



MAGNORA ASA

## Magnora ASA: Second quarter 2022

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9 August 2022: Magnora, a Norwegian renewable energy development company, releases its financial report for the second quarter 2022.

### Highlights:

- Soaring electricity prices, both spot and longer term, energy security as well as reduction of CO2 footprint are all factors driving interest for our portfolio companies and their projects. We see stronger interest of doing business with our portfolio companies compared with previous quarters.
- Magnora is pleased to announce its first guidance for its renewable portfolio. Magnora expects its net share of asset sales in the portfolio companies to be 150-250 MW for the full year 2022 at very attractive prices.
- Magnora increased its ownership in Evolar AB to 63.5 percent according to business plan milestones.
- Evolar has reached several key technical milestones and established supply chain for its sub-contractors. Additional discussions have been initiated during the quarter with very interesting customers and potential partners. Evolar will soon disclose its technical progress in several areas.
- Helios closed additional sales of projects during the second quarter and has closed sales of 370 MW. The company also signed landowner agreements in Lithuania and Latvia, expanding its operations beyond Sweden. Helios management continues to deliver ahead of its business plan. Helios decided to distribute SEK 16 million to its owners in August 2022 in an extraordinary general meeting based on multiple sales and pre-payments. This is the first dividend from Helios. The dividend was limited to free equity in the company at 31.12.2021. Helios will pay out all excess cash to its shareholders going forward. Based on existing contracts over the last months and customer acceptance, Helios should be in a position to return hundreds of million SEK over the next few years to its owners
- Magnora South Africa reached key milestones for several projects and are in close discussion with the National grid company about grid connection offers for 650 MW in several projects.
- Magnora Offshore Wind AS (Magnora ASA owns 80 percent) signed Option to Lease Agreement with the Crown Estate Scotland for the N3 site, securing exclusivity for project development on the site. The payment is secured by long-term financing from a leading Norwegian bank. Magnora Offshore Wind entered into a cooperation agreement with Hiraeth Energy in Wales.
- Kustvind has completed most of the wildlife and marine environmental studies without red flags.
- Magnora entered the fast-growing UK Solar PV and battery storage market during the quarter through partnering with an experienced local developer. The Group now has 60 MW solar PV and 70 MW of battery storage under development in the UK in three different projects.
- Adjusted EBITDA for second quarter 2022 was negative NOK 1.1 million. EBITDA was impacted by consolidating Evolar and higher development cost in Magnora Offshore Wind from the ScotWind project.
- The Group secured NOK 100 million in longer term financing through a top tier bank. This replaces a facility of NOK 50 million, while the other loan facility of NOK 50 million is maintained. Total loan facility is now NOK 150 million. As of 30 June 2022, NOK 62.5 million was drawn from the loan facility, leaving NOK 87.5 million of the total NOK 150 million loan facility. The Group has NOK 85.4 million in cash and loan facility available as of 4 August 2022.
- Magnora Offshore Wind signed after the close of the quarter an Investment Shareholder Agreement (ISA) for the development of floating offshore wind projects in the Celtic Sea (Wales).
- The Penguins FPSO is, according to Shell's Q2 2022 report expected to leave the yard and start production in 2022/23. According to media articles, sail-away is scheduled in the second half of this year which will release the first of three remaining license payments from Shell. First payment is USD 7.5 million, and subsequent payments are USD 4.3 million at first oil and USD 4.3 million at 4 million barrels of oil offloaded.
- Interest for renewable projects have increased significantly over the last year and we see that many buyers want to close acquisition processes prior to the Ready-to-Build phase with substantial pre-payment instalments. In addition, we notice significant interest for private portfolios at prices above what we have guided for in the quarter for projects that have not entered the Ready-To-Build phase yet.

The second quarter report and presentation are attached to this announcement.

The report can also be found on: <https://magnoraasa.com/investors>

The company will host a webcast presentation at 10:00 CET this morning, which can be accessed with the following link: <https://streams.eventcdn.net/magnoraasa/2022-q2/>

The presentation will be followed by a Q&A session with the management. Questions may be asked in writing during and after the presentation.

## **Disclosure regulation**

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

## **Contacts**

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## **About Magnora ASA**

Magnora ASA (OSE: MGN) has a legacy royalty business that is re-invested in renewable energy development projects and companies. Magnora's portfolio of renewable companies consists of Evolar AB, Helios Nordic Energy AB, Kustvind AB, Magnora Offshore Wind AS, Magnora South Africa, and AGV. The company is listed on the main list on Oslo Stock Exchange under the ticker MGN.

## **Attachments**

- [Download announcement as PDF.pdf](#)
- [Magnora ASA Q2 2022 Report.pdf](#)
- [Magnora ASA Q2 2022 Presentation.pdf](#)