



MAGNORA ASA

Hafslund, Magnora and Helios start a new solar power company in Norway. At the same time, Hafslund invests NOK 100 million in Magnora and establishes a letter of intent on renewable cooperation.

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Hafslund, Magnora ASA ("Magnora") and Helios Nordic Energy AB ("Helios") establish a new company to develop large-scale solar parks in Norway. The parties have an ambition for the newly established company to develop 1,000 MW of solar power to ensure more renewable energy for Norway. Hafslund has also committed to investing NOK 100 million in Magnora.

The new company will develop solar power projects from the start until they are ready for construction, after which Hafslund will have a first right to buy the projects. The company, which is being established, will be owned 40 percent each by Hafslund and Magnora, and 20 percent by Helios. As part of the company establishment, Hafslund will contribute NOK 15 million (in addition to the NOK 100 million) in development capital.

"Development of solar energy will be an important contribution to increased renewable power production, without greenhouse gas emissions and with a low ecological footprint", says Magnora's general manager Erik Sneve.

"Hafslund wants to take an active role in the development of solar energy in Norway and believes that new solar projects can be built faster than similar projects in hydropower and wind power. This will increase the supply of power and will contribute to lower power prices for households and industry in Norway," says Hafslund's Deputy CEO Martin S. Lundby.

"We are very pleased to be able to apply and share our expertise and technology beyond Sweden's borders, as well as to collaborate with strong industrial players such as Hafslund and Magnora", says general manager and founder of Helios Andreas Tunbjer.

Hafslund also invests NOK 100 million in Magnora and establishes a letter of intent on renewable cooperation.

Hafslund Vekst AS has committed to invest NOK 100 million in Magnora ASA and is expected to obtain an ownership share of above 5 per cent, making Hafslund the largest single investor in Magnora. The investment takes place on the terms set out in the stock market announcement published by Magnora today regarding a planned private placement and will be used broadly within Magnora's operations, including contributing to the company achieving its goal of establishing a development portfolio of 5,000 MW by 2025. The establishment of a new solar power company, which the two companies are doing together with Helios, is an important part of this venture.

The agreement of intent - which is in addition to the start-up of a new solar power company in Norway - is based on the parties seeking cooperation where it is considered desirable and value-enhancing by both parties. The aim is that the agreement will be able to strengthen both companies' commitment to renewable energy into the future.

"Magnora is very pleased that Hafslund sees the value in Magnora's development portfolio and underlying potential. Furthermore, Magnora is very pleased that Hafslund, which is a highly recognized industrial player in the power sector, is contributing to the company's further development," says Magnora CEO Erik Sneve.

"Hafslund has high ambitions for the development and construction of new renewable energy and sees Magnora as an important part of the company's future investment in renewable power beyond hydropower," says Hafslund's Deputy CEO Martin S. Lundby.

Hafslund is one of Europe's largest and Norway's second largest producer of renewable power, and wholly or partially owns more than 80 hydropower plants in Norway. The company's own power production is approx. 18 TWh and in total the group operates a production of over 21 TWh. Hafslund has more than 100 years of experience in hydropower, owns half of Norway's largest grid company, Elvia, and also invests heavily in heating, cooling, carbon capture and offshore wind, among other things.

Helios is a leading solar power developer in the Nordics and has a development portfolio of more than 40 projects with a total capacity of around 1,900 MW. Over the past 9 months, Helios has sold 10 solar power projects in Sweden totaling

approx. 375 MW and is currently building its first solar park in Västerås for a client. Helios' business model is the development of solar power projects with associated grid connection, construction management and operational services, and the company has a team of experts who cover all parts of the value chain in solar energy projects. Magnora is the main owner of Helios with a 40 percent stake.

Magnora is a listed company that develops companies and projects within renewable energy. In addition to Helios, the company has stakes in seven other companies in solar energy, wind power and offshore wind in Scandinavia, Great Britain and South Africa, and has a total development portfolio of over 3,000 MW.

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Disclosure regulation

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

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

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