



MAGNORA ASA

Q1 2023 Presentation

15 May 2023

magnoraasa.com

Q1/23 - Status and highlights

- On May 12 Magnora sold all shareholding in Evolar AB for USD 29 million/NOK 310 million with another USD 24 million contingent on future technological milestones – combined approx. NOK 565 million*
- Magnora is a streamlined project developer after sale of non-core technology company Evolar AB to First Solar inc. The sale also removes Magnora cash injection to Evolar, currently at NOK 5 million per month
- Another quarter of rapid capacity growth – our net share of the development portfolio grew to above 5.000 two years ahead of our previous guiding. New guiding expected to be significantly above 5.000 MW - to be published soon
- Helios expects to deliver solid dividend short term. Current cash-holding in Helios of SEK 145 million
- NOK 26.6 million in profit from associated companies in the first quarter 2023
- Payment from our legacy design business provided strong cash flow in Q1 USD 7.5 million. Further payments expected later this year and early 2024 (USD 4.3 + 4.3 million = USD 8.6 million)
- Ongoing sales and farm-down processes in multiple companies
- Board is currently reviewing re-introduction of dividend (return of capital), share buybacks against profitable growth opportunities. Currently, above NOK 400 million in cash and zero debt

* Invested capital SEK 55 million and SEK 35 million in loans at transaction date and exchanged at USD/NOK 10.685 on 12 May.



MAGNORA ASA

A pure play “asset light” renewables developer



Growing an asset-light development portfolio of renewable energy projects



Highly experienced renewable energy investment and project team



Reached our ambition to develop 5,000 MW¹ renewables two years ahead of time



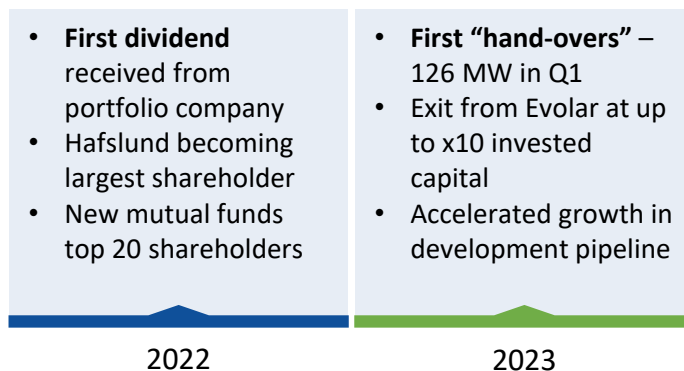
Financing from near-term cash flow from legacy business, dividends from portfolio companies as well as sale of Evolar



Listed on the main board of Oslo Stock Exchange with 8,400 shareholders²

1. GW x Magnora ownership = Net share
2. As of end March 2023

We invest in renewable and clean energy built in a sustainable way.



Key metrics

Cash (mNOK)

400+ 

Net profit from associated companies (mNOK)

26.6 

Up from -4.5 in Q4 '22

GW in portfolio (Net share¹)

5.0 

+3.4GW from 2021

Projects (in portfolio companies)

139











Very frequent updates

Top 10 shareholders

	# shares	% ownership
HAFSLUND VEKST AS	4,474,272	6.7
KING KONG INVEST AS	2,670,995	4
GINNY INVEST AS	2,469,144	3.7
ALDEN AS	1,881,860	2.82
F1 FUNDS AS	1,750,000	2.62
CARE HOLDING AS	1,729,829	2.59
PHILIP HOLDING AS	1,668,121	2.5
F2 FUNDS AS	1,648,377	2.47
BEKKESTUA EIENDOM AS	1,630,000	2.44
Total, 10 largest shareholders	20,949,848	31.35 %
Other shareholder accounts	45,872,831	68.46%
Total number of shares	66,822,679	100.00 %

Diversified across technologies and regions

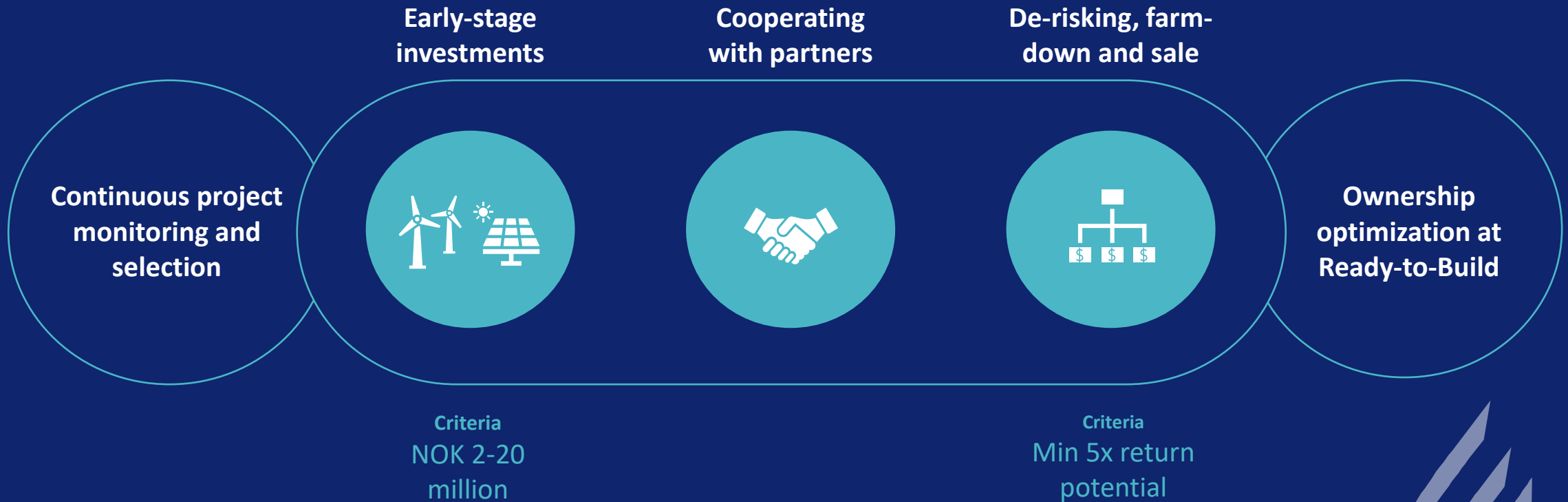
(As of 31 March 2023, projects in development, excluding four Swedish projects handed over to customer)

	 Solar MW	 Offshore floating wind MW	 Offshore bottom-fixed MW	 Onshore wind MW	 Storage MWh	Under development
 Sweden¹	1,894		250		296	2,440
 Scotland		400				396
 England	30				50	80
 Norway	120					120
 South Africa	1,200			800		2,000
Development portfolio²	3,244	400	250	800	346	5,040

1) Net 190 MW has been sold to customers as of 31 March 2023; an additional four projects with a net share of 59 MW has been handed over to customers in 2022 and 2023 and is not included above.

2) Total capacity in MW x Magnora's ownership share = Net share

We are developing renewable projects to the Ready-to-Build phase





Collective drive towards green shift gives lower risk in early-stage development



Value premium for early-stage project development with low operational costs



Reducing risk in development phase through high competence and experience

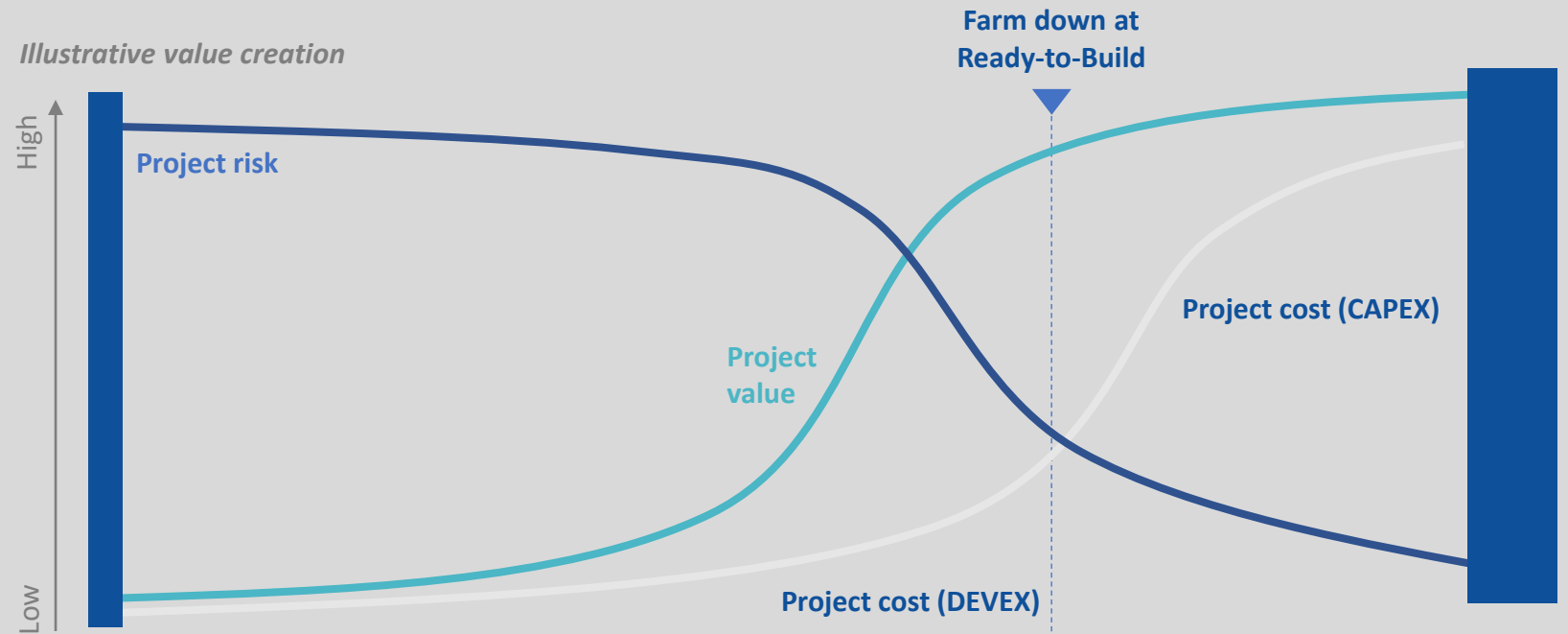
Strategic partnerships



Developing projects to Ready-to-Build phase with limited balance sheet risk (“ASSET LIGHT”)



Illustrative value creation



Feasibility and conceptual	Design development/permitting	Procurement and construction
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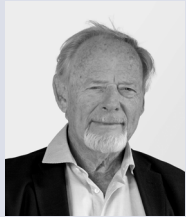
Development phase	Construction phase	
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- Landowner agreement
- Grid connection
- Environmental assessment/concession
- Technical management
- Project management



Hand-picked management and team executing on large renewables opportunity with entrepreneurial background

Torstein Sanness Executive Chairman



- **Co-founder** of Lundin Petroleum Norway and DNO, and from several executive positions during his 25 years at Saga Petroleum.
- Board member IPC, Panoro Energy, Carbon Transition, previously Chairman of Lundin Petroleum Norway.
- Master's degree in Engineering (geology, geophysics and mining engineering) from NTH.



Erik Sneve CEO



- 25 years experience from various positions in the investment and renewable industry
- Experience from working as an analyst, consultant and investment director in EY, DnB Markets, Energy Future Invest (EFI – a Statkraft, Hafslund and Eidsiva Energi joint-venture), Tore Tønne and Torstein Tvenge.
- COO - Has worked internationally in the US, Sweden, Germany and opened offices in the UK and Sri Lanka in software company.
- Responsible for the Solibro AB (Swedish solar technology company) development, construction and exit for EFI to Qcells.
- Former Chairman Evolar AB – development and exit to First Solar Inc.
- B.Sc. in Finance from Arizona State University with Summa Cum Laude and Dean's list.



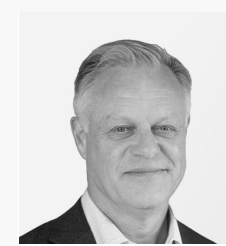
Strong team of professionals with extensive experience from the energy industry



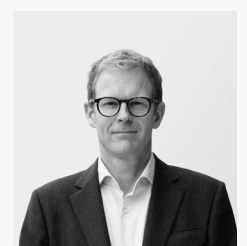
Bård Olsen
CFO



Stein Bjørnstad
Senior Advisor,
Ass Professor
Deloitte. BI
Norwegian Business School



Peter Nygren
Expert Advisor



Trond Gärtner
SVP Business development



Bjørn Drangsholt
CEO Hafslund Magnora Sol AS



Emilie Brackman
VP Wind & Solar



Haakon Alfstad
CEO Magnora Offshore Wind



Espen Erdal
VP Business development



Example of Helios farmdowns – Magnora is largest shareholder in Helios

COMMERZ REAL
Commerzbank Gruppe

2022-12-16
Plaza
SE3

39
MWp

DELIVERY BY HELIOS:
• CMA
• TCMA

RTB:
2023

COMMERZ REAL
Commerzbank Gruppe

2022-12-16
Spoon Bay
SE3

33
MWp

DELIVERY BY HELIOS:
• CMA
• TCMA

RTB:
2023

COMMERZ REAL
Commerzbank Gruppe

2022-12-16
Gas Light
SE4

33
MWp

DELIVERY BY HELIOS:
• CMA
• TCMA

RTB:
2023

COMMERZ REAL
Commerzbank Gruppe

2022-12-16
Red Horizon
SE3

90
MWp

DELIVERY BY HELIOS:
• CMA
• TCMA

RTB:
2023

N Nordic Solar

2022-06-30
Project Opera
SE3

21
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

Handed to customer

N Nordic Solar

2022-06-30
Project Maple Hill
SE3

92
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

Handed to customer

N Nordic Solar

2022-06-30
Project Fun Living
SE3

70
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

N Nordic Solar

2022-06-30
Project Mr Hult
SE4

35
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

SOLGRID

2022-05-25
Project Tough Ridge
Hallsberg municipality SE3

18,5
MWp

DELIVERY BY HELIOS:
• Project rights

RTB:
2022

SOLGRID

2022-05-25
Project Yellowfield
Katrineholm municipality SE3

13
MWp

DELIVERY BY HELIOS:
• Project rights

RTB:
2022

Handed to customer

COMMERZ REAL
Commerzbank Gruppe

2022-05-03
Project Kings Roar
Västerås municipality SE3

21
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

COD:
2023

Handed to customer

COMMERZ REAL
Commerzbank Gruppe

2022-05-03
Project Tierpark
Tierp municipality SE3

48
MWp

DELIVERY BY HELIOS:
• Project rights
• CMA
• TCMA

COD:
2023

OX2

2021-11-23
Project Sandy Hill
Tomelilla municipality SE4

33
MWp

DELIVERY BY HELIOS:
• Project rights

RTB:
2022

OX2

2021-11-23
Project Green Sea
Kristianstad municipality SE4

12
MWp

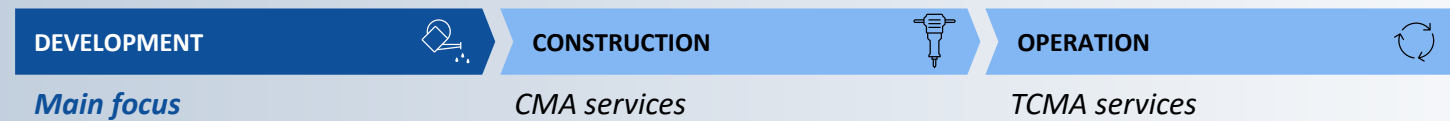
DELIVERY BY HELIOS:
• Project rights

RTB:
2022

Helios in brief

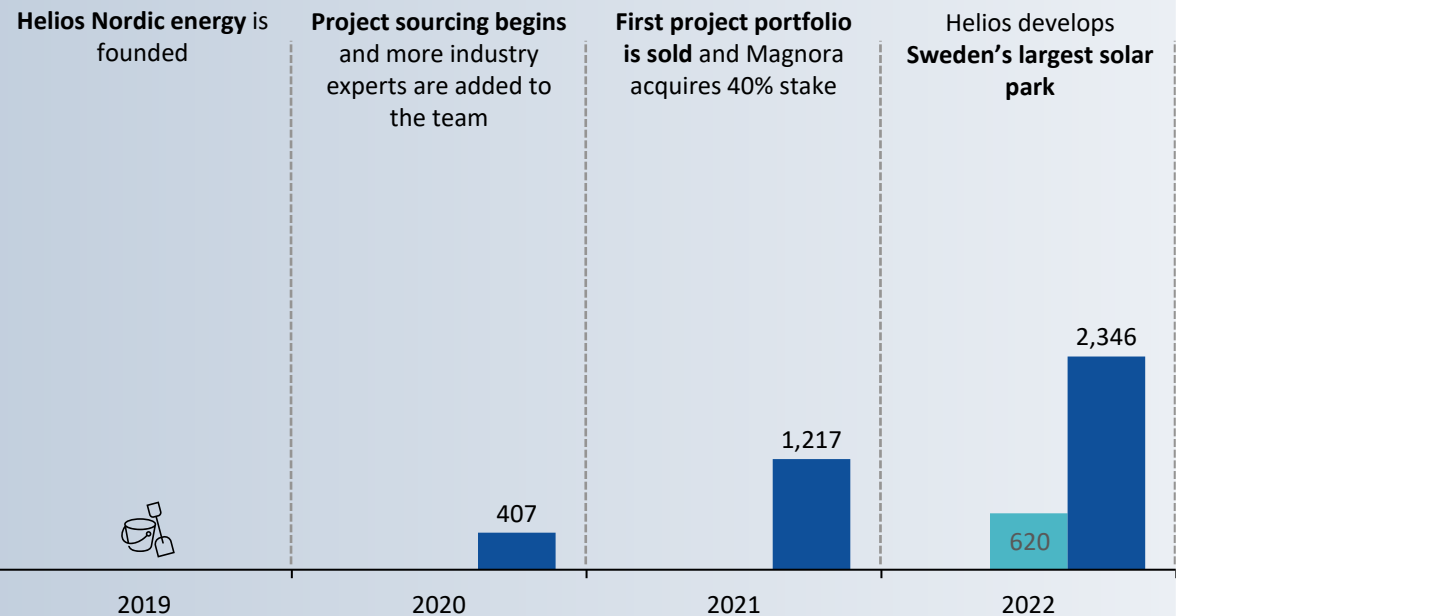
- Founded in 2019, Helios is a Swedish **developer of large-scale solar plants**
- **Specialised in project development** with expertise across all project development phases
- Current pipeline consists of **projects across Sweden, Norway and the Baltics**

Helios business model



Pipeline development (MW)

Legend: ■ Sold capacity ■ Pipeline capacity ▨ Capacity in sale process



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Pipeline overview

118 ongoing projects

5,574 MW total capacity in pipeline (solar 4,733 MW and 741 MW Battery Energy Storage)

600 MW Sold capacity, approximately

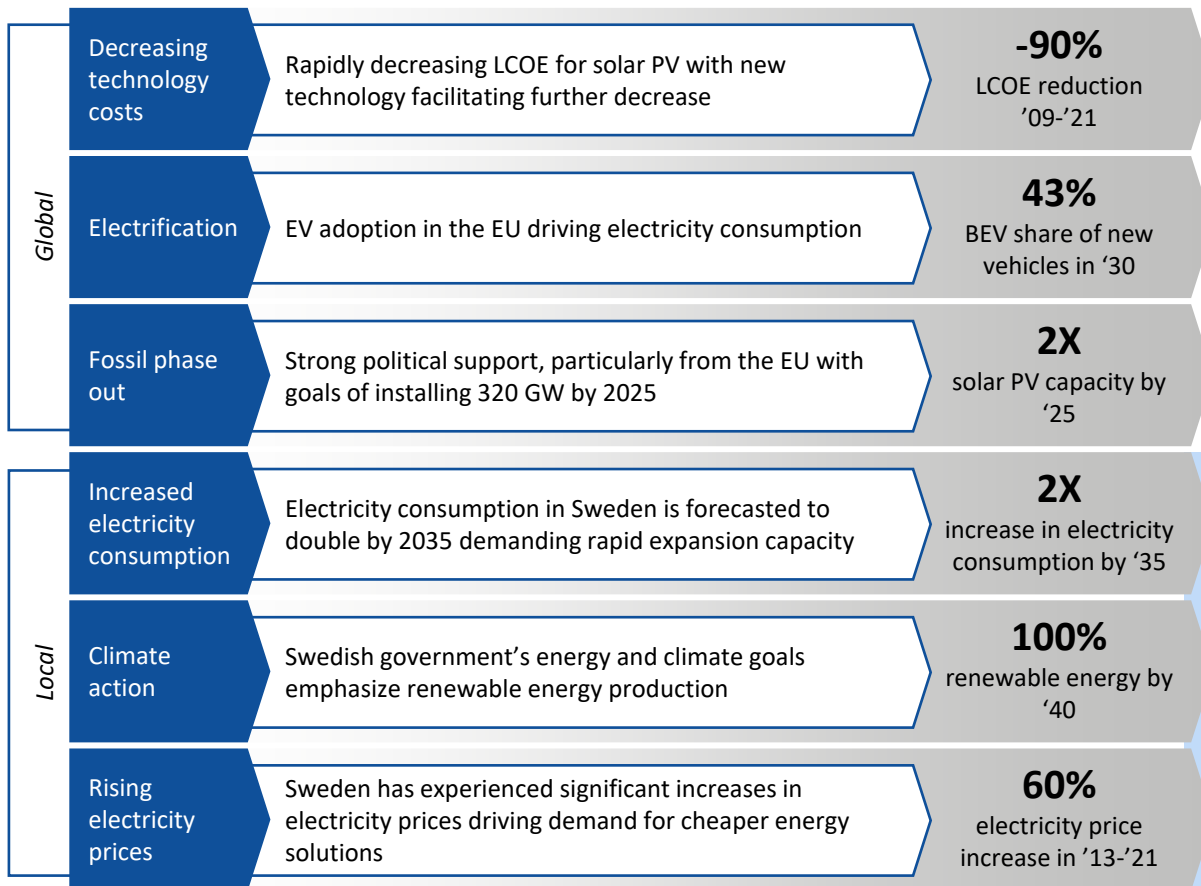
900 MW In sales process, approximately



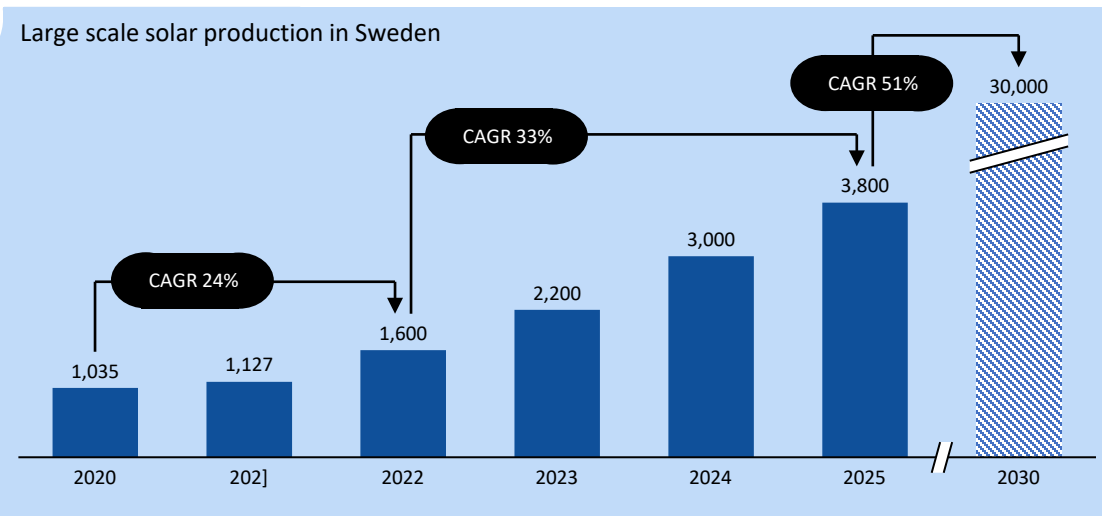
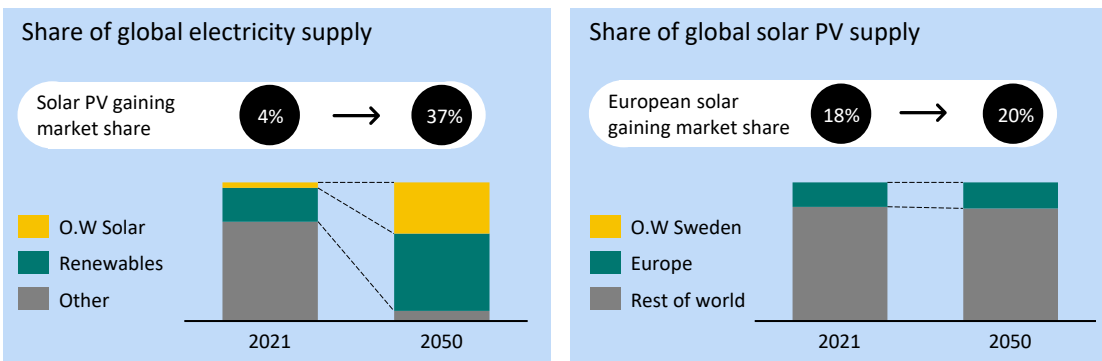
Helios: Long-term growth driven by strong megatrends


- Highly supportive renewables and solar market

Megatrends driving global and local support for solar energy



Solar PV is a key constituent in energy transition



 Target of swedish Solar trade association

Magnora has sold its holdings in Evolar AB to First Solar, Inc. Upfront payment of NOK 310 mill /USD 29 mill excluding milestone payments. With milestones potentially NOK 565 mill in payments

- ✓ In early 2020, Magnora joined forces with a team of Swedish scientists and developers led by Professor Lars Stolt University of Uppsala
- ✓ Magnora and the team did a buyout of an insolvent research facility and its IPR. In subsequent years, Magnora has provided venture funding and lead the development (Chairman)
- ✓ The team has multiple world records with thin film solar cells, making such cells ever more effective. On 12 May 2023, Magnora and the founders sold all shareholding to First Solar Inc. – S&P 500 company listed on the NYSE and one of the global leaders - US maker of solar cell panels
- ✓ The transaction values 100 per cent of Evolar at up to USD 80 million (NOK 838 million)
- ✓ Magnora received USD 29 million (NOK 310 million) in upfront payment plus up to USD 24 million (NOK 255 million) in future payments contingent on technical milestones
- ✓ Magnora will no longer be required to fund the operating expenses of Evolar - a SEK 5 million cost reduction per month impacting Magnora positively

The non-core divestment in Evolar leaves Magnora to focus on its proven model with clear opportunities for future growth

Projects sold & guidance

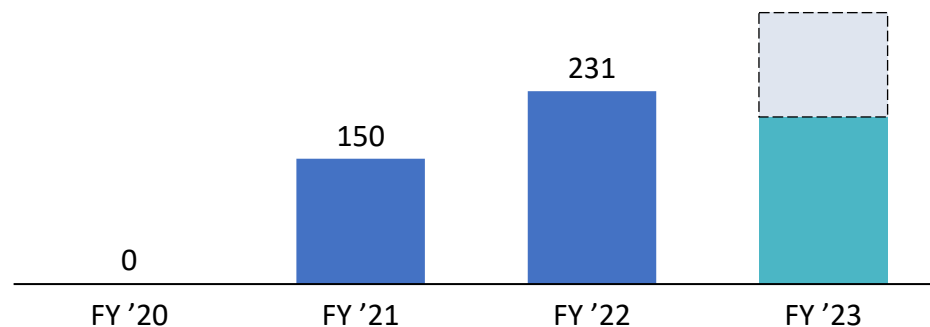
MW, net share of project capacity¹



Price range for RTB solar PV and onshore wind range from NOK 0.5 to above 1.5 million per MW² subject to risk factors such as unit economics, grid, permitting, etc.

✓ Within high-end of target range

Target:
200-325 MW



... positioning Magnora for new opportunities

- Started with two legacy royalty agreements and 50 MNOK in cash in 2020, proceeds used towards profitable renewable development projects
- Solid cash position to fund value accretive developments in the coming years
- Strong market drivers and major opportunities materializing in the coming years
- Progressing towards a “green” economy – long term profitable growth opportunities for a competent project developer

Cash flow from project sales and legacy assets used to fund new high-return investments

1. MW x Magnora's ownership = net share

2. Based on observed deals in the market, outliers are excluded

Financials





CONDENSED PROFIT AND LOSS

Q1 2023, NOK million

	Q1'23	Q4'22	Q1'22
Operating revenue	16.4	79.9	3.8
Operating expense (ex. non-cash)	-7.9	-10.1	-7.9
Adjusted EBITDA¹	10.7	72.6	-3.2
Option expense (opex non-cash)	-2.2	-2.9	-1.0
Development and M&A expense	-17.4	-4.3	-9.8
EBITDA	-8.9	65.5	-14.0
Profit/loss from associated companies	26.6	-4.5	-4.7
Operating profit/loss	17.8	61.0	-18.7
Net financial items	-7.0	1.6	0.0
Profit/loss before tax	10.7	62.6	-18.7

For further details see Q1 report 2023 (magnoraasa.com)

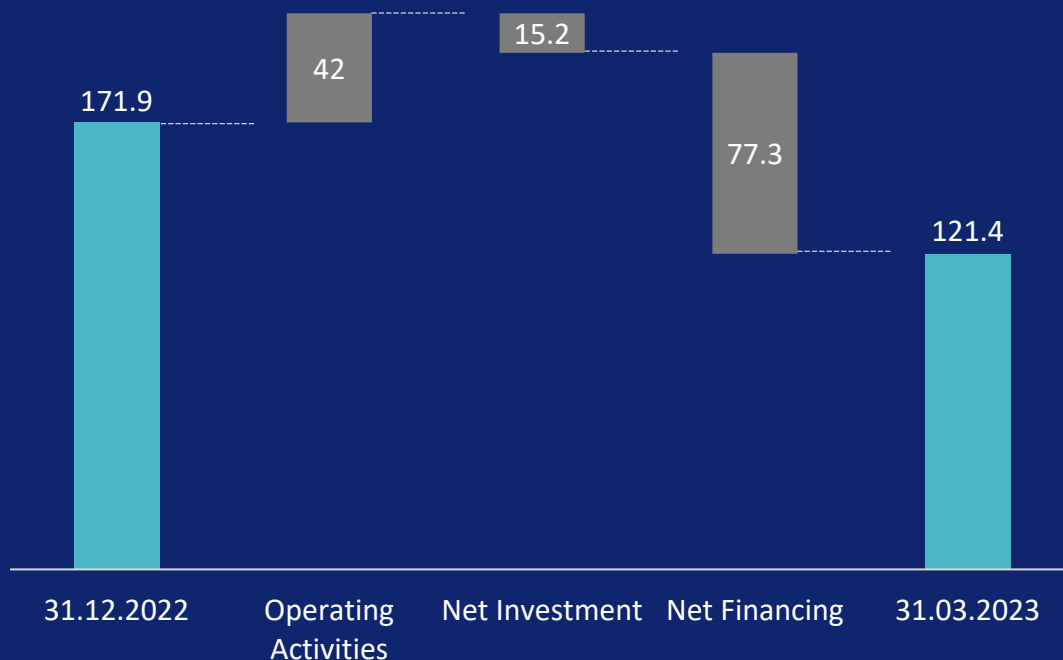
- Adj. EBITDA¹ of NOK 10.7m vs. NOK 72.6m in Q4'22
 - Solid revenues and EBITDA due to intercompany services
- EBITDA of NOK 8.9m vs. NOK 65.5m in Q3'22
 - All companies with ownership >50% are consolidated 100% in P&L
 - Higher development and M&A expense compared with prior quarter due to high activity level but in line with Q3'22, but will be lower due to Evolar going forward
- Operating profit of NOK 17.8m vs. of NOK 61 m Q4'22
 - Profit from associated companies was positive NOK 26.6m vs negative NOK 4.5m prior quarter
- Tax not payable due to accumulated tax losses of over NOK 3.5 billion from legacy business
- Paid in capital of NOK 8.4 billion

1) Excludes development and M&A related expenses, and non-cash items and adjustments, such as options related expenses.



CASH FLOW

Q1 2023, NOK million



- Operating activities NOK 42m
 - Impacted by receiving the Penguins cash payment, development costs in Evolar, Magnora Offshore Wind, and Magnora South Africa – due to consolidation
- Investment activities negative NOK 15.2m
 - Purchase of assets and associated companies
- Financing activities of negative NOK 77.3m
 - Paid down the loan facility of NOK 76.3 million used, leaving the full NOK 150 million available for future use
- Ending cash balance of NOK 121.4m
 - The Group's cash and available credit facilities was NOK 271.4 million as of 31 March 2023
- Received Penguins cash payment equivalent to NOK 77 million² after hedging in February 2023
- (Last two payments totaling USD 8.6 million from Penguins contract expected in the short to mid-term³)

1) USD/NOK conversion rate of NOK 10.3.

2) USD 7.5 million.

3) Magnora estimate.

Outlook



Outlook

2022

Development portfolio of 3676 MW
Farmed down 231 MW



Solid net cash position at the end of year



Early-stage investment portfolio



2023

Development portfolio growth
Farm-down of ~200-325MW at
NOK 0.5m to above 1.5m per MW



USD 7.5m received in February 2023 (legacy)
Funds from the sale of Evolar.

Continued payments from legacy contract (potential for growth)

Recurring new sales, dividend from portfolio companies, sale of portfolio companies and farm-downs in addition to legacy payments

Helios



NEPTUN

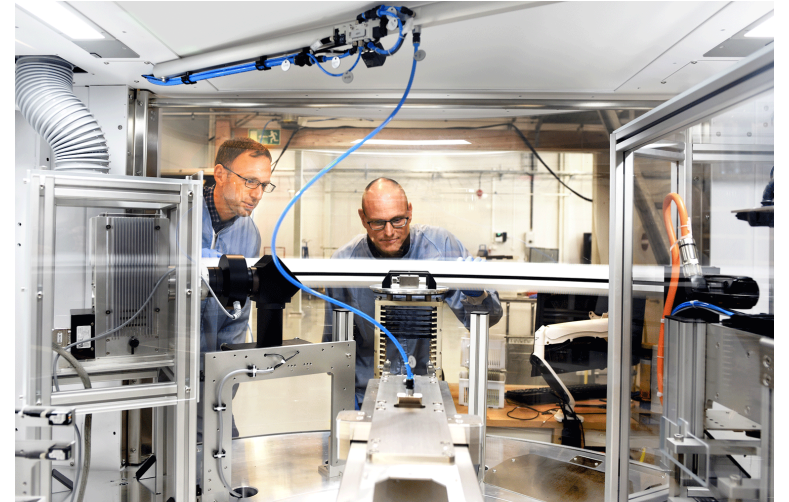
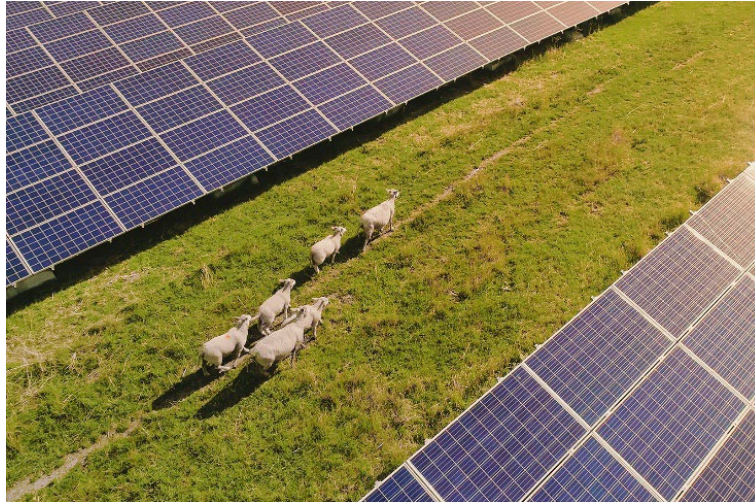
Share buyback, capital reduction and dividends

- Magnora's long standing position remains unchanged
- The authorization to initiate share buyback was renewed by the annual general meeting of Magnora on 25 April 2023
- For the last couple of years, quarterly dividends were halted to conserve cash for investments
- Board has started a review of share buybacks and return of capital (dividend)













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Appendices



Broad portfolio of attractive companies and projects – Gross Numbers

(per 10th of April 2023)

Ownership:	40%	63.5%*	100%	92%	80%	44% Option to 50%	50%	50%	48%	33%
										
Segment:	Solar	Solar Tech	Onshore Wind and Solar		Offshore Wind	Offshore Wind Shallow Water	Energy Storage	Solar	Solar	Green Hydrogen and Ammonia
Gros capacity:	5,474 MW	3 joint development agreements	2,000 MW		500 MW	500 MW	200 MWh	60 MW	250 MW	Large-scale production
Location:	Sweden, Latvia and Lithuania	Sweden	South Africa		Scotland	Sweden	UK	UK	Norway	Norway

*Sold 12 May 2023 to First Solar, Inc.

Reported financials

Condensed consolidated income statement

NOK million	Note	Q1 2023	Q4 2022	Q1 2022	2022
Operations					
Operating revenue	6	16.4	79.9	3.8	91.7
Operating expense		-7.9	-10.1	-7.9	-31.8
Development and M&A expense		-17.4	-4.3	-9.8	-49.4
EBITDA		-8.9	65.5	-14.0	10.5
Profit/loss from associated companies		26.6	-4.5	-4.7	-3.9
Operating profit/(loss)		17.8	61.0	-18.7	6.6
Financial income/(loss)		-0.5	-1.2	0.6	-2.1
FX gain/(loss)	12	-6.5	2.8	-0.6	7.4
Net financial items		-7.0	1.6	0.0	5.4
Profit/(loss) before tax		10.7	62.6	-18.7	12.0
Tax income/(expense)		0.1	-8.2	0.0	-8.1
Net profit/(loss)		10.8	54.4	-18.7	3.9

For further details and notes see Q1 report 2023 (magnoraasa.com)

Reported financials

Condensed statement of financial position

NOK million	Note	31.03.23	31.03.22	31.12.22
Deferred tax assets	4	15.1	23.4	15.1
Intangible assets		193.7	10.2	170.9
Right-of-use assets		8.7	0.0	9.0
Fixed assets		19.8	0.0	15.3
Goodwill		35.7	4.8	34.1
Investment in associates	9	86.0	57.4	26.4
Total non-current assets		359.1	95.8	270.9
Trade and other receivables		19.7	9.4	97.7
Other current financial assets		22.2	25.0	23.7
Cash and cash equivalents		121.4	61.2	171.9
Total current assets		163.4	95.6	293.3
Total assets		522.4	191.4	564.2
Share capital		32.7	27.9	32.7
Treasury shares		0.0	0.0	0.0
Other equity		382.6	124.5	353.3
Total shareholders' equity		415.3	152.4	386.0
Non-controlling interest		45.6	27.1	45.8
Total equity		460.9	179.5	431.8
Deferred tax liability		5.2	2.8	4.9
Non-current liabilities		5.9	0.0	5.2
Total non-current liabilities		11.0	2.8	10.1
Overdraft facility*		0.0	0.0	76.3
Current liabilities	11	50.5	9.1	46.0
Total current liabilities		50.5	9.1	122.3
Total liabilities		61.5	11.9	132.4
Total equity and liabilities		522.4	191.4	564.2

For further details and notes see Q1 report 2023 (magnoraasa.com)

Reported financials

Condensed statement of cash flow

NOK million	Q1 2023	Q4 2022	Q1 2022	2022
Cash flow from operating activities				
Cash from operations	42.0	-19.8	-10.2	-67.7
Taxes paid/repaid	0.0	0.0	0.0	0.0
Net cash generated from operating activities	42.0	-19.8	-10.2	-67.7
Cash flow from investment activities				
Net purchase of marketable securities	0.0	0.0	0.0	0.0
Investment in fixed assets	-3.7	-4.0	0.0	-8.7
Dividend received	0.0	0.0	0.0	6.1
Investment in subsidiary net of cash acquired	0.0	0.0	0.0	-6.7
Net purchase of associated companies	-11.5	-2.5	-25.5	-21.4
ScotWind lease option fee	0.0	0.0	0.0	-118.3
Received loan related to Scotwind lease option	0.0	0.0	0.0	23.7
Net cash from investment activities	-15.2	-6.5	-25.5	-125.3
Cash flow from financing activities				
Capital distribution/increase	0.0	0.0	0.0	194.4
Leasing payments	-1.0		0.0	-2.7
Overdraft facility drawn*	-76.3	1.7	0.0	76.3
Net cash from financing activities	-77.3	1.7	0.0	268.0
Net cash flow from the period	-50.4	-24.6	-35.7	75.0
Cash balance at beginning of period	171.9	196.4	96.9	96.9
Cash balance at end of period	121.5	171.9	61.2	171.9

For further details and notes see Q1 report 2023 (magnoraasa.com)

Board and management exposure

Board and Management exposure

Person		Number of shares	Number of options
Erik Sneve	CEO	1,173,871	350,000
Torstein Sanness	Chairman	594,442	250,000
Haakon Alfstad	CEO Magnora Offshore Wind	61,177	250,000
Hilde Ådland	Board Member	39,011	10,000
Bård Olsen	CFO	50,000	150,000
John Hamilton	Board Member	33,837	40,000
Espen Erdal	VP Business Development	17,174	125,000
Trond Gärtner	SVP Business Development	7,000	100,000
Emilie Brackman	VP Wind & Solar	2,600	75,000
Hanne Wiger	Business Controller	4,474	50,000
Stein Bjørnstad	Head Advisor	0	50,000
Total		2,019,536	1,450,000
% of shares outstanding		3.02 %	

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