 per cent of the revenue, prior to taking reduction under the Decree into consideration.

Market price contracts are renewed yearly.

Interest income

For all financial instruments measured at amortised cost, interest or expense is recorded using the effective interest rate (EIR), with the rate which exactly discounts the estimated future cash payments through the expected life of the financial instrument or a shorter period where appropriate, to the net carrying amount of the financial liability. Interest income is included in finance income in the comprehensive income.

01.06 Segments

The Group owns and operates four solar PV power plants in Italy year-end 2023 and thus only one segment both geographically and otherwise. Further information relating to segments is presented in [note 1](#).

01.07 Income tax

Income tax consists of tax payable and changes to deferred tax liability/tax asset is calculated on all differences between the tax value of assets and liabilities, except for temporary differences in investments in subsidiaries where the Group controls when the differences are to be reversed and this is not expected to take a foreseeable future.

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the deferred tax asset. The companies recognise previously utilised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will recognise a deferred tax asset to the extent that the company no longer recognises a deferred tax asset to the extent that it can utilise the deferred tax asset.

Deferred tax liability and deferred tax asset are measured based on expected future tax rates applicable to the companies in the reporting period. Temporary differences have arisen.

Deferred tax liability and deferred tax asset are recognised at their fair value and classified as non-current asset investments (long-term investments).

in the balance sheet. Tax payable and deferred tax are recognised directly in equity to the extent that they relate to equity transactions.

01.08 Property, plant, and equipment

All property, plant, and equipment (including solar power plants) are valued at their cost less accumulated depreciation and impairment. When assets are sold or disposed of, the carrying amount is derecognised and any gain or loss is recognised in the statement of comprehensive income.

The cost of tangible non-current assets is the purchase price, including taxes/duties and costs directly linked to preparing the asset for its intended use. Costs incurred after the asset is in use, such as regular maintenance costs, are recognised in the statement of comprehensive income as incurred, while other costs expected to provide future financial benefits are capitalised.

Depreciation is calculated using the straight-line method over the following useful lives:

- Movers, modules, and cable connectors 20 years
- Land lease rights 25 years

The depreciation period and method are assessed each year. A residual value is estimated at each year-end, and changes to the estimated residual value are recognised as a change in an estimate.

01.09 Leases

The Group has adopted IFRS 16 from 1 January 2019. The standard replaces IAS 17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of

inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

01.10 Classification and measurement of financial assets and liabilities

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for

settlement within 60 days for the feed-in-tariff contracts, and market price contracts.

The Group has applied the simplified approach to measuring credit losses, which uses a lifetime expected loss allowance. Expected credit losses, trade receivables have been grouped overdue.

Other receivables are recognised at amortised cost, less any expected credit losses.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid at their short-term nature, they are measured at amortised cost and are normally paid within 12 months of recognition.

01.11 Cash and cash equivalents

Cash includes cash in hand, at the bank or cash held by the Office of Milan.

Cash equivalents are short-term liquid investments which are readily convertible into a known amount of cash and have a maximum maturity of three months.

01.12 Equity

Costs of equity transactions

Transaction costs directly related to an equity transaction are recognised directly in equity after deducting tax expenses.

01.13 Provisions

A provision is recognised when the Group has an obligation (legal or constructive) because of a previous event, it is probable (more than 50%) that a financial settlement will take place because of this obligation and the size of the amount can be measured reliably. If the effect

NOTE 02 ALTERNATIVE PERFORMANCE MEASURES "APMS"

EAM uses financial performance measures not within the applicable financial reporting framework also referred to as Alternative performance measures or APMs. These are used to give the reader relevant figures for comparison, analysis, and additional information. The Company uses the APMs in a consistent and transparent manner to make it understandable to users of the financial reports.

To provide a basis for analysis the Company presents EBITDA, EBIT, equity ratio and working capital.

Definitions:

EBITDA – Earnings Before Interest, Tax, Depreciation and Amortisation. Used as a measure of overall financial performance and indicator for cash that is available to pay debt.

EBIT - Earnings Before Interest and Tax. Used as an indicator of a company's profitability.

Equity ratio - Equity as a percentage of total assets at the end of the period. Shows financial position.

Working capital - Total current assets minus total current liabilities. Used as a measure of a company's liquidity, operational efficiency, and short-term financial health.

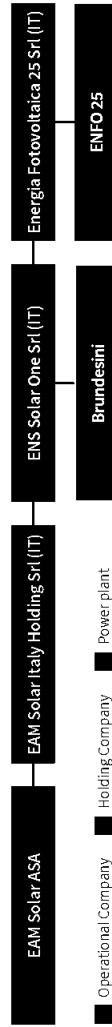
	2023
EBITDA (EUR)	
Revenue	992 716
Total revenue	992 716
Cost of operations	(237 408)
Sales, general and administration expenses	(743 296)
Legal costs	(982 772)
Operating profit before depreciation and amortisation (EBITDA)	(970 760)
EBIT (EUR)	2023
Revenue	992 716
Total revenue	992 716
Cost of operations	(237 408)
Sales, general and administration expenses	(743 296)
Legal costs	(982 772)
Operating profit before depreciation and amortisation (EBITDA)	(970 760)
Depreciation, amortizations and write downs	(564 008)
Operating profit (EBIT)	(1 534 768)
Equity ratio (EUR)	31.Dec 2023
TOTAL ASSETS divided by TOTAL EQUITY	8 453 361 / 3 865 900 = 10 65%
Equity ratio	20.8%
Working capital (EUR)	31.Dec 2023
Total current assets	2 774 785
-Total current liabilities	2 490 100
= Working capital	284 685

NOTE 03 LIST OF SUBSIDIARIES

The following subsidiaries are included in the consolidated financial statements. Profit and equity below is from the last audited financial statements of the subsidiaries (2022), presented in ITA GAAP.

Company	Country	Principal activity	Ownership	Vote	2022	
					Profit	Equity
EAM Solar Italy Holding Srl	Italy	Holding company	100%	100%	(1 696 594)	(1 581 596)
Ens Solar One Srl	Italy	Solar power plant	100%	100%	(189 174)	57 997
Energia Fotovoltaica 25 Srl	Italy	Solar power plant	100%	100%	25 137	295 698

All subsidiaries based in Italy have registered office at Piazza Cinque Giornate 10, 20129 Milano, Italy.



■ Operational Company ■ Holding Company ■ Power plant

NOTE 04 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES, ASSUMPTIONS AND COMPARABLE FIGURES

In the process of applying the Group's accounting policies in accordance to IFRS, management has made judgements and estimates. All estimates are assessed to the most probable outcome based on the management's best knowledge. Changes in key assumptions may have significant effect and may cause material adjustments carrying amounts of assets and liabilities, equity, and the profit for the year. The Company's most important estimates are the following items:

Revenue and receivables

The Group has receivables against various parties including the Italian state and companies involved in proceedings in Milano. It is uncertainty regarding the willingness or ability for these parties to pay. To the Company or its subsidiary is aware of any doubt in the likelihood of collecting such receivable a provision made. Significant judgement is required in estimating the soundness of such receivable.

In the case of ENFO 25 where the Company received a GSE order to suspend the incentives and the relevant feed-in-tariff, the Company previously decided to recognise revenues in full.

The Administrative Court of Lazio (TAR) has decided in a court ruling on 12 July 2021 that the termination by GSE on the FIT contract for ENFO25 in September 2019 is invalid and consequently cancelled.

GSE has not paid the FIT tariff for the electricity delivered by ENFO 25 since July 2019, and currently owe EUR 1 060 thousand in unpaid electricity bills to ENFO 25. The Administrative Court also ordered GSE to cover costs of EAM Solar ASA.

Management evaluated the situation of ENFO 25 and its net receivable position against GSE at year end concluding that it is more likely than not, that the net receivable against GSE will not be collected. Based on the trade receivable against GSE and the corresponding provision of payable was written down amount recognised as an operating cost, write down of trade receivables, amounting to EUR 699 thousand. Revenues recognition and reporting of revenues for 2022 remained unchanged, however from 1 January company has not recognised Feed-In-Tariff revenues for ENFO25.

Tax assets

The Group has recognised deferred tax asset because it is considered that it is probable that future taxable income will be available to utilise those temporary differences. If such assumption proves to be incorrect the tax can be in its entirety. Total recognised tax asset at the reporting date is EUR 40 002.

NOTE 05 OTHER OPERATING EXPENSES

VAT is not included in the fees specified below.

Specification of auditor's fee	2023	2022
Statutory audit	79 456	67 130
Other services from RSM Advokat AS	-	2 682
Other services	6 398	3 263
Total fee to auditor's	85 855	73 075

RSM Advokat AS is a related party to the auditor RSM.

NOTE 06 SALARY AND PERSONNEL EXPENSE AND MANAGEMENT REMUNERATION**Board of directors year-end 2023:**

- Viktor Erik Jakobsen (chair & acting CEO)
- Stephan Lange Jervell (non-executive director)
- Gro Prødel Hvammen (non-executive director)

The CEO in 2023, Viktor Erik Jakobsen, is hired and remunerated by the manager (see note 7 for descriptions with related parties).

Viktor Erik Jakobsen, has received in 2023 NOK 245 000 in remuneration for his work as chair. Stephan Lange Jervell has received NOK 450 000 in 2023 and Gro Prødel Hvammen has received NOK 150 000 in 2023.

Nomination committee year-end 2023:

- Leiv Askvig (chair)
- Nils Erling Ødegaard (member)
- Georg Johan Espe (member)

Leiv Askvig has received in 2023 NOK 39 750 in remuneration for his work as chair of the Nomination Committee. Erling Ødegaard and Georg Johan Espe each received NOK 24 000 in 2023 in remuneration for their work on the Nomination Committee.

No member of the management receives remuneration or financial benefits from other companies in the group than those stated above. No additional remuneration has been paid for services outside the normal function of the director. No loans or guarantees have been given to any members of the Group management or the board of other company bodies.

NOTE 07 TRANSACTIONS WITH RELATED PARTIES**Related parties**

Energeia AS is the manager of EAM. Energeia AS in Norway and Italy employs or subcontract all the personnel conducting the technical and administrative services for EAM. Energeia AS owns 9.5 per cent of the shares in EAM.

Sundt AS and Canica AS are shareholders in EAM. They are also shareholders in Energeia AS, but not involved in the day-to-day operations of Energeia AS. Sundt AS was represented on the board of directors of Energeia AS until 13 December 2022. Certain key personnel managing the day-to-day operations of EAM are also investors in Energeia AS.

Transactions with related parties

All the transactions have been carried out as part of the ordinary operations and at arms-length prices.

In 2023 Energeia direct costs of the management of EAM was EUR 488 thousand (2022: EUR 909 thousand). For 2023 the direct cost was EUR 0.11 per kWh based on full year figures. (Against EUR 0.20 per kWh in 2022).

On 15 August 2019 EAM Solar ASA sold the shares in the subsidiary EAM Solar Norway Holding AS to Energeia AS. The board of directors decided to conduct this sale to protect and secure the financial integrity of EAM Solar ASA.

The final sales price for the shares consisted of two elements: 1) a fixed price for the shares, and 2) a profit split if Energeia sold the power plants with a profit before year-end 2020. On 30 April 2020 Energeia AS sold the power plants indirectly owned by EAM Solar Norway Holding AS to a third party.

Since Energeia AS sold the power plants in 2020, EAM Solar ASA is entitled to receive 75 per cent of any net capital gains realized by Energeia AS above the purchase price from EAM Solar ASA.

The provisional capital gain for EAM Solar ASA was in 2020 estimated to be NOK 70.9 million and the profit was entered in the books in 2019 and 2020. The final sales price, including capital gain, will be determined in 2025 when all historical tax assessments relating to the period prior 2019, and taxes related to the sale of the power plant in 2020 are finalized with the tax authorities in Italy.

On 31 December 2023 the Group had payables to related parties (Energeia AS) of EUR 245 thousand.

ENERGEIA AS OWNERSHIP AT YEAR END

Company/owner	Ownership	Person	Position year-end 2023
Jakobsen Energeia AS	10.93%	Viktor E. Jakobsen	Chair and acting CEO of EAM Solar ASA
Sundt AS	14.51%	Family office	Shareholder of EAM Solar ASA
Naben AS	4.84%	Audun W Iversen	Shareholder of EAM Solar ASA
Canica AS	6.11%	Family office	Shareholder of EAM Solar ASA
Stanja AS	0.47%	Stephan L. Jervell	Director of EAM Solar ASA
Cerebrum Invest AS	0.08%	Ragnhild M Wiborg	Chair of EAM Solar ASA (resigned 31.12.2022)
Others	63.05%		

NOTE 08 FINANCIAL INCOME AND EXPENSES

Financial income (EUR)	2023	2022
Interest income	10 857	3 898
Foreign exchange gain	1 393 949	1 188 672
Total financial income	1 404 806	1 192 570
Financial expenses (EUR)	2023	2022
Interest expense	(267 068)	(172 589)
Foreign exchange losses	(550 282)	(566 547)
Other financial expenses	(3 516)	(25 849)
Total financial expenses	(820 867)	(764 986)
Net financial income (expenses)	583 939	427 585

The average exchange rate used for 12M 2023 is EUR/NOK 11.4206 (12M 2022 EUR/NOK 10.1040), whereas the exchange rate used on 31 December 2023 is EUR/NOK 11.2405 (31 December 2022: EUR/NOK 10.5138).

NOTE 09 SEGMENT INFORMATION

The Group owns and operates four solar PV power plants in Italy as of year-end 2023. The business is involved in operating power plants that have similar economic characteristics.

During the year ended 31 December 2023 approximately EUR 602 thousand (2022: EUR 914 thousand) of external revenue was derived from sales to the Italian state, represented by GSE for the Feed In Tariff contracts.

Approximately EUR 474 thousand (2022: EUR 1 300 thousand) of the Group's external revenue was derived from an international commodities trading house for the market price contracts. Due to the implementation of the Ter Decree, which is applicable for companies with Feed In Tariff contracts, the achieved market price of electricity has been limited to EUR 56 per MWh for the Company's power plants in the South of Italy.

Based on the information received from GSE and the Decree, the Company has during the first half of 2023 estimated electricity sales revenue reduction of EUR 90 thousand.

Management evaluated the situation of ENFO 25 and its net receivable position against GSE at year end concluding that it is more likely than not, that the net receivable against GSE will not be collected. Based on this conclusion the trade receivable against GSE and the corresponding provision of payable was written down to zero. The amount recognised as an operating cost, write down of trade receivables amounting to EUR 500 thousand (2022: EUR 500 thousand). Revenues recognition and reporting of revenues for 2022 remained unchanged, however from 1 January 2023 the Company has not recognised Feed-In-Tariff revenues for ENFO 25.

NOTE 10 OPERATIONAL COSTS BREAKDOWN 2023

EUR	EAM Solar Group	ENS1 & ENFO25	Other & Eliminations
Revenues	992 716	992 716	-
Cost of operations	(237 408)	(188 184)	(49 225)
Land rent	-	-	-
Insurance	(89 218)	(39 993)	(49 225)
Operation & Maintenance	(52 228)	(52 228)	-
Energeia operating costs	-	-	-
Other operations costs	(95 963)	(95 963)	-
Sales, General & Administration	(743 296)	(245 817)	(497 479)
Accounting, audit & legal fees	(159 025)	(32 568)	(126 458)
IMU tax	(12 898)	(12 898)	-
Energeia direct costs	(361 167)	(128 211)	(232 956)
Other administrative costs	(210 205)	(72 140)	(138 065)
Legal costs	(982 772)	(64 621)	(918 151)
Legal costs	(855 799)	(64 567)	(791 231)
Energeia legal costs	(126 974)	(54)	(126 920)
EBITDA	(970 760)	494 094	(1 464 855)

NOTE 11 INCOME TAX

The basis for the recognition a deferred tax asset is forecasted results in the operating segments. There are no dates on any of the losses carried forward. Property tax payable is expensed as an operating expense in the operating segments.

INCOME TAX EXPENSE

(EUR)	2023
Current taxes	25 816
Changes in deferred taxes	242 626
Correction for previous years tax	(8 064)
Total income tax expense	260 376
Income tax net income	260 376
Income tax other comprehensive income	-
Total income tax expense	260 376

TAX PAYABLE
(EUR)

	2023	2022
Tax payable for the year	25 816	19 818
Prepaid tax	(24 574)	(19 818)
Total payable tax	1 242	-
Temporary differences Norway		
Receivables	(1 067 833)	-
Intercompany interest	(5 989 196)	(5 361 669)
Total temporary differences	(7 057 029)	(5 361 669)
Tax losses carried forward	722 429	816 680
Tax losses carried forward not recognised as an asset	-	(816 680)
Basis for deferred tax	(6 334 600)	(5 361 669)
Deferred tax	(974 368)	(804 250)
Temporary differences Italy		
Tangible assets	51 623	51 630
Intangible assets	-	-
Leasing	115 050	215 111
Cash flow hedge	-	-
Total temporary differences	166 673	266 741
Tax losses carried forward	16 313 816	14 701 320
Tax losses carried forward not recognised as an asset	(16 313 816)	(14 701 320)
Basis for deferred tax asset	166 673	266 741
Deferred tax asset	40 002	64 018

TAX EXPENSE RECONCILIATION

(EUR)

	2023
Profit before tax	(950 930)
Corporation tax charge thereon at 22% (2019: 22%)	(208 378)
Adjusted for the effects of:	-
Expenses not deductible for tax purposes	203 359
Gain from sale, not taxable	-
Change in temporary differences	(201 532)
Change in tax rates	-
Different tax rates in foreign jurisdictions	(657 312)
Change in tax loss not carried forward	988 486
Change in deferred tax	-
Withholding tax on intercompany interest	143 820
Adjustments to tax in respect of previous periods	(8 064)
Translation differences	-
Other minor items	-
Income tax expense for the year	960 378
Effective tax rate	(27%)

Arsregnskap regnskapsåret 2023 for 996411265

NOTE 12 EARNINGS PER SHARE

Basic earnings per share is calculated as the ratio of the profit for the year due to the shareholders of the parent company, divided by the weighted average number of ordinary shares outstanding. The Company had 6 852 210 shares outstanding on 31 December 2023. There is no dilutive potential on the ordinary shares, so the earnings will be the same for both basic and diluted basis.

Earnings per share (EUR)	2023	2022
Profit for holders of ordinary shares	(1 211 308)	(2 205 683)
Basis for earnings per share	(1 211 308)	(2 205 683)

Earnings per share (EUR)

	2023	2022
- Basic	(0.18)	(0.32)
- Diluted	(0.18)	(0.32)

Earnings per share in NOK¹

	2023	2022
Continued operation		
- Basic	(2.02)	(3.25)
- Diluted	(2.02)	(3.25)

Total shares outstanding at period end

Weighted average number of ordinary shares outstanding	6 852 210	6 852 210
Weighted average number of shares adjusted for dilutive shares	6 852 210	6 852 210

¹ Average NOK/EUR exchange rate

11.421

10.104

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NOTE 13 PROPERTY, PLANT AND EQUIPMENT

2023 (EUR)	Solar power plants	Solar power plants under lease	Leasehold improvements
Carrying value 1 January 2023	1 356 652	4 342 529	288 800
Additions	1 750	-	3 550
Depreciation	(114 133)	(412 999)	(36 277)
Carrying value 31 December 2023	1 244 269	3 929 530	256 072

2022 (EUR)	Solar power plants	Solar power plants under lease	Leasehold improvements
Carrying value 1 January 2022	1 470 610	4 755 529	312 119
Additions	-	-	12 600
Depreciation	(113 958)	(412 999)	(35 919)
Carrying value 31 December 2022	1 356 652	4 342 529	288 800

Economic life of 20–25 years and straight-line depreciation.

Solar power plants under lease include a plot of land, that is not being depreciated since the land has a useful life, with a carrying amount of EUR 572 thousand.

2023 (EUR)	2022 (EUR)
Plant and equipment - at cost	7 732 116
Less: Accumulated depreciation	(288 946)
Plant and equipment under lease	7 443 170
Less: Accumulated depreciation	(4 411 304)
Leasehold improvements - at cost	290 019
Less: Accumulated depreciation	(33 947)
Leasehold improvements	256 072

Leasing

Total obligation	Contracts identified as leases applying IFRS 16	Contracts that were previously identified as leases applying IAS 17	Total
ENS Solar One	72 408	3 267 924	3 340 332
Total obligation 31 December 2023	72 408	3 267 924	3 340 332
Long term obligation	Amount	Amount	Total
ENS Solar One	68 052	2 818 549	2 886 601
Total long term obligation 31 December 2023	68 052	2 818 549	2 886 601

Short term obligation

ENS Solar One	4 356	449 375	453 731
Total short term obligation 31 December 2023	4 356	449 375	453 731

The interest rate used for the recognition of contracts identified as leases applying IFRS 16 and contracts that were previously identified as leases applying IAS 17 is 4.92 per cent p.a., equal to the interest rate of the underlying agreements with the financial institution for obligations measured as of 31 December 2019. The contracts identified as leases applying IFRS 16 run to 2035. The contracts that were previously identified as leases applying IAS 17 run to 2030. The lease contracts recognized in applying IFRS 16 is the land rent and surface rights for ENS One, and the lease contracts that were previously identified as leases applying IAS 17 are leases of the solar power plants of ENS One. The "Right Of Use" is calculated as the same value as the lease obligation at the time of initial application.

UNDISCOUNTED LEASE LIABILITIES AND MATURITY OF CASH OUTFLOW

Year
2024
2025
2026
2027
2028
After 2028
Total undiscounted lease liabilities at 31 December 2023

Summary of the lease liabilities

	Contracts identified as leases applying IFRS 16	Contracts that were previously identified as leases applying IAS 17
At initial application 1 January 2023	76 763	3 694 008
New lease liabilities recognised in the year	-	-
Cash payments lease	(7 872)	(600 666)
Interest expense on lease liabilities	3 516	18 881
Disposal	-	-
Total lease liabilities at 31 December 2023	72 407	3 267 224

The Company has chosen to apply the practical expedient laid out in IFRS 16 where there is no reassessment of a contract is, or contains, a lease at the date of initial application. Instead IFRS 16 is applied to all contracts previously identified as leasing applying 17. Further, the Company has chosen to apply the modified retrospective approach in the new standard.

NOTE 14 OTHER CONTRACTUAL OBLIGATIONS

The Group has the following contractual obligations not recognized in the balance sheet relating to operations and maintenance, and insurance for ENS 1 and ENFO 25 (All amounts are undiscounted).

Year (EUR)	Amount
2024	92 000
2025	92 000
2026	92 000
2027	92 000
2028	92 000
After 2028	289 000
Total	749 000

NOTE 15 FINANCIAL RISK MANAGEMENT**Regulatory risk**

The largest risk to the Company's operations and profitability are regulatory risk relating to changes in agreements, taxation or operational regulations made by the State of Italy. This risk is difficult to hedge against apart from securing that operations always follow the prevailing rules and regulations.

Financial risk

The Group has different financial instruments; a) trade and other receivables and trade accounts payable and b) leasing.

Credit risk

Under normal circumstances the risk for losses is considered to be low, as the counterpart is the Italian state, but given the unpaid FIT amounts on ENFO 25, the management at year-end 2022 decided to make a provision and write down the receivable against GSE, see [note 16](#). The Group has not made any offsets or other derivative agreements to reduce the credit risk in EAM.

Interest-rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relate primarily to the Group's debt with floating interest rates.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation. Surplus liquidity is primarily placed on a bank deposit account.

Capital structure and equity

The primary focus of the Group's capital management is to ensure the Group maintains an acceptable capital ratio to support its business and the ongoing legal proceedings.

The financial statement is prepared based on going concern.

There is uncertainty relating to ongoing legal proceedings in the Group has sufficient liquidity for the next twelve months.

Risk associated with the economic situation in Europe

Throughout 2022 and 2023 markets in Europe have been characterized by surging energy prices; increasing interest rates and price increase in leasing. The Group has to a very little extent been affected by this.

Since the Decree in Italy has limited the market price during 2023 there has been no windfall profit for the Group. In this period interest rates impact the group to a certain extent through the leasing debt.

The War in Ukraine and sanctions against Russia

The war in Ukraine and the sanctions against Russia has had impact on the Company's operations.

NOTE 16 TRADE RECEIVABLES

Trade and other receivables (EUR)	2023	2022
Accounts receivables	-	-
Deferred revenue towards GSE	131 940	218 121
Receivable from sale	-	305 017
Other receivables	1 601 261	1 651 606
Total trade and other receivables	1 733 201	2 174 744

Management evaluated the situation of ENFO 25 and its net receivable position against GSE at year end 2022, concluding that it is more likely than not, that the net receivable against GSE will not be collected. Based on this conclusion the trade receivable against GSE and the corresponding provision of payable was written down and the net amount recognised as an operating cost, write down of trade receivables amounting to EUR 569 thousand at year-end 2022. Revenues recognition and reporting of revenues for 2022 remained unchanged, however from 1 January 2023 the Company has not recognised Feed-In-Tariff revenues for ENFO 25.

GSE normally has 60 days payment terms from receiving an invoice. In 2015, GSE introduced a 12-month delayed payment on 10 per cent of the expected annual revenues, thereby being paid in June the following year.

Other receivables are mainly receivable on VAT for Italian subsidiaries that does not expire and can be utilised against other taxes or cashed out in the event the companies cease to exist.

NOTE 17 CASH AND CASH EQUIVALENTS

(EUR)	2023
Cash Norway	73 255
Cash Italy	318 465
Cash and cash equivalents	391 720
Restricted cash Norway	16 378
Restricted cash Italy	228 804
Seized cash Italy	61 616

The restricted cash in Italy of EUR 229 thousand is the debt service reserve account of ENS Solar One Srl, thousand of the seized cash is taken from companies not included in the in the first criminal proceeding, cash in Norway is related to a tax withholding account.

The Group had no undrawn credit facilities at 31 December 2023.

NOTE 18 SHARE CAPITAL, SHAREHOLDER INFORMATION AND DIVIDEND

The 20 main shareholders as at 31 December 2022 are:

Shareholder	Shares	Ownership
CANICA AS	886 762	12.9%
SUNDT AS	784 612	11.5%
ENERGEIA AS	650 956	9.5%
NORDNET LIVSFORSIKRING AS	304 055	4.4%
DNB LIVSFORSIKRING AS	269 086	3.9%
MELLEM NES INVEST AS	156 928	2.3%
AKA AS	125 000	1.8%
SKJÆVELAND	82 120	1.2%
AUTO SPARAS	68 113	1.0%
CLEARSTREAM BANKING S.A.	63 623	0.9%
VIRO AS	61 156	0.9%
NORDNET BANK AB	58 258	0.9%
MP PENSJON PK	51 345	0.7%
NORTH SEA GROUP AS	49 000	0.7%
LORGEN	46 000	0.7%
MATHIASSEN	41 438	0.6%
MØGSTER	41 000	0.6%
KM FORVALTNING AS	40 000	0.6%
PARK LANE FAMILY OFFICE AS	37 300	0.5%
SKINSTAD	36 000	0.5%
Total of the 20 main shareholders	3 852 752	56.2%

All the shares in the Company and shareholders have equal rights, including voting rights. Each share carries the right to one vote at the Company's general meeting.

Share premium is the difference between nominal value of the Company's shares and the total amount the Company received for shares issued.

Due to the financial situation of the Company the board of directors propose no dividend payments for 2023.

Share capital	1 Jan 2023	31 Dec 2023
No of shares	6 852 210	6 852 210
Nominal value (NOK)	10	10
Share capital	68 522 100	68 522 100

NOTE 19 DEBT

EUR	2023
Other non-current liabilities	343 887
Lease liabilities	2 886 601
Deferred tax	974 368
Total non-current liabilities	4 204 856
Trade payables	1 144 635
Payables to GSE	610 405
Other payables	80 674
Social security	1
Taxes other than income taxes	6 677
Accrued liabilities	6 922 736
Trade and other payables	7 935 127
Current leasing	9 153 731
Related to ordinary operations	2 990 100
Total current liabilities	3 990 100
Total liabilities	6 894 956

Payables to GSE

On 29 March 2022, Law no. 25 (Sostegni ter Decreto) entered in force. The Decree was initially intended to apply from February 2022 to the end of the year, but it was later extended to 30 June 2023. Following the Decree, the Company's power plants in the South of Italy, relevant price of electricity has been limited to EUR 5 per MWh. Relevant price made but not yet paid as the Company is awaiting a judicial decision on the lawfulness of the Decree.

Equity contribution agreement and patronage letter
In conjunction with the "P31 acquisition", EAM Solar Italy Hol

into a so-called patronage letter and an equity contribution agreement with UBI Leasing and UniCredit respectively. These agreements may under certain circumstances require EAM Solar Italy Holding Srl to inject additional equity into the debt financed SPVs to cover any shortfall or breach of the debt repayment obligations of the SPVs.

The FIT contracts of the SPVs have been terminated by GSE due to fraud against the State of Italy.

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 of Brescia granted a preliminary non-enforceable injunction. EAM challenged the injunction. Court hearings in this matter has been ongoing since 2019 until this day.

EAM has requested UBI to provide both witnesses and documentation of the bank's handling of the leasing financing activities of the Solar PV power plants in 2010 and 2011 in the proceedings. On 10 November 2022 the Judge decided that UBI must submit certain documents on EAM's request. A hearing was conducted on 30 March 2023 where UBI submitted more documents.

The final hearing in this matter was heard on 4 March 2024. The Judgement is expected in early May 2024.

No provisions are made in the accounts on this matter.

Receivable and payable against Aveleos S.A., its directors and its two shareholders Enovos Luxembourg S.A. and Avelar Energy Ltd.

The 2019 ruling by the Criminal Court of Milan was appealed by several parties, and the appeal procedure in the Criminal Court of Appeal of Milan commenced with one hearing in October 2020 and two hearings in December 2020, and on 20 January 2021, the Criminal Appeal Court of Milan decided to revoke the first instance judgement of the Criminal Court of Milan.

EAM Solar ASA decided to join with the Prosecutor's Office in Milan in appealing the Criminal Appeal Court of Milan decision to the Italian Supreme Court of Cassation in 2021.

On 7 October 2021 the Supreme Court of Italy decided to annul the acquittal decision of by the Criminal Appeal Court of Milan in its entirety.

In November 2021 the Supreme Court issued its full grounds for the annulment decision of the acquittal ruling. The Supreme Court found that the Criminal Appeal Court of Milan did not fulfil its obligation to conduct a correct and comprehensive review of the factual evidence in the criminal case, resulting in an erroneous evaluation of the evidence with the effect that the acquittal decision was based on obvious inconsistent and illogical arguments.

The Supreme Court sent the criminal proceedings back to a different chamber of the Criminal Appeal Court of Milan for new proceedings to be conducted, with the requirement that the new court proceedings must be based on a complete review of the evidence, making correct application of the principles of law and the rules of logic as formulated in the Supreme Court decision.

On the fraud of EAM, the Supreme Court concluded that the evidenced withholding of essential information during the contractual negotiations constitutes a contractual fraud.

In July 2023, Section V of the Court of Appeal in Milan notified the appeal proceedings would continue, and the first hearing is scheduled for 30 November 2023. The final hearing is scheduled for 16 May 2024. The Court of Appeal has stated its intention to render its judgement in the conclusion of the hearing on 16 May 2024.

The Company estimates its claim to be more than EUR 300 million and is a contingent asset that will not be recognised in the balance sheet.

Based on the Share Purchase Agreement and the addendum, EAM is entitled to a payment from Aveleos due to the overpayment and the post-closing adjustments including interest. This amount has been confirmed by EY in a separate audit on the issue which has been updated and reconfirmed by RSM.

In addition, the company has recognised a loan of EUR 2.5 million from Aveleos in 2014.

EAM Solar Italy Holding Srl was on 10 December 2020 notified by the Court of Milan that it had filed a petition, without EAM's knowledge, to the Civil Court of Milan claiming payment of shareholder loans in the amount of EUR 10 million under the Sale and Purchase Agreement of the P3 transactions.

EAM Solar ASA and its subsidiary is of the opinion that such claims do not exist and have third party expert opinions supporting this fact. EAM Solar ASA owes EAM Solar ASA money following the SPV's non-transfer of 10 power plants.

EAM Solar Italy Holding Srl contested the decision in January 2021 and enrolled the case to Court. A hearing was expected to take place in 2021 but ended up being scheduled for 7 September 2021. In 2021 Aveleos adhered to our objection that an arbitration was already in the same issue, and accordingly decided to drop the case. The proceedings to an end.

No provisions are made in the accounts on this matter.

Litigation funding agreement with Therium

The funding being received from Therium is a contribution to lower the legal costs incurred in pursuing the claim, and legal costs are reduced with the contribution from Therium, and any subsequent repayment to Therium is conditional on EAM receiving a claim award. Therefore, there is no liability to recognise a payment to Therium at this stage in the financial statements. EAM will recognise a claim award after having reimbursed Therium of their amount. Unused litigation funding at the end of the year was EUR 6.1 thousand. Therium has committed to invest a maximum amount of up to EUR 2.3 million. The agreement entitles Therium to receive the invested amount plus a contingency fee of 3X the committed funds under any incepted tranche of funding as a first priority payment from any litigation claim awarded to the Company.

NOTE 20 IMPAIRMENT

EAM has not identified indicators for impairment of the power plants as described in IAS 36 at year end.

NOTE 21 INTANGIBLE ASSETS

2023

Carrying value 1 January 2023

Additions
Write downs
Depreciation
Disposals
Currency translation effect
Carrying value 31 December 2023

2022

Carrying value 1 January 2022

Additions
Write downs
Depreciation
Disposals
Currency translation effect
Carrying value 31 December 2022

Intangible assets are depreciated linear over the lifetime of the asset. The FIT contract period is running to 2031.

NOTE 22 EVENTS AFTER THE BALANCE SHEET DATE

Changes to the board of directors

The directors Stephan Jervell and Gro Prødel Hivammen has both informed the Company the need to resign from the board of directors prior to the ordinary annual general meeting for reasons unrelated to the Company.

The Company consequently has decided to convene an extraordinary shareholder's meeting on 10 May 2024 for the establishment of an interim board of directors pending the annual general meeting of the shareholders scheduled 22 May 2024.

Criminal proceedings in Milan

The final hearing is scheduled for 16 May 2024. The Court of Appeal has stated its intention to render its judgement in the case at the conclusion of the hearing on 16 May 2024.

New 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. The arbitration court conclusion was a net amount in favour of EAM of between EUR 2 686 810 and EUR 2 939 814 after interest is applied.

A range is stated above due to a possible clerical error made in the Final Award. Aveleos has requested the Arbitration Chamber to correct the error and revise the stated interests. Aveleos has further challenged the application of other interest rates. This matter is expected to be sorted by 27 May 2024. The total amount should be considered preliminary until this date.

Further, Aveleos has until 18 June 2024 to submit an appeal of the Final Award.

NOTE 23 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 covers ordinary operations, administrative service of operating assets debt obligations, the Group's liquidity is strained due to the significant legal cost of the litigation activities.

At year-end 2023 the Group had EUR 391 thousand in cash of which EUR 122 thousand was unrestricted. At first quarter 2024, the cash was reduced to EUR 237 thousand of which EUR 25 thousand was unrestricted. A quarter in a year is normally a loss making quarter due to the seasonality of power production.

In the final award of 29 February 2024 in the Milan arbitration, EAM Solar ASA was awarded an estimated amount payable by Aveleos SA between EUR 2 686 810 and EUR 2 939 814 after interest is applied. However, the award does not foresee to receive such amounts without further legal procedures in conjunction with international arbitration procedures.

The final award in the arbitration does, however, open for the possibility of releasing pledges relating to SPV ENSL, thus enabling EAM Solar ASA to sell the four remaining power plants in Italy. Such sale will release a significant amount of liquidity for the Company. However, such sale may take between 9 and 18 months to complete.

A final factor with regards to the assessment of going concern is the outcome of the ongoing criminal proceedings in Milan, scheduled for a decision on 16 May 2024. A court decision upholding the original court decision in favour of Aveleos SA, an unfavourable decision for EAM Solar ASA may challenge the going concern assessment.

These circumstances imply that there will be a need for additional capital infusion. If this is not attainable, there is a material uncertainty regarding the group's ability to continue as a going concern.

The board has convened an extraordinary general meeting on 10 May 2024 in order to grant the board powers to execute on measures to improve the short term liquidity of the Company.

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Other operating expenses			
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STATEMENT OF FINANCIAL POSITION

NOK	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
Financial assets			
Investment in subsidiaries	Z, 10	1 044 924	1 044 924
Intercompany loan	Z, 11	41 991 172	57 644 331
Investments in shares and stocks		1 113	1 113
Other long term receivables		2 270 994	3 409 602
Total financial assets		45 308 204	62 099 971
Total non-current assets		45 308 204	62 099 971
Current assets			
Receivables			
Short term receivables group companies	11	1 646 301	647 161
Other current receivables	11	1 529 449	5 195 187
Total receivables	11	3 175 750	5 842 348
Cash and cash equivalents	12	823 425	9 860 930
Total current assets		3 999 175	15 703 278
TOTAL ASSETS		49 307 378	77 803 248
EQUITY AND LIABILITIES			
Equity			
Paid in capital		68 522 100	68 522 100
Issued capital		-	-
Share premium		68 522 100	68 522 100
Total paid in capital		137 044 200	137 044 200
Other equity		-	-
Uncovered loss		(36 055 311)	(36 055 311)
Total retained earnings		(36 055 311)	(36 055 311)
Total equity	9	100 988 889	100 988 889
Liabilities			
Allowances for liabilities			
Deferred tax liabilities	8	1 052 387	1 052 387
Total allowances for liabilities		1 052 387	1 052 387
Current liabilities			
Trade payables		3 626 638	3 626 638
Public dues		62 048	62 048
Other current liabilities group companies	Z	17 216	17 216
Other current liabilities		646 301	646 301
Total current liabilities	11	4 352 203	4 352 203
Total liabilities		5 404 590	5 404 590
TOTAL EQUITY AND LIABILITIES		49 307 378	77 803 248

Oslo, 30 April 2024

Stephan Lange Jervell
Non-executive directorGro Prødel Hvammen
Non-executive directorViktor Erik Jakobsen
ChairChristian Hagemann
CEO

STATEMENT OF CASH FLOW

NOK	Note	2023	2022
Cash flow from operations			
Profit before income taxes		(28 135 712)	(35 846 409)
Impairment of financial assets	7	43 726 861	38 347 836
Change in trade creditors	11	1 717 490	(1 319 376)
Change in other provisions		(313 655)	6 051 479
Net cash flow from operations		16 994 984	7 233 530
Cash flow from investments			
Payment of short term loan/receivables	11	4 375 653	22 357 223
Change in intercompany balances		(30 408 142)	(19 939 290)
Net cash flow from investments		(26 032 489)	2 417 933
Cash flow from financing			
Group contribution received		-	-
Net cash flow from financing		-	-
Exchange gains / (losses) on cash and cash equivalents			
Net change in cash and cash equivalents		(9 037 505)	9 860 930
Cash and cash equivalents at the beginning of the period		823 425	823 425
Cash and cash equivalents at the end of the period	12		

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

NOTE 01 ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. EAM Solar ASA is a public limited liability company, incorporated and domiciled in Norway, with registered office at Cort Adellers gate 33, NO-0254 Oslo, Norway. The Company was founded on 5 January 2011 and listed on the Oslo Stock Exchange under the ticker "EAM" in 2013. EAM Solar ASA is the parent company of the Group. The primary business activity of EAM is both to own solar photovoltaic power plants and sell electricity under long-term fixed price sales contracts, and to pursue legal proceedings to restore company values. EAM was structured to create a steady long-term dividend yield for its shareholders. Following the P31 Acquisition, the main value of EAM is dependent on the future outcome of litigation activities.

EAM currently owns 4 photovoltaic power plants through a holding company and 2 subsidiaries in Italy. The Company has no employees.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, income, expenses, and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

The impairment analysis of goodwill and tangible and other intangible assets requires an estimation of the value in use of the asset or the cash-generating unit to which the assets are allocated. Estimation of the value in use is primarily based on discounted cash flow models which require the Company to make an estimate of the expected future cash flows from the asset or the

cash-generating unit and to choose an appropriate discount rate to calculate the present value of the cash flows.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in foreign currency are translated into NOK using an exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Revenue recognition

The Company's revenues consist of management services provided to the subsidiaries. Management services have been presented as incurred in the profit and loss statement. Revenue is recognised once delivery has taken place and most of the risk have been transferred.

Income tax

Tax expense consists of tax payable and changes to deferred tax. Deferred tax/asset are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 per cent of temporary differences and tax effect of tax losses carried forward. Deferred tax asset is recorded in the balance sheet when it is more likely than not that the tax asset will be utilised.

Taxes payable and deferred taxes are recognised directly in the extent that they relate to equity transactions.

Balance sheet classification

Current assets and liabilities consist of receivables and payables within one year. Other balance sheet items are classified as non-current. Current assets are valued at the lower of cost and fair value. Current liabilities are recognised at nominal value.

Non-current assets consist of investments in subsidiaries, intangible assets and loans and intangible assets and fall due after one year or more. Non-current assets are valued at the lower of cost and fair value.

Subsidiaries

Investments in subsidiaries are measured at cost in the company less any impairment. In accordance with generally accepted principles, an impairment charge is recognised if impairment is temporary. Impairment charges are reversed if the reason for disappears in a later period.

Dividends and other contributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the subsidiary. If dividends exceed withheld profits after the acquisition date, the amount represents repayment of invested capital and the dividend is deducted from the recorded value of the acquisition in the balance sheet.

Trade receivables and other receivables

Trade receivables and other receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provision for doubtful accounts is based on an individual assessment of different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash and cash equivalents

Cash includes cash in hand and bank deposits. Cash equivalents are short-term liquid investments that can be converted to a known amount of cash within three months.

Cash flow statement

The cash flow statement is presented using the indirect method.

Provisions

Where, at the reporting date, the Company has a present obligation (legal or constructive) because of a past event and it is probable that the Company will settle the obligation, a provision is made in the statement of financial position. Provisions are made using best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period they arise.

NOTE 02 REVENUE**BY BUSINESS AREA**

NOK	2023	2022
Management services to subsidiaries	13 347 362	14 653 755
Net revenue	13 347 362	14 653 755

GEOGRAPHICAL DISTRIBUTION

NOK	2023	2022
Norway	-	-
Italy	13 347 362	14 653 755
Net revenue	13 347 362	14 653 755

NOTE 03 SALARY AND PERSONNEL EXPENSE

The Company does not have any employees and is not required to contribute to a pension plan.

Board of directors year-end 2023:

- Viktor Erik Jakobsen (chair & acting CEO)
- Gro Prødel Hvammen (non-executive director)
- Stephan Lange Jervell (non-executive director)

The CEO in 2023, Viktor Erik Jakobsen, is hired and remunerated as a manager (see [note 6](#) for description of transactions with related parties).

There are no agreements for severance pay, bonus, profit share or other arrangements to neither CEO nor board of directors.

Viktor Erik Jakobsen, has received in 2023 NOK 24 000 in remuneration for his work as chair. Stephan Lange Jervell has received NOK 45 000 in remuneration and Gro Prødel Hvammen has received NOK 150 000 in 2023.

Nomination committee year-end 2023:

- Leiv Askvig (chair)
- Nils Erling Ødegaard (member)
- Georg Johan Espe (member)

Leiv Askvig has received in 2023 NOK 39 750 in remuneration for his work as chair of the Nomination Committee. Nils Erling Ødegaard and Georg Johan Espe each received NOK 24 000 in 2023 in remuneration for their work as members of the Nomination Committee.

NOTE 04 OPERATIONAL COSTS BREAKDOWN

NOK	2023	2022
Revenues	13 347 362	14 653 755
Cost of operations	(562 173)	(672 178)
Insurance	(562 173)	(672 178)
Sales, General & Administration	(5 452 927)	(5 923 323)
Personnel expenses	(1 145 818)	(1 290 471)
Accounting, audit & legal fees	(768 474)	(534 433)
Financial & tax fees	(675 747)	(511 759)
Energeia direct costs	(1 404 152)	(2 209 184)
Other administrative expenses	(1 458 737)	(1 377 477)
Legal costs	(8 537 797)	(15 408 084)
Litigation costs	(7 088 302)	(11 017 664)
Energeia legal costs	(1 449 495)	(4 390 420)
EBITDA	(1 205 535)	(7 349 830)

NOTE 05 OTHER OPERATING EXPENSES**SPECIFICATION AUDITOR'S FEE**

(NOK)	2023
Statutory audit	695 402
Tax consultant services	10 963
Other assurance services	44 800
Other services	17 309
Other services from RSM Advokat AS	-
Total	768 474

VAT is not included in the fees specified above.

RSM Advokat AS is a related party to the auditor RSM.

NOTE 06 TRANSACTIONS WITH RELATED PARTIES**Related parties**

Energeia AS is the manager of EAM. Energeia AS in Norway and Italy employs most of the personnel conducting the technical and administrative services for EAM.

Sundt AS and Canica AS are among the 2 largest shareholders in EAM. They are also shareholders in Energeia, but not involved in the day-to-day operations of Energeia AS. Certain key personnel managing the day-to-day operations of EAM are also investors in Energeia AS.

Transactions with related parties

All the transactions have been carried out as part of the ordinary operations and at arms-length prices.

On 15 August 2019 EAM Solar ASA sold the shares in the subsidiary EAM Solar Norway Holding AS to Energeia AS. The board of directors decided to conduct this sale to protect and secure the financial integrity of EAM Solar ASA.

The final sales price for the shares consisted of two elements: 1) a fixed price for the shares, and 2) a profit split if Energeia sold the power plants with a profit before year-end 2020. On 30 April 2020 Energeia AS sold the power plants indirectly owned by EAM Solar Norway Holding AS to a third party.

Since Energeia AS sold the power plants in 2020, EAM Solar ASA is entitled to receive 75 per cent of any net capital gains realized by Energeia AS above the purchase price from EAM Solar ASA.

The provisional capital gain for EAM Solar ASA was in 2020 estimated to be NOK 70.9 million and the profit was entered in the books in 2019 and 2020. The final sales price, including capital gain, will be determined in 2025 when all historical tax assessments relating to the period prior 2019, and taxes related to the sale of the power plant in 2020 are finalized with the tax authorities in Italy.

In 2023 Energeia direct costs of the management of the parent Company was NOK 4 million. (2022: NOK 6.6 million). Approximately NOK 1.5 million of the direct costs charged in 2023 was related to extraordinary costs incurred due to the legal processes in conjunction with the P31 fraud.

ENERGEIA AS OWNERSHIP AT YEAR END

Company/owner	Ownership	Person	Position year-end 2023
Jakobsen Energeia AS	10.93%	Viktor E. Jakobsen	Chair and acting CEO of EAM Solar ASA
Sundt AS	14.51%	Family office	Shareholder of EAM Solar ASA
Naben AS	4.84%	Audun W Iversen	Shareholder of EAM Solar ASA
Canica AS	6.11%	Family office	Shareholder of EAM Solar ASA
Stanja AS	0.47%	Stephan L. Jervell	Director of EAM Solar ASA
Cerebrum Invest AS	0.08%	Ragnhild M Wiborg	Chair of EAM Solar ASA (resigned 31.12.2022)
Others	63.05%		

NOTE 07 SUBSIDIARIES AND INTERCOMPANY BALANCES

Subsidiaries	Office	Ownership / Vote	Acquisition cost	Book value	Write down during the period
EAM Solar Italy Holding Srl	Milan	100%	-	1 044 924	-
Total			-	1 044 924	-

Investments in subsidiaries are measured at cost in the company accounts, less any impairment. In accordance with generally accepted accounting principles, an impairment charge is recognised if impairment is not considered temporary. Impairment charges are reversed if the reason for impairment disappears in a later period.

INTERCOMPANY

Receivables	2023	2022
Accounts receivables	1 646 301	647 161
Long term receivables	141 699 958	133 449 260
Accumulated write downs of long term receivables	(99 708 786)	(75 804 929)
Total receivables	43 637 474	58 291 492
Write down during the period	(43 726 861)	(38 347 836)
Liabilities	2023	2022
Other current liabilities	417 216	-
Long term liabilities	-	-
Total liabilities	417 216	-

Assumptions for impairment write down:

The Company has identified indicators for impairment at year end. Based on this, the Company has conducted an impairment test to see if there is a need to write-down the investment and receivables in subsidiaries. The assumptions in the impairment test are made with scenarios that the management finds explanatory and relevant at the reporting date. The underlying cash flow from the power plants are the basis for the investment and for servicing the loans. The amount of impairment loss recognised for financial assets is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the weighted average cost of capital of 4.65 per cent.

EAM Solar annual report 2023

NOTE 08 INCOME TAXES

This year's income tax expense only refers to change in deferred tax. The change in deferred tax is in its entirety to withholding tax in Italy, with an unchanged tax rate of 15 per cent.

INCOME TAX EXPENSE

(NOK)	2023
Tax payable	-
Changes in deferred tax	2 496 657
Change as a result of sale of subsidiaries	-
Income tax expense	2 496 657

TAX BASE CALCULATION

(NOK)	2023
Profit before income tax	(4 235 712)
Permanent differences	4 226 861
Tax base	1 091 149

TEMPORARY DIFFERENCE

(NOK)	2023
Long-term receivables in foreign currency	1 002 977
Intercompany interest	6 821 550
Tax losses carried forward	(6 20 463)
Total temporary difference	7 004 064
Tax losses carried forward not recognised as an asset	7 004 064
Total	7 004 064
Deferred tax	1 052 386

NOTE 09 EQUITY

The 20 main shareholders as at 31 December 2023 are:

Shareholder	Shares	Ownership
CANICA AS	886 762	12.9%
SUNDT AS	784 612	11.5%
ENERGEIA AS	650 956	9.5%
NORDNET LIVSFORSIKRING AS	304 055	4.4%
DNB LIVSFORSIKRING AS	269 086	3.9%
MELLEM NES INVEST AS	156 928	2.3%
AKA AS	125 000	1.8%
SKJÆVELAND	82 120	1.2%
AUTO SPARAS	68 113	1.0%
CLEARSTREAM BANKING S.A.	63 623	0.9%
VIRO AS	61 156	0.9%
NORDNET BANK AB	58 258	0.9%
MP PENSJON PK	51 345	0.7%
NORTH SEA GROUP AS	49 000	0.7%
LORGEN	46 000	0.7%
MATHIASSEN	41 438	0.6%
MØGSTER	41 000	0.6%
KM FORVALTNING AS	40 000	0.6%
PARK LANE FAMILY OFFICE AS	37 300	0.5%
SKINSTAD	36 000	0.5%
Total of the 20 main shareholders	3 852 752	56.2%

Share capital 2023

	No of shares	Share capital	Share premium	Other equity	Uncovered Loss	Nominal value
Ordinary shares outstanding	6 852 210					10
NOK						
Equity as at 1 January 2023		68 522 100	-	-	(5 422 940)	
Profit (loss) after tax					(30 632 371)	
Equity as at 31 December 2023		68 522 100	-	-	(36 055 311)	

More than half of the share capital has been lost, and according to the Public Limited Liability Company board's duty to act has arisen.

The board will propose measures that involve the power of attorney from the general meeting to reduce capital to cover uncovered losses. In addition, the board will propose to issue new shares to raise necessary proposed measures will be presented at the extraordinary general meeting on 10 May 2024 at the ordinary meeting in June 2024.

NOTE 10 GROUP ENTITIES

See [note 3](#) in the consolidated accounts and [note 7](#).

NOTE 11 RECEIVABLES AND LIABILITIES

RECEIVABLES

(NOK) 2023

Short term receivables group companies 1 646 301
 Other current receivables 1 529 449
 Total receivables 3 175 750

LIABILITIES

(NOK) 2023

Trade payables 3 562 638
 Social security 80 980
 Advance tax withholdings 81 068
 Other current liabilities group companies 17 216
 Other current liabilities 446 301
 Total liabilities 5 088 203

RECEIVABLES FALLING DUE AFTER ONE YEAR

(NOK) 2023

Intercompany loan 4 991 172
 Total receivables falling due after one year 4 991 172

Intercompany transactions

A mark-up on 5 per cent is calculated on intercompany transactions on management services from EAM subsidiaries.

NOTE 12 CASH AND CASH EQUIVALENTS

NOK	2023	2022
Cash	573 185	6 759 249
Restricted cash	250 240	3 101 681
Cash and cash equivalents	823 425	9 860 930

NOK 184 thousand of the restricted cash is related to a tax withholding account and NOK 66 thousand is relating to the court case in Oslo District Court against Enovos and was set aside as collateral for the coverage of the legal costs.

The Company had no credit facilities at 31 December 2023.

NOTE 13 SUBSEQUENT EVENTS**Changes to the board of directors**

The directors Stephan Jervell and Gro Prødel Hvammen has both informed the Company the need to reconstitute the board of directors prior to the ordinary annual general meeting for reasons unrelated to the Company.

The Company consequently has decided to convene an extraordinary shareholder's meeting on 10 May 2024 for the establishment of an interim board of directors pending the annual general meeting of the shareholders on 22 May 2024.

Criminal proceedings in Milan

The final hearing is scheduled for 16 May 2024. The Court of Appeal has stated its intention to render its judgment at the conclusion of the hearing on 16 May 2024.

New Arbitration in Milan of 2020

The Milan Chamber of Arbitration's final decision in the arbitration between EAM Solar ASA and Aveleos ASA was issued on 29 February 2024. The arbitration court conclusion was a net amount in favour of EAM of between EUR 2 million and EUR 2 939 814 after interest is applied.

A range is stated above due to a possible clerical error made in the Final Award. Aveleos has requested the Milan Chamber to correct the error and revise the stated interests. Aveleos has further challenged the application of interest rates. This matter is expected to be sorted by 27 May 2024. The total amount should be considered until this date.

Further, Aveleos has until 18 June 2024 to submit an appeal of the Final Award.

NOTE 14 PROVISIONS

The Company has not made any provisions for the legal proceedings described below, since the Company considers it more than 50 per cent likely that the proceedings will not lead to any unfavourable ruling.

In conjunction with the "P31 acquisition", EAM Solar Italy Holding Srl entered into a so-called patronage letter and an equity contribution agreement with UBI Leasing and UniCredit respectively. These agreements may under certain circumstances require EAM Solar Italy Holding Srl to inject additional equity into the debt financed SPVs to cover any shortfall or breach of the debt repayment obligations of the SPVs.

The FIT contracts of the SPVs have been terminated by GSE due to fraud against the State of Italy.

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 of Brescia granted a preliminary non-enforceable injunction. EAM challenged the injunction. Court hearings in this matter has been ongoing since 2019 until this day.

EAM has requested UBI to provide both witnesses and documentation of the bank's handling of the leasing financing activities of the Solar PV power plants in 2010 and 2011. In the proceedings. On 10 November 2022 the Judge decided that UBI must submit certain documents on EAM's request. A hearing was conducted on 30 March 2023 where UBI submitted more documents.

The final hearing in this matter was heard on 4 March 2024. The Judgement is expected in early May 2024.

No provisions are made in the accounts on this matter.

NOTE 15 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 covers ordinary operations, administrative service of operating assets debt obligations, the Group's liquidity is strained due to the significant legal cost of the litigation activities.

At year-end 2023 the Group had EUR 391 thousand in cash of which EUR 122 thousand was unrestricted. At first quarter 2024, the cash was reduced to EUR 237 thousand of which EUR 25 thousand was unrestricted. A quarter in a year is normally a loss making quarter due to the seasonality of power production.

In the final award of 29 February 2024 in the Milan arbitration, EAM Solar ASA was awarded an estimated amount payable by Aveleos SA between EUR 2,686,810 and EUR 2,939,814 after interest is applied. However, EAM does not foresee to receive such amounts without further legal procedures in conjunction with international arbitration procedures.

The final award in the arbitration does, however, open for the possibility of releasing pledges relating to the SPV ENSL, thus enabling EAM Solar ASA to sell the four remaining power plants in Italy. Such sale will release a significant amount of liquidity for the Company. However, such sale may take between 9 and 18 months to complete.

A final factor with regards to the assessment of going concern is the outcome of the ongoing criminal proceedings in Milan, scheduled for a decision on 16 May 2024. A court decision upholding the original court decision on the secure going concern, an unfavourable decision for EAM Solar ASA may challenge the going concern assessment.

These circumstances imply that there will be a need for additional capital infusion. If this is not attainable, there is a material uncertainty regarding the Company's ability to continue as a going concern.

The board has convened an extraordinary general meeting on 10 May 2024 in order to grant the board powers to execute on measures to improve the short term liquidity of the Company.

POWER PRODUCTION

REPORTED PRODUCTION

(MWh)	Q1'22	Q2'22	Q3'22	Q4'22	FY 2022	Q1'23	Q2'23	Q3'23	Q4'23	FY 2023
ENS Solar One Srl	748	1 064	1 058	632	3 502	693	852	1 020	586	3 150
Energia Fotovoltaica 25 Srl	274	339	300	237	1 151	292	339	325	227	1 183
MWh	1 023	1 403	1 359	868	4 653	985	1 191	1 345	813	4 333

ACTUAL PRODUCTION

(MWh)	Q1'22	Q2'22	Q3'22	Q4'22	FY 2022	Q1'23	Q2'23	Q3'23	Q4'23	FY 2023
Lorusso	317	433	441	260	1 451	293	332	434	245	1 305
Brundesini	213	293	281	166	953	171	226	247	135	779
Scardino	218	338	336	206	1 098	229	293	339	205	1 067
Enfo 25	274	339	300	237	1 151	292	339	325	227	1 183
MWh	1 023	1 403	1 359	868	4 653	985	1 191	1 345	813	4 333
Total produced MWh	1 023	1 403	1 359	868	4 653	985	1 191	1 345	813	4 333

EAM Solar annual report 2023

POWER PLANT CAPACITY

Power plant	Capacity kW	Annual production MWh	Location Province	Power plant design	Ownership company
Lorusso	984	1 403	Puglia	Fixed tilt	Ens Solo
Brundesini	994	1 477	Puglia	Fixed tilt	Ens Solo
Scardino	993	1 483	Puglia	Fixed tilt	Ens Solo
Enfo 25	983	1 430	Puglia	Fixed tilt	Energia
MWh	3 954	5 792			

RESPONSIBILITY STATEMENT

From the board of directors and the CEO

We confirm, to our best knowledge that the financial statements for the period 1 January to 31 December 2023 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, financial position and profit or loss of the entity and the Group taken as a whole. We also confirm that the board of directors' Report includes a true and fair view of the development and performance of the business and the position of the entity and the Group, together with a description of the principal risks and uncertainties.

Oslo, 30 April 2024

Stephan Lange Jervell	Gro Prødel Hvammen	Viktor Erik Jakobsen	Christian Hagemann
Non-executive director	Non-executive director	Chair	CEO

EAM Solar ASA

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NORWAY

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Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 20.02.2012	Vår dato 19.03.2012
Telefon 977.59.464	Deres referanse Roar Alme	Vår referanse 2012/153375

EAM Solar ASA
Dronningen 1
0287 OSLO

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for EAM Solar ASA, org. nr. 996 411 265

Det vises til deres brev av 20. februar 2012 hvor søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for EAM Solar ASA. Det vises også til tilleggsinformasjon oversendt i e-post av 12. mars 2012.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering EAM Solar ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysninger som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

EAM Solar ASA er et investeringsselskap uten ansatte som drives gjennom en management avtale med EAM Solar Park Management AS. EAM Solar ASA eier pr. i dag gjennom to datterselskaper to solkraftverk i Italia. Disse driftes gjennom underleverandører av tjenester i Tyskland og Italia. Selskapet er i dialog med flere italienske banker for å få på plass en gjeldsfinansiering av disse verkene. Konsernets arbeidsspråk er engelsk. Konsernet vil på sikt operere i flere europeiske land og utenfor Europa. Selskapet er derfor helt avhengig av å ha et felles språk som alle forstår. Siden virksomheten er verdensomspennende har selskapet også kunder og leverandører over hele verden. All kommunikasjon med disse foregår på engelsk. Slik praksis har vært i dag vil selskapet være nødt til å lage en engelsk versjon av årsregnskapet i tillegg til den norske versjonen, noe som er ressurskrevende og kan medføre at det er uoverensstemmelser mellom innholdet i den engelske og norske versjonen. Ettersom konsernets arbeidsspråk er engelsk vil også alle ansatte forstå regnskapet. Det samme vil være tilfelle for konsernets kunder og kreditorer. Engelsk er også bransjespråket innen sektorene selskapet opererer i. Selskapet har 22 aksjonærene i dag, hvorav 21 er norske. Det er planlagt en emisjon med en børsnotering juni 2012. Planen er å gjennomføre en rettet emisjon etterfulgt av en notering på Oslo Aksess i forbindelse med et spredningssalg.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om

Postadresse	Besøksadresse	Sentrallbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernets virksomhet utelukkende skjer i utlandet og at arbeidsspråket er engelsk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad
Rune Tystad