MAGNORA ASA

Second quarter and half year 2025

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Letter from the CEO

It's a pleasure to share Magnora's recent results and our outlook on the market.

A high priority has been to strengthen our capabilities and offerings within industry-scale battery energy storage systems (BESS). This has been met with strong interest from both customers and partners, exemplified by our recent signing of a Letter of Intent with a leading European infrastructure company.

As of July 2025, energy prices across Europe continue to fluctuate significantly as the grid balances supply and demand. The growing share of wind and solar in the energy mix is a key driver of this volatility. In Germany, for instance, hours of negative power prices annually were around 100 in 2022 and 500 in 2024, and some analysts project 700-1,200 such hours annually over the next five years. Such volatility fuels a large and growing market for BESS. The batteries charge in periods of the day prices are low and discharge when prices are high, and they also provide ancillary services to grid operators.

Magnora originates BESS projects based on criteria such as a high share of intermittent electricity, supportive policy frameworks, manageable development costs, strong trading potential, and where possible co-location with solar PV or wind assets. Disciplined project development remains essential to produce high-quality projects that are sold and go into the construction phase. An example of a recent project milestone is the financial close of the Red Sands BESS project in South Africa. Magnora developed the project until its acquisition by Globeleq in 2023. It is the largest standalone BESS project in Africa to reach financial close to date.

In parallel, Magnora remains fully committed to developing our solar PV, onshore wind, and offshore wind projects. During the quarter, we continued to invest in our projects in primarily Germany (BESS), Italy (BESS), Scotland (offshore wind), and South Africa (onshore wind, solar PV, BESS). Magnora's total project portfolio, on an ownership basis, now stands at 8.0 GW, up 65% last twelve months. We are on track to reach our 10 GW target by the end of 2025 and continue to expect the sale or farm-down of 600–725 MW of projects this year. In addition, Magnora is exploring data centres as a potential new business area, based on existing capabilities, project portfolio and partner network.

Net profit for the first half of 2025 was NOK 16.4 million. Our quarterly financials are largely influenced by the timing of project sales, which fluctuate depending on project maturity and market conditions. Nonetheless, our core value creation is continuously driven by the steady development of a large and growing portfolio toward ready-to-build status.

While global sustainability efforts have recently been overshadowed by geopolitical developments, our commitment to accelerating the energy transition remains unwavering. Expanding renewable energy and storage capacity is a powerful response to both the climate crisis and the need for secure, affordable energy.

Magnora's contribution to the energy transition creates value for stakeholders, the planet, and the company. We aim to continue delivering successful projects, consistent growth, and strong returns. Our portfolio includes sales-ready projects in all our markets and is balanced and adapted to local demand and market cycles.

Based on our portfolio, team, and ongoing dialogue with customers and partners, I am confident that Magnora is well positioned for continued success.

Thank you for your interest in this report. Please do not hesitate to reach out to me or my colleagues with any questions, ideas, or feedback.

Erik Sneve

Erik Sneve, CEO

The quarter in brief

Driving portfolio growth and advancing sales readiness across all markets

Highlights

Strong portfolio growth and sales momentum: Magnora's portfolio expanded 7% this quarter to 8.0 GW, up 65% since Q2 2024, keeping us on track for the 10 GW target by end of 2025. A record number of projects are now sales-ready, with active commercial discussions across all regions and technologies.

Germany – surging BESS demand: We have identified some 70 potential projects with good grid potential, and Magnora's portfolio grew to 150 MW. We experience very high interest in BESS projects in Germany.

Italy – scaling for MACSE auctions: Magnora is advancing 450 MW of early- and mid-stage BESS projects towards the auctions in 2026 and 2027, as well as the merchant and capacity markets.

South Africa – growing steadily and exceeded 5 GW: The project portfolio is now above 5 GW across solar PV, onshore wind, and BESS. A sales process is underway for a fully permitted co-located 250 MW wind and 250 MW solar project, with optional BESS. Also, several other projects are approaching a sales process.

Offshore wind progressing in Scotland: Magnora Offshore Wind has received an updated grid connection agreement confirming connection to the Western Isles, scheduled for December 2030. The project remains on track for a Final Investment Decision in 2028.

UK solar PV and BESS – preparing for sales processes: Grid agreement negotiations are advancing for several projects. We expect to bring 140 MW to market in second half of 2025.

Norway – expanding solar pipeline: The project portfolio of Hafslund Magnora Sol passed 2,000 MW (over 800 MW net to Magnora). The company continues to grow its landbank with careful attention to community and environmental considerations.

Share buyback programme: On 29 April, Magnora launched a new share buyback programme, allowing for repurchase of up to 10% of the company's total shares.

Exit from Hermana Holding ASA: On 16 June, Magnora sold its remaining shares in Hermana Holding ASA for approximately NOK 40 million with a net gain of NOK 8.7 million. With that, Magnora's transition into a pure renewable-energy company was completed not only operationally, but also financially.

Key financial figures

Cash and cash equivalents totalled NOK 223.4 million as of 30 June 2025 (Q1: NOK 229.6 million), reflecting development spending, share buybacks, and shareholder returns, partly offset by proceeds from the Hermana Holding ASA divestment.

The net result from continued operations was a net loss of NOK 22.4 million, compared to a net profit of NOK 60.1 million in the same quarter last year. The difference is largely due to the prior year period including significant earnings from project divestments and income from associated companies.

Capital returned to shareholders was NOK 11.9 million of cash, and the Group performed share buybacks totalling NOK 1.6 million.

Subsequent events

Red Sands milestone: In South Africa, the 153 MW / 612 MWh Red Sands BESS project reached financial close in July, which will trigger a final milestone payment to Magnora when all conditions in the Share Purchase Agreement (SPA) have been met. Developed by Magnora and sold to Globeleq in 2023, the project is now ready for construction. Red Sands is the largest standalone BESS project in Africa to reach financial close to date.

A quarterly dividend of NOK 0.187 per share, to be distributed as a return of paid-in capital to shareholders, was approved by the Board on 17 July 2025.

Outlook

Permitting and grid progress: A number of projects across most of our geographies are on track to achieve full permitting and secure firm grid connection dates during 2025-2028.

Improved supply chain: Magnora's customers are benefiting from a sustained fall in the prices of solar panels and batteries, and also for wind turbines driven by new entrants easing supply chain. BESS is a case in point, with prices expected to continue halving approximately every second year.

Meanwhile, delays in the rollout of competing floating offshore wind projects enables our Scotwind project to engage with top suppliers on favourable terms.

Strong partnership interest: We are experiencing significant interest in co-investment and partnership opportunities.

Long-term sales pipeline: Magnora continues to build a strong and balanced landbank, which increased 65% the last twelve months, positioning the company to deliver project sales annually through the end of this decade and beyond. All regions and technologies are expected to contribute to sales in 2025 or early 2026.

Active sales and farm-down pipeline: We are currently engaged in multiple project sales and farm-down discussions and continue to explore opportunities in new markets. We anticipate the sale or farm-down of 600–725 MW of projects in 2025, potentially spanning offshore and onshore wind, solar, and BESS across several countries.

Germany and Italy – quality-driven BESS growth: In both countries, we are steadily building a high-quality BESS portfolio while maintaining active dialogues with potential partners and buyers. The market is gaining momentum, driven by falling costs, increased public infrastructure investment, and power-price volatility. In Germany we plan for efforts and results based on the recently signed Letter of Intent with a leading European infrastructure company. The local teams are expected to be further expanded in the coming months.

South Africa – sales process underway: Our South African business expects additional sales opportunities to materialise this year.We are currently in a sales process for a fully permitted 2x250 MW co-located wind and solar project, with optional BESS. Active discussions with potential buyers for other assets may also lead to sales this year.

Future income from sold assets: Earnouts, revenue-sharing arrangements, and milestone payments from previously sold projects and companies are expected to provide Magnora with substantial income in the years up to 2029.

Exploring data centre synergies: Magnora is assessing opportunities in the data centre space, leveraging our expertise in project development, power markets, grid access, and market integration. Quite some time has been invested the last nine months, including discussions with potential partners. Some of our projects may be suitable for co-location of data centres and renewable-energy generation.

The Magnora share

As of 30 June 2025, Magnora's share price was NOK 24.35, corresponding to a market capitalisation of NOK 1.6 billion. During the quarter, the Group repurchased its own shares under authorisations granted by the Annual General Meetings in 2024 and 2025. At quarter-end, the Group held 1,915,030 treasury shares. The Board of Directors will evaluate the cancellation of these shares in alignment with the Group's capital allocation strategy and intends to propose cancellation at a future date. The Board continues to identify several attractive organic growth opportunities in the short to medium term, consistent with the Group's long-term growth strategy.

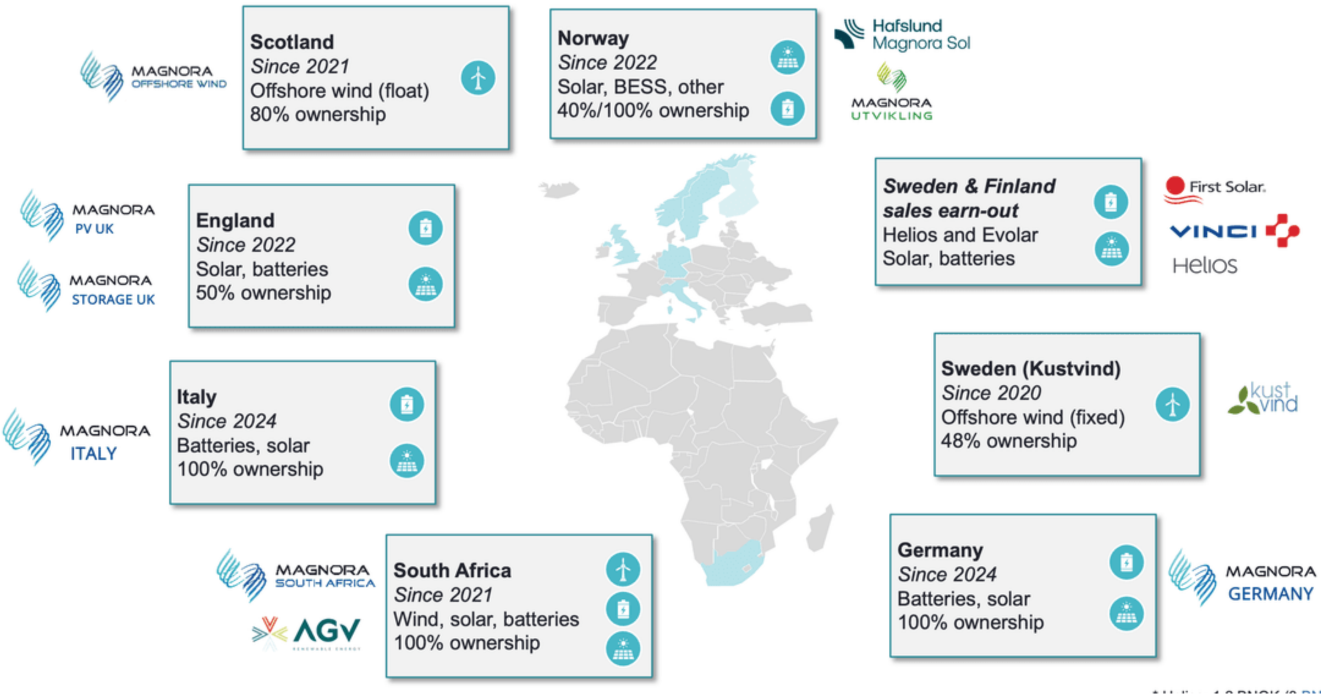
As of market close 30 June 2025:

Market cap	Share price	Total shares
MNOK 1 602	NOK 24,35	65 781 825

Magnora today and going forward

Over the past years, Magnora has successfully and profitably transitioned into the green energy sector, expanding its portfolio across multiple countries, platforms, and technologies—supported by strong organic cash flow.

Magnora's market presence

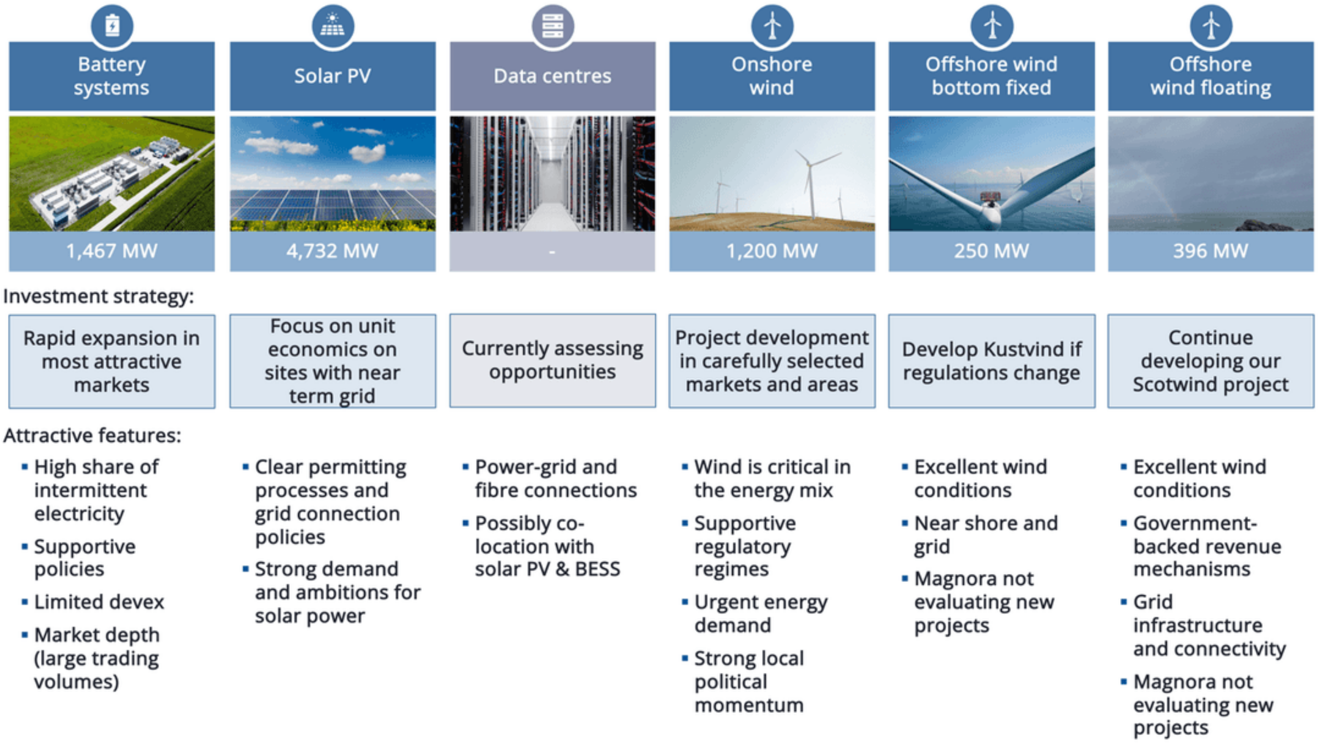


Capacity of project portfolio per country and technology[1]

MW	Battery systems (BESS)	Solar PV	Onshore Wind	Offshore Wind fixed	Offshore Wind floating	TOTAL
Norway	-	828	-	-	-	**828**
Sweden	-	-	-	250	-	**250**
Scotland	-	-	-	-	396	**396**
England	168	105	-	-	-	**273**
Germany	150	-	-	-	-	**150**
Italy	450	-	-	-	-	**450**
South Africa	699	3 799	1 200	-	-	**5 698**
TOTAL	**1 467**	**4 732**	**1 200**	**250**	**396**	**8 045**

[1] Magnora's share excluding Helios (sold in 2024) and sold projects where future earnout and milestone payments are expected.

Per technology: portfolio size and strategic priorities



Exploring strategic opportunities in the data centre sector

In our ongoing business development efforts, we have identified the accelerating demand for data centres across our core markets as a compelling strategic opportunity for Magnora. For instance, in the Nordic region, data centre power demand is expected to grow from 11 TWh today to 62 TWh by 2050. The growth of data centres is however constrained by a limited supply of suitable sites—particularly those with robust grid connectivity, creating a favourable entry point for players with the right capabilities.

Over the past months, Magnora has invested time and resources into analysing the data centre landscape to understand the operational, regulatory, and commercial requirements for success. This work has confirmed a strong strategic fit between the sector's needs and Magnora's core competencies, including grid connection expertise, site identification, permitting processes, sustainability integration, power market insight, and project execution.

Magnora is well positioned to take a more active role in this space. Our capabilities match well with the key bottlenecks faced by data centre developers, particularly in reducing time-to-market and securing grid-ready sites. Furthermore, the data centre segment complements our existing portfolio by balancing electricity production with consumption, thereby reducing exposure to power price volatility. We also see potential for co-location with solar PV and wind assets, enhancing project synergies and long-term value creation.

Financial review

(Numbers are unaudited)

Magnora and its subsidiaries ("the Group") recognise their share of financial results from portfolio companies in accordance with IFRS, based on the Group's ownership stake.

Portfolio companies are classified as associates when the Group holds between 20% and 50% ownership and/or does not exercise control over the entity. For these companies, the Group recognises its proportional share of net profit or loss. Further details are provided in Note 6: Investment in Associates.

Companies are classified as subsidiaries when the Group holds more than 50% ownership and/or exercises control as the majority shareholder. These entities are fully consolidated into the Group's financial statements, and their entire net profit or loss is recognised. Development costs in these subsidiaries are expensed rather than capitalised, as the projects are in early-stage development.

Revenues and other income

Operating revenue for the quarter amounted to NOK 2.3 million, compared to NOK 2.8 million in the same quarter last year. The decrease reflects a slightly lower level of activities under management service agreements with affiliated companies.

Other income totalled NOK 6.7 million in the quarter, down from NOK 58.9 million in Q2 2024.

The current quarter's income includes contingent consideration from a previously divested project in South Africa, income from structured funding awarded to support targeted development initiatives in emerging markets, and net gain from the divestment of the Group's 30% interest in Hermana Holding ASA. No additional earn-out income was recognised from other prior divestments during the period.

The Group's business model focuses on developing and monetising renewable energy projects, with income primarily generated through project divestments. As such, a significant portion of the Group's earnings is recognised under other income, rather than through conventional operating revenue streams.

Operating expenses

Operating expenses for the quarter was NOK 14.5 million, compared to NOK 17.3 million in the same quarter last year.

The decrease primarily reflects elevated costs in the previous year related to the restructuring activities undertaken during first half of 2024 to facilitate the carve-out of Magnora's legacy licensing business.

Development and M&A expenses

Development and M&A costs in Q2 2025 totalled NOK 19.0 million, compared to NOK 13.1 million in the same quarter last year.

The increase is attributable to a moderately higher level of activity across the project portfolio.

Net financial items

Net financial items improved to NOK 5.6 million, compared to a net expense of NOK 3.1 million in Q2 2024. The result includes a foreign exchange gain of NOK 5.2 million, reversing prior period losses. Although these items are not tied to operating performance, they contributed positively to the Group's overall result for the quarter.

Net profit/loss

The Group recorded a net loss from continued operations of NOK 22.2 million, compared to a net profit of NOK 60.1 million in the same quarter last year. The variance is largely due to the lower level of other income, as the prior year period included significant earnings from project divestments and income from associated companies. The result also reflects increased development spending in support of the Group's long-term growth ambitions.

Cash flow

As of 30 June 2025, the Group's cash and cash equivalents amounted to NOK 223.4 million, compared to NOK 229.6 million as of 31 March 2025.
Cash flow from operating activities was a negative NOK 28.2 million, compared to negative NOK 23.2 million in the same quarter of the previous year. The decline reflects increased development spending as the Group continues to build out its project pipeline in both new and existing markets.
Cash flow from investing activities amounted to NOK 35.8 million, up from NOK 27.6 million in Q2 2024. The increase was primarily driven by proceeds of NOK 39.9 million from the divestment of the Group's 30% interest in Hermana Holding ASA.
Cash flow from financing activities was a negative NOK 13.7 million, compared to a negative NOK 1.1 million in the same period last year. This includes a capital distribution of NOK 11.9 million to shareholders and share repurchases totalling NOK 1.6 million.

Financial position

Group equity by the end of the quarter was NOK 393.9 million (NOK 402.2 million as of 31 December 2024), representing an equity ratio of 78 percent, up from 70 percent at the end of 2024. The decrease in equity during the quarter is primarily attributable to the distribution of capital to shareholders and share buybacks, partially offset by an increase in share capital resulting following a change in par value.
As of the report date, the Group has undrawn overdraft facilities of NOK 150 million.

Risk and uncertainty factors

The Group is exposed to a range of financial, operational, and strategic risks, which are actively monitored and managed across all levels of the organisation.

As of the end of the second quarter of 2025, there have been no material changes to the Group's risk exposure or assessment compared to those outlined in the 2024 Annual Report.

Key risk areas include:

Market and financial risk: The Group is directly or indirectly exposed to electricity price volatility, inflation, interest rate movements, and currency fluctuations. These factors can influence investment returns and asset valuations. The Group mitigates these risks by continuously monitoring market forecasts and adjusting internal strategies, economic assumptions, and valuation models accordingly.

Liquidity and capital access: As the Group increases its investment in capital-intensive projects, it faces heightened liquidity and financing risks. These are managed through proactive financial planning, close collaboration with financing partners, and a phased investment approach aligned with project milestones and divestments.

Regulatory and policy risk: Changes in renewable energy policies, tax regimes, or regulatory frameworks may affect project timelines and profitability. The Group actively monitors policy developments and government signals to adapt plans and forecasts accordingly. Risks related to licensing, municipal veto rights, and concession approvals are mitigated through early stakeholder engagement and geographic diversification.

Geopolitical risk: Ongoing geopolitical tensions, including trade uncertainties and the wars in Ukraine and the Middle East, have increased volatility in several markets. These developments can disrupt supply chains and affect regulatory environments and trade agreements. The Group continuously monitors geopolitical developments and updates its plans and forecasts to mitigate potential impacts.

Project execution risk: Risks such as delays in permitting, grid access, or land acquisition remain relevant. Global supply chain constraints, including limited access to key components, may also affect project timelines and costs. The Group addresses these risks through rigorous due diligence, flexible development timelines, and diversification across geographies and technologies.

Environmental and climate risk: Environmental considerations, including biodiversity and habitat protection, can influence permitting and project design. At the same time, climate change and the global energy transition support long-term demand for renewable energy, reinforcing the Group's strategic direction.

Business conduct, operational and cybersecurity risk: The Group is exposed to risks related to fraud, corruption, and cyber threats. These are mitigated through a robust internal control framework, including a code of conduct, anti-corruption policies, IT security protocols, and supplier screening. While exposure to fraud is limited, the Group remains vigilant through training, oversight, and reporting mechanisms.

Human capital risk: The Group's performance depends on a highly specialised team. The loss of key personnel is an ongoing risk, mitigated through succession planning and active recruitment.

Competition risk: The renewable-energy sector is becoming increasingly competitive. The Group manages this risk through disciplined project selection and execution, cost control, and strong market orientation.

Cash flow and counterparty risk: Cash flows from subsidiaries and associated companies depend on operational execution and the achievement of project milestones, which introduces timing and counterparty risk. These are mitigated through contractual protections, active board participation, and diversified revenue streams.

The Group maintains a robust risk management framework and continues to focus on the most material uncertainties that could affect financial and operational performance. Risk exposures are reviewed regularly, and no new significant risks have been identified in the second quarter of 2025.

Condensed interim consolidated financial statements

Interim consolidated statement of profit and loss

(Numbers are unaudited)

NOK million	Note	Q2 2025	Q1 2025	YTD 2025	Q2 2024	YTD 2024	2024
Continued operations							
Operating revenue	3	2,3	49,7	52,0	2,8	3,1	2,3
Other income	4, 6	6,7	12,8	19,6	58,9	73,8	358,6
Operating expense		-14,5	-9,9	-24,4	-17,3	-29,2	-51,7
Development and M&A expense		-19,0	-11,5	-30,4	-13,1	-27,6	-69,9
EBITDA		**-24,4**	**41,1**	**16,7**	**31,3**	**20,0**	**239,3**
Depreciation and amortisation		-0,3	-0,3	-0,5	-0,5	-0,5	-1,1
Profit/loss from associated companies		-3,1	-4,0	-7,1	37,9	47,2	43,3
Operating profit/(loss)		**-27,8**	**36,9**	**9,0**	**68,7**	**66,7**	**281,5**
Financial income/(expense)		0,4	5,6	6,1	1,2	1,6	-0,4
FX gain/(loss)		5,2	-3,9	1,3	-4,3	-9,3	-11,9
Net financial items		**5,6**	**1,7**	**7,3**	**-3,1**	**-7,7**	**-12,3**
Profit/(loss) before tax		**-22,2**	**38,6**	**16,4**	**65,6**	**59,0**	**269,2**
Tax income/(expense)		-	-	-	-5,5	-5,5	-5,5
Net profit/(loss) continued operations		**-22,2**	**38,6**	**16,4**	**60,1**	**53,5**	**263,7**
Discontinued operations							
Gain from distribution of Hermana Holding ASA to shareholders		-	-	-	311,6	311,6	311,6
Net profit/(loss) discontinued operations		-	-	-	2,5	4,2	4,2
Net profit/(loss)		**-22,2**	**38,6**	**16,4**	**374,2**	**369,3**	**579,4**
Net profit/(loss) attributable to:							
Equity holders of the parent		-18,8	40,9	22,1	376,8	375,5	593,6
Non-controlling interest		-3,5	-2,3	-5,8	-2,6	-6,2	-14,2

Interim consolidated statement of comprehensive income

(Numbers are unaudited)

NOK million	Note	Q2 2025	Q1 2025	YTD 2025	Q2 2024	YTD 2024	2024
Net profit/(loss)		-22,2	38,6	16,4	374,2	369,3	579,4
Other comprehensive income							
Items which may be reclassified to profit/(loss)							
Foreign currency translation		-1,3	4,0	2,7	1,7	5,3	7,2
Total comprehensive income		**-23,5**	**42,6**	**19,0**	**376,0**	**374,6**	**586,6**
Total comprehensive income attributable to:							
Equity holders of the parent		-18,4	44,5	26,1	377,9	379,3	599,0
Non-controlling interest		-3,8	-2,0	-5,8	-2,0	-4,7	-12,3

Earnings per share

(Numbers are unaudited)

	Q2 2025	Q1 2025	YTD 2025	Q2 2024	YTD 2024	2024
Earnings per share (NOK):						
- Basic	-0,29	0,62	0,33	5,73	5,67	0,06
- Diluted	-0,28	0,61	0,33	5,68	5,62	0,06
Weighted avg. no. of shares outstanding	65 781 825	65 781 825	65 781 825	65 751 825	66 287 252	66 287 252
Weighted diluted avg. no. of shares outstanding	65 781 825	66 605 894	66 482 896	66 368 506	66 870 300	66 870 300

Interim consolidated statement of financial position

(Numbers are unaudited)

NOK million	Note	30.06.2025	30.06.2024	31.12.2024
ASSETS				
Deferred tax assets	2	2,7	2,7	2,7
Goodwill		8,4	8,4	8,4
Intangible assets		144,5	140,7	148,5
Fixed assets		0,6	0,4	0,5
Right-of-use asset		0,8	0,7	1,2
Investment in associated companies	6	27,0	58,3	59,9
Loans to associates		30,0	28,1	31,6
Other non-current assets		39,8	12,6	39,5
Total non-current assets		**253,7**	**251,8**	**292,3**
Trade and other receivables		7,9	16,6	7,0
Other current financial assets	7	23,2	25,4	21,9
Cash and cash equivalents		223,4	311,3	254,1
Assets held for sale		-	72,6	-
Total current assets		**254,4**	**425,9**	**283,0**
Total assets		**508,2**	**677,7**	**575,3**
EQUITY AND LIABILITIES				
Share capital		32,9	26,2	26,2
Treasury shares		-0,8	-	-0,7
Other reserves		16,7	12,3	14,0
Other equity		349,3	471,7	361,0
Total equity attributable to owners of the parent		**398,0**	**510,3**	**400,5**
Non-controlling interest		-4,1	9,3	1,7
Total equity		**393,9**	**519,6**	**402,2**
Deferred tax liability		0,4	0,4	0,4
Total non-current liabilities		0,4	0,4	0,4
Trade and other payables		4,5	10,5	4,7
Provisions		13,2	13,0	13,2
Lease liability		0,8	0,8	1,2
Other current liabilities	11	95,3	133,4	153,5
Total current liabilities		113,7	157,7	172,6
Total liabilities		**114,2**	**158,1**	**173,1**
Total equity and liabilities		**508,2**	**677,7**	**575,3**

Interim consolidated statement of changes in equity

(Numbers are unaudited)

NOK million	Note	Share capital	Treasury shares	Other equity	Currency translation reserve	Total	Non-controlling interest	Total equity
Equity as of 1 January 2025		**26,2**	**-0,7**	**361,0**	**14,0**	**400,5**	**1,7**	**402,2**
Total comprehensive income for the period		-	-	22,1	2,7	24,8	-5,8	18,9
Share-based payments	8	-	-	1,5	-	1,5	-	1,5
Acquired treasury shares	10	-	-0,1	-4,8	-	-4,9	-	-4,8
Dividends declared	9	-	-	-23,9	-	-23,9	-	-23,9
Increase in par value of outstanding shares		6,7	-	-6,7	-	-	-	-
Equity as of 30 June 2025		**32,9**	**-0,8**	**349,2**	**16,7**	**398,0**	**-4,1**	**393,9**
Equity as of 1 January 2024		**32,7**	**-0,5**	**497,5**	**8,6**	**538,3**	**14,0**	**552,3**
Total comprehensive income		-	-	593,6	5,4	599,0	-12,3	586,6
Share-based payments		-	-	3,8	-	3,8	-	3,8
Acquired treasury shares		-	-0,7	-41,4	-	-42,1	-	-42,1
Redemption of own shares		-0,5	0,5	-	-	-	-	-
Dividends declared		-	-	-299,8	-	-299,8	-	-299,8
Distribution of non-cash assets to owners		-6,7	-	-392,2	-	-398,9	-	-398,9
Increase in par value of outstanding shares		0,7	-0,1	-0,7	-	-	-	-
Equity as of 31 December 2024		**26,2**	**-0,7**	**361,0**	**14,0**	**400,5**	**1,7**	**402,2**

Interim consolidated statement of cash flow

(Numbers are unaudited)

NOK million	Note	Q2 2025	Q1 2025	YTD 2025	Q2 2024	YTD 2024	2024
Cash flows from operating activities							
Profit/(loss) before tax from continued operations		-22,2	38,6	16,3	65,6	59,0	269,2
Profit/(loss) before tax from discontinued operations		-	-	-	314,1	315,8	315,8
Profit/(loss) from associated companies		3,1	4,0	7,1	-37,9	-47,2	-43,3
Share-based payments	8	0,7	0,7	1,5	1,3	3,5	3,4
Depreciation and amortisation		0,3	0,3	0,5	0,3	0,5	1,1
Gains from divestments	4	-3,2	-12,8	-16,0	-61,0	-73,8	-358,6
Gains demerger non-cash		-	-	-	-311,6	-311,6	-311,6
Unrealised effects included in operating profit/(loss)		-5,1	5,1	0,0	2,4	0,7	7,5
Changes in trade and other receivables		0,3	-42,5	-42,2	1,1	-8,0	4,1
Changes in trade and other payables		0,4	-1,5	-1,1	-4,4	6,0	0,5
Changes in other current liabilities and provisions		-2,5	-7,5	-10,0	6,9	9,3	7,1
Net cash flow from from operating activities		**-28,2**	**-15,6**	**-43,9**	**-23,2**	**-45,9**	**-104,9**
Cash flows from investing activities							
Investment in associated companies		-4,1	-0,2	-4,3	-10,1	-15,5	-22,2
Investment in fixed assets		-	-	-	-0,1	-0,1	-0,1
Proceeds from divestments	4, 6	39,9	6,7	46,6	61,2	61,2	395,1
Net cash as part of distribution to owners		-	-	-	-23,4	-23,4	-23,4
Dividends received		-	-	-	0,0	0,0	2,6
Net cash flow from investing activities		**35,8**	**6,5**	**42,3**	**27,6**	**22,2**	**352,1**
Cash flows from financing activities							
Facility drawdown		-	-	-	-0,9	-	-
Proceeds from project loan		-	-	-	-	-	3,4
Payment for shares bought back	10	-1,6	-3,2	-4,8	-	-	-42,7
Lease payments		-0,2	-0,3	-0,5	-0,2	-0,4	-1,1
Dividends paid	9	-11,9	-12,0	-23,9	0,0	-12,3	-299,8
Net cash flow from financing activities		**-13,7**	**-15,5**	**-29,2**	**-1,1**	**-12,7**	**-340,2**
Net change in cash and cash equivalents		-6,2	-24,5	-30,8	3,3	-36,3	-93,0
Effect of exchange rate changes on cash and cash equivalents							-0,5
Cash and cash equivalents at start of period		229,6	254,1	254,1	308,0	347,6	347,6
Cash and cash equivalents at end of period		**223,4**	**229,6**	**223,3**	**311,3**	**311,3**	**254,1**

Notes to the financial statements

Note 1 General information and accounting policies

Corporate information

Magnora ASA ("the Company") is incorporated and domiciled in Norway. The address of its registered office is Karenslyst Allé 6, 0278 Oslo. The Company is listed on the Oslo Stock Exchange main list with the ticker MGN.

Magnora ASA and its subsidiaries and investments in associated companies (the "Group") is a renewable energy group developing medium-to-large battery, solar PV, and wind projects from early-phase greenfield to ready-to-build.

The Group evaluates numerous opportunities before taking on projects, then developing the projects over a few years, and eventually exiting when projects are ready-to-build or near that stage. The Group portfolio is primarily built organically, with a pragmatic approach to growth with the objective of generating further shareholder value.

Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU under the International Accounting Standard for Interim Financial Reporting (IAS 34). As the interim financial statements do not include the full information and disclosures required for a complete set of consolidated financial statements, they should be read in conjunction with the Group's annual consolidated financial statements. The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for 2024.

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures ("APMs") that came into effect on 3 July 2016. Magnora has defined and explained the purpose of the following APM:

EBITDA: EBITDA, as defined by Magnora, includes operating revenue and other income and excludes profit/loss from associated companies, depreciation, amortisation, and impairment loss.

Accounting policies, judgements and estimates

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those followed in the preparation of the Annual Financial Statements for 2024.

Due to rounding adjustments, the figures in certain columns may not sum to the total of those columns.

Note 2 Material accounting judgements and estimates

Deferred tax asset recognition

Deferred tax assets are recognised for unused tax losses only to the extent it is probable a taxable profit will be available to be offset by the tax credit carry forward from previous losses. Significant management judgement is required to determine the amount of deferred tax assets to be recognised, based upon the likely timing and level of future taxable profits. The recognised deferred tax asset is most sensitive to expected future taxable profits.

The deferred tax asset recognised is expected to be utilised within the next 5 years based on the company's contract portfolio and cost base as of today. The book value of the deferred tax asset represents a minor part of the total accumulated tax losses of over NOK 3 billion.

Consolidation of portfolio companies

The Group has a portfolio of companies invested in and performs a quarterly evaluation of whether it has control in accordance with IFRS 10.

The Group invested in Kustvind AB in March 2020 through a share issue and holds a 48 percent ownership at the reporting date. Magnora holds the right to increase its ownership to 50 percent subject to a budget and milestone plan. The option to increase ownership is not currently exercisable, as any ownership increase must be initiated by the Kustvind board through a capital call, driven by the project's capital needs. The remaining shares are equally owned by Kustvind's three founders. Magnora has three out of five board members, and the founders have the remaining two members. The other shareholders have the right to elect a third board member at any time, and it is expected that they will do so. Magnora is a minority owner alongside three other owners and has significant influence of the company. As a result, its ownership is accounted for using the equity method, classifying Kustvind as an associated company.

The Group established Hafslund Magnora Sol AS together with Hafslund Vekst AS and Helios Nordic Energy AB in October 2022 and holds 40 percent ownership at the balance sheet date. Magnora has two out of six board members, and the other two owners have the remaining four members. Hafslund owns 40 percent and Helios owns 20 percent, thus Magnora has no operational influence on the company beyond its participation in board decisions. Hence its ownership is accounted for using the equity method, classifying Hafslund Magnora Sol as an associated company.

Divestments

For transactions resulting in the loss of control of a subsidiary or associate, IFRS 10 requires that the fair value of the consideration received be determined to calculate the net gain or loss to be recognised. Given the nature of the Group's investments, a significant portion of the consideration may be contingent upon future events, requiring considerable judgment in estimation. The Group follows a conservative approach in valuing its portfolio, including when estimating the fair value of future payments such as earnouts and milestone payments from divestments. The probability of these payments is assessed for each transaction, with contingent consideration included in the net gain or loss. At each reporting date, the Group evaluates changes in the fair value of these future payments, with any adjustments recognised as Other Income in the profit or loss statement. As of the balance sheet date, the total unrecognised value of potential earnouts and milestone payments from divestments is NOK 594 million, which is subject to the achievement of relevant technical and/or commercial milestones, project risks, timing, currency fluctuations, auction results, CfD (Contract for Difference) rates and other factors.

Note 3 Operating revenue

The Group's operating revenue primarily stems from management service agreements with its subsidiaries and associated companies. These agreements are structured at predetermined hourly rates and ensure transparent, consistent delivery of management, technical, and administrative support across the Group.

While the Group's overall financial returns are largely driven by project divestments, with gains recognised under other income, these are non-recurring by nature. As a result, operating revenue remains relatively modest but reflects ongoing, recurring intercompany services.

In the second quarter, revenue from intercompany services amounted to NOK 2.3 million, demonstrating the continued value of Magnora ASA's central expertise in supporting its affiliated entities.

NOK million	Q2 2025	Q1 2025	YTD 2025	Q2 2024	YTD 2024	2024
Licence revenue	-	48,4	48,4	-	-	-
Management services revenue	2,3	1,3	3,6	2,8	3,1	2,3
Total operating revenue	**2,3**	**49,7**	**52,0**	**2,8**	**3,1**	**2,3**

Note 4 Other income

Other income for the quarter totalled NOK 6.7 million compared to NOK 58.9 million in the same quarter last year. This primarily relates to a net gain of NOK 8.67 million from the sale of the Group's 30% ownership interest in Hermana Holding ASA, which had previously been accounted for as an investment in an associate under the equity method. The gain reflects the difference between the proceeds received and the carrying value of the investment, net of transaction costs.

In addition, the Group received NOK 3.57 million in structured funding awarded in support of its renewable energy development activities in emerging markets The funding was recognised in line with the requirements of IAS 20, as the relevant conditions for recognition had been met during the period.

The total other income figure also reflects a negative adjustment of NOK 5.5 million related to revised fair value estimates of contingent consideration recognised in prior periods.

Note 5 Investment overview

Name of entity	Registered office	Accounting principle	Ownership
Magnora Renewable Holding AS	Norway	Consolidated	100 %
Magnora Offshore Wind Holding AS	Norway	Consolidated	100 %
Magnora Holding AS	Norway	Consolidated	100 %
Magnora Utvikling AS	Norway	Consolidated	100 %
Magnora Offshore Wind AS	Norway	Consolidated	80 %
Magnora South Africa Projects AS	Norway	Consolidated	100 %
Magnora South Africa Development AS	Norway	Consolidated	100 %
Magnora UK PV Holding AS	Norway	Consolidated	100 %
Project Luminara 1 AS	Norway	Consolidated	100 %
Project Luminara 2 AS	Norway	Consolidated	100 %
Magnora Offshore Wind Holding Ltd	United Kingdom	Consolidated	80 %
Magnora Offshore Wind N3 Ltd	United Kingdom	Consolidated	80 %
Magnora Germany GmbH	Germany	Consolidated	100 %
Magnora Italy S.r.l.	Italy	Consolidated	100 %
African Green Ventures (Pty) Ltd	South Africa	Consolidated	100 %
Hafslund Magnora Sol AS	Norway	Equity method	40 %
Kustvind AB	Sweden	Equity method	48 %
Gamcap Magnora Development Company Ltd	United Kingdom	Equity method	50 %

Note 6 Investments in associates

Kustvind AB

The Group invested in Kustvind AB (Kustvind), a shallow-water offshore wind project located off the southern coast of Sweden, in March 2020. As of 30 June 2025, Magnora has a 48 percent ownership in Kustvind AB and has the option to increase its ownership to 50 percent. As Magnora is a minority owner with three other owners of the project and does not have control, it accounts for this investment using the equity method, adjusting the investment's value based on its proportional share of Kustvind's net results for the period.

Hafslund Magnora Sol AS

The Group invested in Hafslund Magnora Sol AS (HMS), together with Hafslund Vekst AS and Helios Nordic Energy AB, to develop large-scale solar PV farms in Norway, in October 2022. As of 30 June 2025, Magnora owns 40 percent of HMS and does not have control. The Group therefore applies the equity method to account for its investment in HMS, adjusting the investment's value based on its share of HMS' net results.

Note 7 Other current financial assets

As of the end of the second quarter, the Group's other current financial assets totalled NOK 23.2 million. This amount includes NOK 11.6 million in receivables held by the Group's subsidiary, Magnora Offshore

Wind, related to a subscription contribution agreed at the time of the subsidiary's establishment and payable by the project partner. The balance also consists of earn-out income assets of NOK 4.5 million, accrued interest income of NOK 4.3 million, and prepayments amounting to NOK 2.7 million.

Note 8 Share options

Share options have been awarded regularly in accordance with the Group's share incentive scheme as approved by Annual General Meetings since 2019. Throughout this period, both board members and members of management have been granted share options. The cost of these options is expensed monthly over a 36-month period from the grant date, in line with IFRS 2.

No new share options were granted or exercised during the quarter, resulting in a total of 1,453,000 outstanding share options as of quarter-end. Share-based payment expenses for the quarter amounted to NOK 0.7 million.

Note 9 Capital distribution

On 24 April 2025, Magnora's Board of Directors approved a capital return of NOK 0.187 per share. The payout took place on 5 May 2025, amounting to a total capital return of NOK 11.9 million. This cash distribution represents a capital repayment exceeding the par value of the Magnora share.

Note 10 Share buyback programme

The Group's share buyback programme is conducted under an authorisation granted by the Annual General Meeting (AGM) on 29 April 2025, which replaced the prior authorisation from the AGM held on 23 April 2024. Both authorisations permit the repurchase of up to 10% of the Group's share capital. Under the current programme, the Group is authorised to repurchase shares at a price of up to NOK 35 per share, with a total limit of NOK 100 million. The maximum number of shares that may be acquired under this authorisation is 6,578,182.

During the second quarter, the Group repurchased 72,000 of its own shares under the ongoing share buyback programme at a weighted average price of NOK 22.4084 per share, for a total consideration of NOK 1.6 million.
As of the reporting date, total share repurchases under the current programme amount to NOK 1.6 million.

The Group holds 1,915,030 treasury shares as of 30 June 2025, representing 2.9% of total outstanding shares.

Note 11 Other current liabilities

As of 30 June 2025, the Group's total other current liabilities amounted to NOK 95.2 million. This includes NOK 43.5 million in remaining payables related to the Hermana demerger agreement (the "Shell contract"), NOK 47.2 million representing the Group's liability for TFMC's 20 percent share of the ScotWind licence fee, and NOK 4.4 million in other miscellaneous current liabilities.

Note 12 Liquidity

The Group has undrawn overdraft facilities of NOK 150 million.
For long-term liquidity planning, the Group utilises a combination of overdraft facilities and equity financing, particularly for capital intensive investments exceeding the scope of existing facilities. As certain projects progress into phases requiring increased funding, the Group will consider loan arrangements intended to be held through to project exit. Current liquidity remains strong, in line with anticipated transactions and capital requirements across the Group's portfolio companies.

Foreign exchange gains or losses may arise from foreign currency denominated balances, however, these are non-cash in nature, as the balances are expected to be settled upon receipt of corresponding currency revenues.

Note 13 Subsequent events

In South Africa, the 153 MW / 612 MWh Red Sands BESS project reached financial close in July, which will trigger a final milestone payment to Magnora when all conditions in the Share Purchase Agreement (SPA) have been met. Developed by Magnora and sold to Globeleq in 2023, the project is now ready for construction. Red Sands is the largest standalone BESS project in Africa to reach financial close to date.
On 17 July 2025, the Board of Directors decided a dividend of NOK 0.187 per share, to be distributed as a return of paid-in capital to shareholders. As this decision occurred after the reporting period, it is not recognised as a liability as of 30 June 2025. The total dividend amount is expected to be NOK 11.9 million based on the number of shares outstanding at the date of declaration.

Responsibility statement

We confirm, to the best of our knowledge, that the interim consolidated financial statements for the period 1 January to 30 June 2025 have been prepared in accordance with IAS 34 – Interim Financial Reporting and give the true and fair view of the Group's assets, liabilities, financial position and profit and loss as a whole. We also confirm, to the best of our knowledge, that the Interim Financial Report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions.

Oslo, Norway, 17 July 2025
The Board of Directors of Magnora ASA

Torstein Sanness	**Hilde Ådland**	**John Hamilton**	**Erik Sneve**
Chairman	Board member	Board member	CEO