



MAGNORA ASA

Magnora separates its legacy business from its renewables business

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During 2023, Magnora's renewable business shifted gears with considerable growth in profits. Consequently, the rationale of keeping legacy revenues linked to the FPSO business in the same entity as the renewables business is no longer present. On 18 January, the board of Magnora approved a plan to establish a separate entity for Magnora's Legacy Business (that is the contracts linked to the Company's divested FPSO business).

Technically, the separation combines a demerger followed by a merger to transfer the Company's Licensing Business to a wholly owned subsidiary of Magnora. This requires an extraordinary general meeting of shareholders in Magnora.

The Legacy Business is related to Magnora's historical business activities. In 2018, Magnora sold its formerly core business which included patents and related technology rights associated with the FPSO technology business. However, Magnora retained the right to use the technology under two existing agreements for two FPSOs, one of which was already in operation (the Western Isles FPSO) and the other soon to enter operations (The Penguins FPSO).

The Company currently receives payments for licensing out patents and associated technology rights as mentioned above. Further information about its Legacy Business has been provided regularly in its financial reporting and company presentations.

Aligned with the stock exchange release dated 28 August 2023, and as a consequence of the corporate restructuring mentioned above, the Licensing Business will become a subsidiary. Following this restructuring, the Company intends to spin off the Legacy Business to its shareholders as a new listed company on the Oslo Stock Exchange. Irrespective of this, the strategic process continues.

The demerger plan and the merger plan will be submitted for registration with the Norwegian Register of Business Enterprises today. Further information and the proposed resolutions will be included in the notice of the extraordinary general meeting which is to be held in mid-February 2024. Initially, the transactions will not result in any direct changes for the shareholders of Magnora and no shareholder of Magnora will receive and own any new shares in any company following completion of the demerger and triangular merger. However, the Company intends to complete the necessary steps to spin off the company as explained above. The Company will update the market with a schedule in due course.

Disclosure regulation

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

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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 Helios Nordic Energy AB, Kustvind AB, Magnora Offshore Wind AS, Magnora Solar PV UK, Hafslund Magnora Sol 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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