



MAGNORA ASA

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SpareBank1 Markets: 2024 Energy Conference

CEO Erik Sneve, Oslo, 27 February 2024



MAGNORA ASA

A pure play “**asset-light**” renewables developer - greenfield origination



Growing an asset-light development portfolio of renewable energy projects with strict capital discipline in high-growth global market.



Highly experienced team from investments and renewable energy development – operating leverage



Landbank growing rapidly – in Q4 we reached 7,7 GW aiming for 9GW¹ of renewables in 2025



Zero debt, low burn, solid cash position and near-term cash flow from project sales, legacy business and dividends. Organic cashflow



Listed on the main board of Oslo Stock Exchange with some 7,400 shareholders²

1. GW x Magnora ownership = Net share
2. As of January 2024

The global energy market is only starting to shift



COAL 27%



OIL & GAS 55%



NUCLEAR 4%



HYDRO 7%



SOLAR & WIND 6%

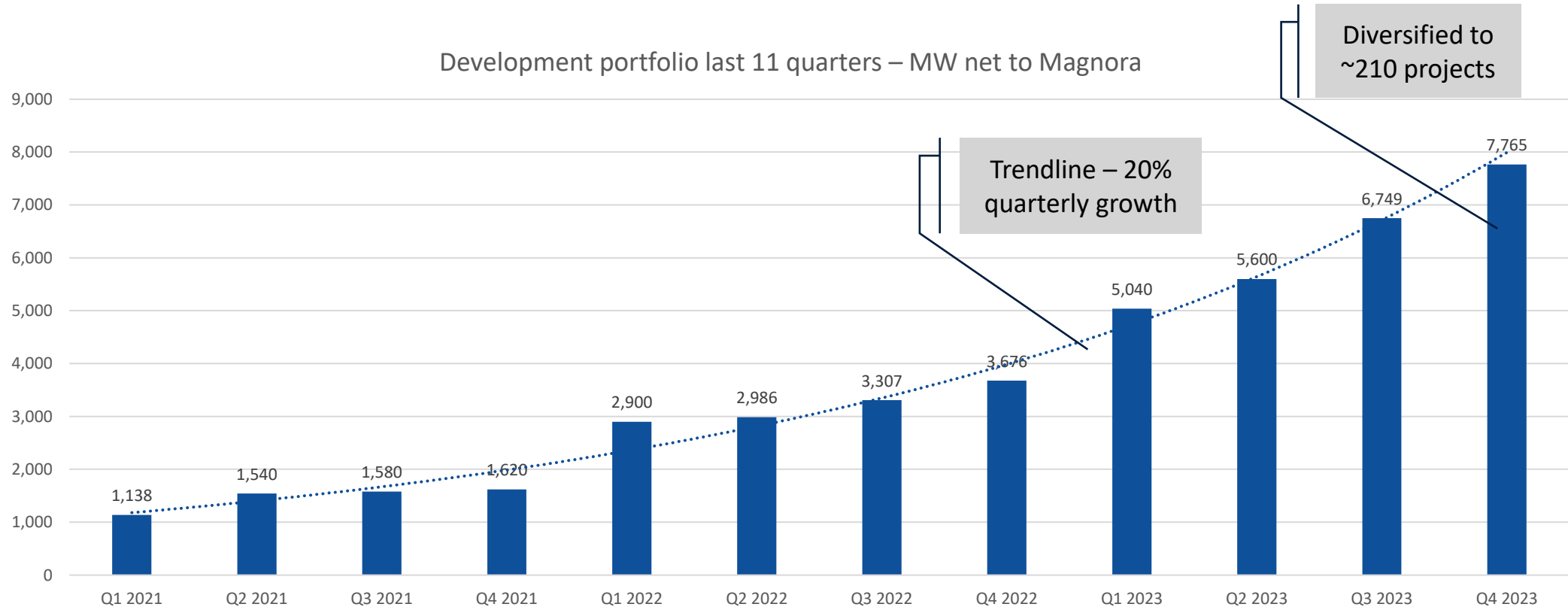


BIO & OTHER 1%














Sustained portfolio growth of ~100% annually

Magnora's portfolio typically grows ~20% per quarter



A portfolio diversified across technologies and regions

All figures are MW net to Magnora¹ as of 31 December 2023

	Solar PV 	Offshore floating wind 	Offshore bottom-fixed 	Onshore wind 	Storage 	Under development
 Sweden	2,716		250		688	3,654
 Finland ²	303					303
 Scotland		396				396
 England	128				160	288
 Norway	391					391
 South Africa	1,875			605	253	2,733
Development portfolio	5,413	396	250	605	1101	7,765

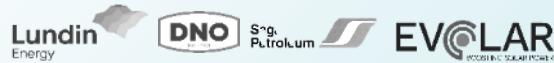
1) Figures includes some volumes that have been transferred to customer – these are strictly speaking not in the portfolio but may trigger future milestone payments. 2) Indirect ownership through Helios Nordic Energy AB

Hand-picked management supporting strong local teams with experience and entrepreneurial approach

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 (Dean's list).



Strong team of professionals with extensive experience from the energy industry



Bård Olsen
CFO



Stein Bjørnstad
Senior Advisor, Ass Professor



Peter Nygren
Expert Advisor



Trond Gärtner
SVP Business development



Bjørn Drangsholt
Advisor



Emilie Brackman
VP Wind & Solar



Haakon Alfstad
CEO Magnora Offshore Wind



Espen Erdal
VP Business development



Both our clean energy projects and our approach to business are built in a sustainable way



2024 Outlook

Scaling and harvesting

- Splitting **Legacy from Renewable**: Large "dividend" to shareholders in Q2 '24 - "Magnora 2.0" (utility index, shareholders, strong organic cashflow from both fossil and renewables, mutual funds, split of deferred assets, M&A and more)
- **Revenue recognition**: More businesses shifting from origination to sales, or from sales to delivery. More than Evolar, Helios and South Africa.
- Strong organic **growth** and cashflow across geographies and projects
- **Milestone payments**: multiple milestone payments across projects and companies
- **Farm-downs** and alliances remain a very real prospect short to mid term
- Capital allocation – **dividend and buybacks** as we receive more cash

Strategy established

- Returned 517 MNOK to shareholders
- Four employees and NOK 50m cash
- Focus on renewables with support from top shareholders

2018-2020

Building business

- Diversification to various segments
- Investments in Helios, South Africa
- ScotWind application
- Kustvind, Evolar

2020-2021

Operational & financial excellence

- First dividend from portfolio company
- Hafslund becoming largest shareholder
- New mutual funds top 20 shareholders

2022

"Go to market"

- Exit from Evolar at up to x10 multiple
- Sold 420 MW net: three to Globeleq (SA) and sales to Hafslund, Commerz...
- Growth & return of capital
- Legacy contract extension

2023

The recent transformation of Magnora has been profound and
combines **growth and harvesting** – status Q3 '23



The Journey in numbers

420 MW Sales met to Magnora in 2023 (above our 200-325 MW guiding)

367 mNOK Cash in Q3 versus 11 mNOK 15 months prior

180 mNOK EBITDA as of Q3 vs 10 mNOK for 2022

39 mNOK Capital returned since June 2023 including share buyback

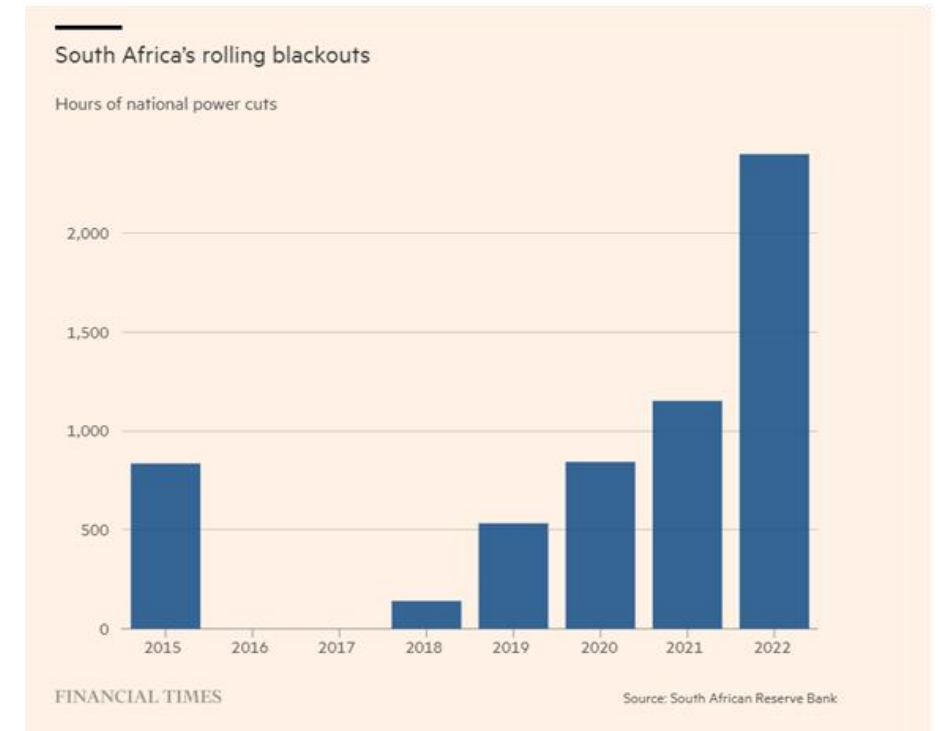
Q4 '23 numbers will be out on 29th February with new and upward guiding!



Magnora South Africa, the next Helios?



- A **great team** with a mature pipeline of projects
- A rapidly **increasing land bank** and a **huge de-regulation play**
- **Three sales of 248 MW to satisfied customer in 2023**
- Close collaboration with **Globeleq**, owned by Norfund and the British International Investment
- Well-established auctions where private companies bid to supply capacity. Private PPA market is emerging on back of deregulation – corporate and industrial
- Abundant land, **best-in-class solar and stable wind resources**



South Africa is set for huge growth because renewables can solve an urgent electricity crisis

Renewables are entering the scene... ... while coal-power is collapsing

- Electricity market significantly larger than Norway or Sweden, set to build 60 TWh of renewables
- A run-down power system where coal contributes 80-85 % of the current electricity supply.
- Rolling shut-downs create a great sense of urgency everywhere
- Power-hungry export industry in search of secure, green energy

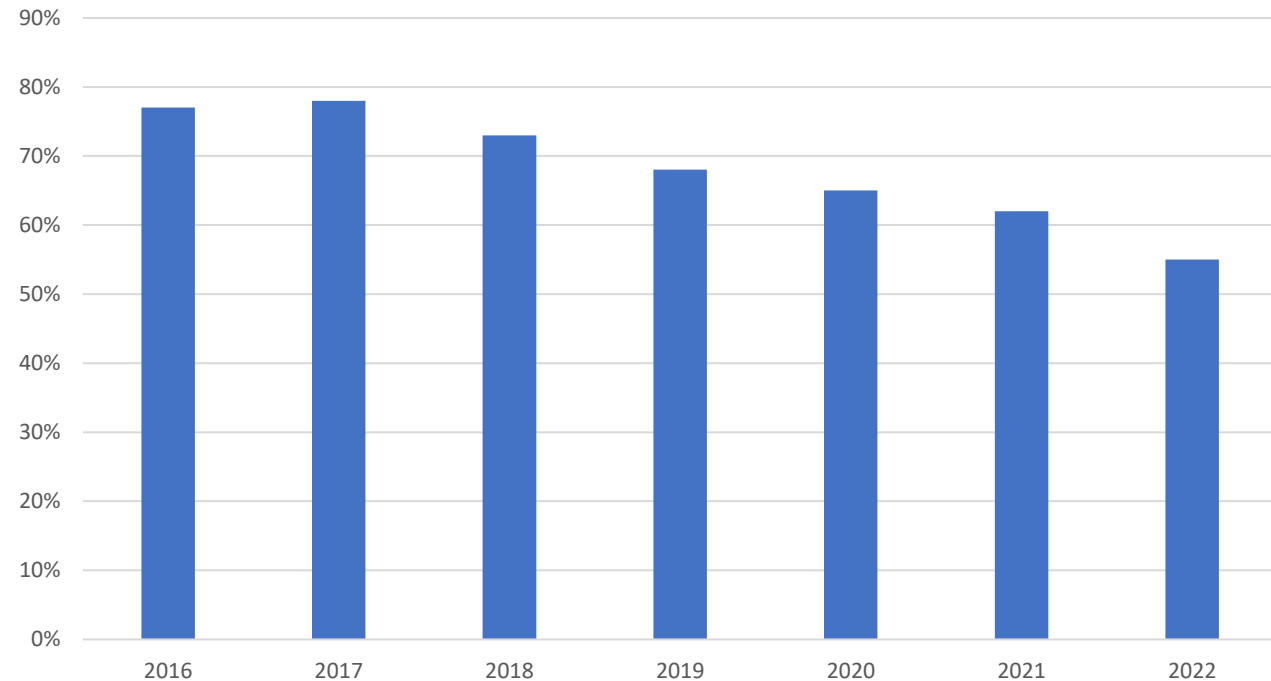
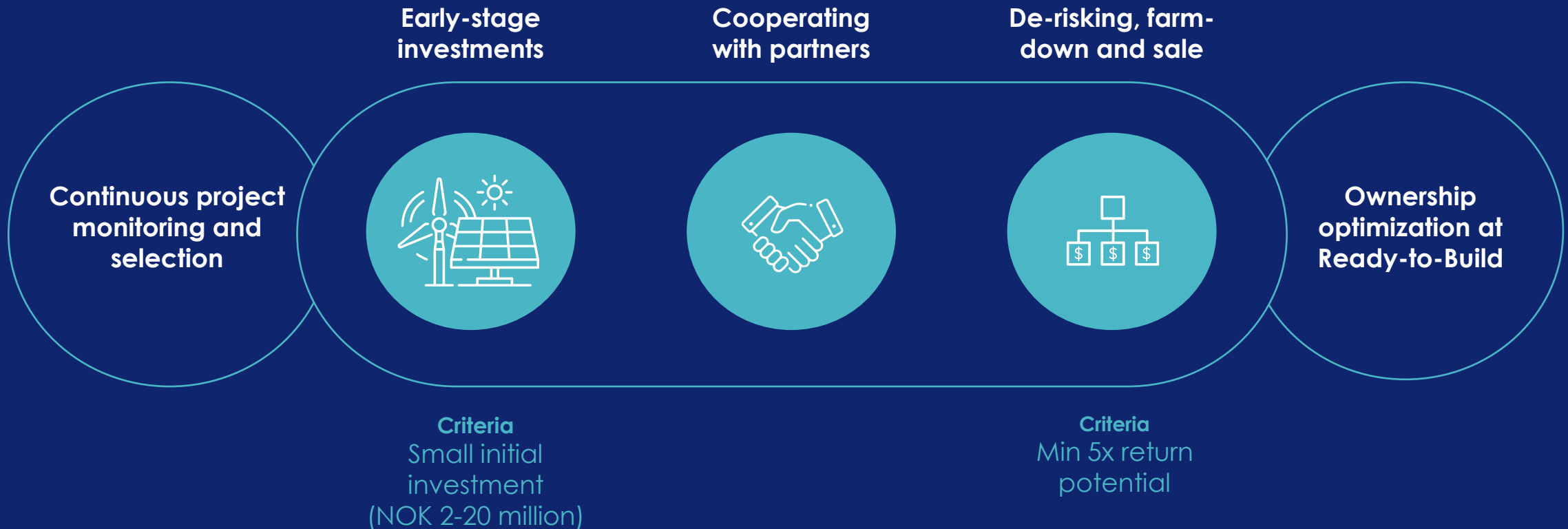
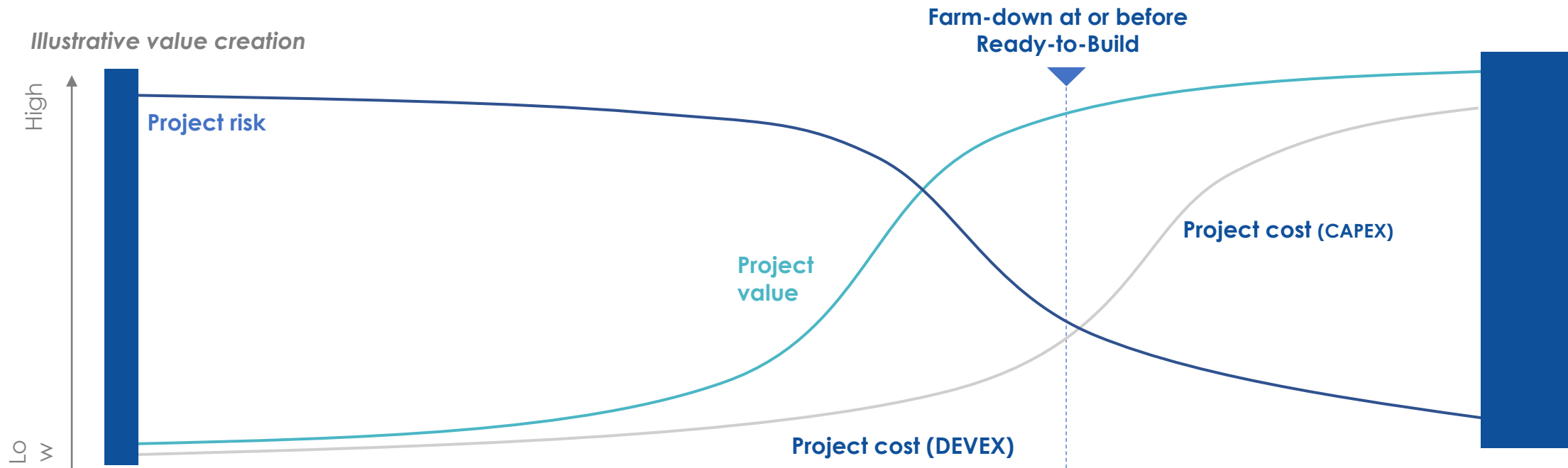


Figure: Average annual energy availability factor for the Eskom fleet from 2013 to 2022

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



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



Feasibility and conceptual Design development/permitting Procurement and construction

Development phase **Construction phase**

- Landowner agreement
- Grid connection
- Environmental assessment/concession
- Technical management
- Project management



Our (“repeat”) customers are leaders in their respective markets with low risk and high future potential for Magnora



Globeleq	Our first customer in South Africa - is owned by the Norwegian and UK governments and is an ambitious and respected developer
Commerz Real AG	is a Helios customer and a leading European bank and infrastructure investor
Hafslund	(21 TWh year in green energy)– a Helios customer and a partner in Hafslund Magnora Sol AS - is a leading European utility
Nordic Solar	Leading European Solar Independent power producers (IPP), Helios customer
Solgrid	Owned by some of the largest utilities in Norway, Helios customer
First Solar Inc.	America's leading manufacturer of Solar PV, and the most valuable solar PV company anywhere, acquired Evolar AB from Magnora



Board and management exposure

"Skin in the game"

Board and Management exposure

Person		Number of shares	Number of options
Erik Sneve	CEO	1,173,871	450,000
Torstein Sanness	Chairman	629,442	325,000
Haakon Alfstad	CEO Magnora Offshore Wind	111,177	200,000
Hilde Ådland	Board Member	39,011	10,000
Bård Olsen	CFO	75,000	125,000
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	15,000	50,000
Total		2,108,586	1,550,000
% of shares outstanding		3.16 %	

Ownership structure as of 16 January 2024

Shareholder	Shares	% of total
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	2 217 825	3.32
F1 FUNDS AS	1 743 121	2.61
PHILIP HOLDING AS	1 648 377	2.47
F2 FUNDS AS	1 630 000	2.44
CARE HOLDING AS	1 500 000	2.24
JPMORGAN CHASE BANK	1 434 777	2.15
DNB BANK ASA	1 365 979	2.04
MP PENSJON PK	1 242 732	1.86
ALTEA AS	1 154 944	1.73
NORDNET LIVSFORSIKRING AS	1 147 947	1.72
MAGNORA ASA	1 070 854	1.6
AARSKOG PHILIP GEORGE	1 000 000	1.5
MORGAN STANLEY & CO. INT. PLC.	977 081	1.46
CLEARSTREAM BANKING S.A.	774 906	1.16
BALLISTA AS	760 372	1.14
BAKLIEN ÅSMUND	756 100	1.13
DANSKE BANK	696 752	1.04
Total number owned by top 20	30 736 178	46
Total number of shares	66 822 679	100

Source: VPS, 16.01.2024

Outlook

2022

Development portfolio of 3676 MW
Farmed down 231 MW

Solid net cash position at the end
of year

Early-stage investment portfolio

2023-24

Development portfolio growth
Farm-down of 420 MW at
NOK 0.5m to above 1.5m per MW*



- Funds from the sale of Evolar
- Continued payments from legacy contract and milestone payments
- Accelerating sales from onshore renewable businesses
- Plans for spinning-off and listing the legacy business with shares assigned to existing shareholders - **in effect a large dividend**

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

Mid-term

2025 development portfolio target
of 9,000 MW

* Outliers are excluded: stand-alone solar PV in South Africa is unlikely to fetch premium prices while certain projects in certain markets sell above this range.

Board initiated an evaluation of corporate structure and engaged Pareto Securities to assist in the process of enhancing shareholder value based on interest for the group and group companies










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Appendices



Broad portfolio of attractive companies and projects – Gross Numbers

(per October 2023)

Ownership	40%	100%	92%	80%	45% Option to 50%	50%	50%	48%
	Helios							
Segment	Solar & Energy Storage	Onshore Wind & Solar		Offshore Wind	Offshore Wind Shallow Water	Energy Storage	Solar	Solar
Gross Capacity	9,210 MW	2,733 MW		495 MW	500 MW	320 MWh	255 MW	815 MW
Location	Sweden, Finland, Baltics	South Africa		Scotland	Sweden	UK	UK	Norway

Revenues from a diversified business, with long term growth prospects*

Bright outlook across all our segments

Onshore

Self-sustained, accelerating, profitable growth

- » Very rapid growth in origination – above 20 per cent every quarter
- » Increase emphasis on diversification
- » Increased emphasis on harvesting
- » A large proportion of the land-bank is marketable – timing the sales process is key

Offshore

Cyclical – starting high, going low, and rising again

- » Kustvind: arguably the most cost-efficient offshore wind project in Sweden
- » Talisk: the best wind resource in Europe with potential for early grid connection
- » Very supportive regulatory environment in the UK**
- » Revenue potential from farm-downs

Legacy - Royalty

Long-term, low-risk revenue – a foundation for new business

- » Established as a separate legal entity heading for the Oslo Stock Exchange
- » A secure revenue stream coupled with deferred tax assets and an ability to return cash to shareholders.
- » Near and mid-term revenue at USD 8.6 million from Shell Penguins
- » Legacy extension securing long term revenues of 50 cent per barrel in years to come

* Note, the disclaimer on the last page applies fully to these forward-looking statements

** CfD levels soared in UK for floating wind to NOK 3.25 KWh (vs. i.e. NOK 0.66 KWh for bottom fixed at in Sørlig Nordsjø 2)

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