MAGNORA ASA

Q3 REPORT 2021

15 November 2021

CONTENTS

ABOUT MAGNORA

After two decades in the oil and gas industry, the Group sold all its assets and intellectual property rights and restarted as a renewable energy development group in 2018. After 2018, the focus has been on building a diversified group with activities within a wide spectrum of renewable segments and markets. We are now pleased to have more than a handful of development companies under our umbrella. The Group is now developing both onshore and offshore wind energy projects, as well as solar PV energy projects, and has concentrated on projects in greenfield to ready-to-build phase. Additionally, the Group has added a unique perovskite solar cell technology company to its portfolio. 2020 was a year of transformation for the Group and we are now in a phase where we can start to focus on harvesting from some of our investments through farm-downs, sale, or inviting partners in our companies and projects.

In addition to creating a diversified portfolio of renewable energy companies, Magnora is building its core team of specialists while maintaining a lean overhead. Our strategy is to partner, invest and develop the right projects and companies to generate long term shareholder value.

THIRD QUARTER IN BRIEF

KEY HIGHLIGHTS FROM Q3 2021

» Overall, our portfolio companies showed good progress and high activity level in the third quarter of 2021

» Additional investments were made by Magnora in line with achieved business plan milestones, increasing ownerships in Kustvind AB and Helios AB to 30 percent and 40 percent respectively

» Ongoing partnership, farm-down and sale processes discussions with investors across several portfolio companies and projects

» Magnora Offshore Wind ("MOW") submitted applications to the ScotWind licensing round for two areas in Scotland. The company has received positive feedback from local stakeholders during the fall and is considering several other interesting opportunities. Currently, MOW is in several other promising partner and ownership discussions

» Magnora's SPV in South Africa progressed with construction of access roads, installation of wind met masts, and the start of wind measurement campaign

» Helios reached its 1GW solar PV development project portfolio goal six months ahead of original schedule and has started the sale process of two of the projects totalling 68 MW, which is expected to close in first quarter 2022. The company has received good interest for its other projects from potential buyers of ready-to-build projects. Helios is in advanced discussions regarding development and sale of two additional projects as well. Electricity prices remain record high in the Nordic region and there is growing interest for solar projects in the area

» Magnora entered into a collaboration agreement with Prime Capital and Troms Kraft for the development of a green maritime fuel production facility in Tromsø which qualified for Enova funding

» Magnora and Evolar presented the Perovskite technology for increased solar PV efficiency at Pareto Securities' Energy conference in September and the Pareto Clean Tech seminar in Stockholm in October

» Evolar has increased market activities and signed multiple NDAs with potential partners and customers. In addition, the company has had good technical progress during the quarter. There is also a growing interest from financial advisors and investors around perovskite and Evolar. Magnora will consider increasing its ownership in Evolar during the current quarter

» Adjusted EBITDA* for third quarter 2021 was negative NOK 3.2 million

» The third quarter had slightly higher operating costs than the previous quarter, largely due to increased business development activities, bonus payment, development of Magnora Offshore Wind AS and the Magnora SPV in South Africa with wind measurement campaigns

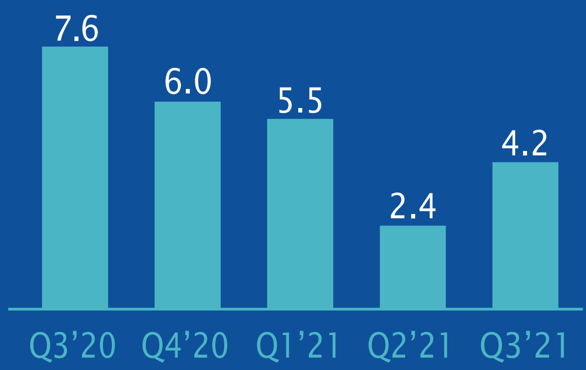
» After the quarter ended, Magnora learned through media articles that Dana, one of its two legacy customers, has planned to increase activity which can potentially increase our legacy revenues going forward. According to media articles, Penguins sail-away is scheduled to be in March

» Magnora also secured a NOK 50 million credit facility during the quarter with a tier 1 Nordic bank, and the facility is currently undrawn

* See definition in note 1

KEY FIGURES

REVENUES
MNOK



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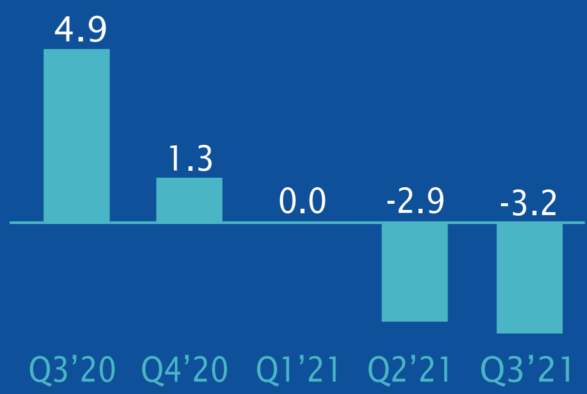
ADJUSTED EBITDA*
MNOK



See definition in note 1

NET CASH FROM OPERATING ACTIVITIES
-11.6 MNOK

5.7 Q3 2020 (-5.7 Q2 2021)

CASH
92.3* MNOK

62.6 Q3 2020 (120.3 Q2 2021)

* The Company has secured a NOK 50 million credit line

EQUITY RATIO %
95% MNOK

96% Q3 2020 (96% Q2 2021)

DEVELOPMENTS DURING THE QUARTER

OPERATIONAL REVIEW

Figures in brackets relate to second quarter 2021.
The figures are unaudited.

Magnora maintained a high activity level throughout the third quarter, progressing development of its portfolio companies. Efficient collaboration in partnerships, increased ownerships in portfolio companies, and a new development agreement increased the use of development resources.

Magnora increased its ownership in Kustvind and Helios to 30 and 40 percent respectively. Both increases according to the good progress in the business plans of the companies.

Magnora Offshore Wind submitted two applications to the ScotWind licensing process, after preparation of applications utilising the combined strong competences of the Magnora and TechnipFMC partnership.

Prime Capital, Troms Kraft and Magnora entered into a collaboration agreement for the development of a production facility for green maritime fuel in Tromsø which later qualified for Enova funding.

To meet the increasing demand from activities in projects and portfolio companies, Magnora has strengthened its team adding new members bringing in valuable new and complementary competences.

The management team was strengthened this quarter with personnel hired during the second quarter. Bjørn Gisle Grønlie joins Magnora from TechnipFMC as the new EVP Legal and M&A. Trond Gärtner joins Magnora from Statkraft as the new SVP Business Development. Emilie Schjøtt Brackman joins Magnora from DNV as Vice President Wind & Solar. The Group has been able to attract and retain highly qualified personnel, which will enable further development of Magnora and its portfolio companies.

The third quarter operating costs were higher than the previous quarter, mainly due to higher than usual business development activities, transactions and increased ownerships in two portfolio companies.

Note that Magnora recognises its share of the financial results from each of the portfolio companies according to its ownership share in accordance with IFRS.

The development costs in these companies are expensed and not capitalised, as they are in an early development phase.

Portfolio companies

Magnora takes an active role in the development of its portfolio companies, and provides support within due diligence, bank and project finance, equity, environmental impact assessments, grid studies, procurement, governmental approval, energy yield assessments, construction, operations, farm-downs and exits. We favor companies with high integrity, humbleness, and a result-oriented drive, and look for qualified teams with a proven track-record which in combination with our resources can create long-term value.

Evolar

During the second quarter, Magnora increased its ownership in Evolar AB (Evolar) to 40.7 percent. Magnora initially acquired 28.44 percent of the shares in Evolar through a share issue in the fourth quarter of 2020 and has options to increase its ownership in Evolar to 63.5 percent.

Evolar is developing a unique perovskite-based PV power booster technology that has the potential to increase efficiency of conventional silicon-based solar panels at low cost. The investment in Evolar gives Magnora access to a unique technology in a growing solar cell market that is due for efficiency innovation. The Evolar team holds several world records within its niche such as a copper indium gallium selenide (CIGS) solar cell with an efficiency of 24 percent and a thin film module record of 21 percent efficiency. The company has unique industrial scale R&D prototype production line, which is fully operational in Evolar's manufacturing facilities in Uppsala, Sweden. This allows the team to quickly scale and test solar cells and modules and thereby shorten the time-to-market. Perovskite can have a transformational effect on the solar cell market as well as the green transition due to its potential disruptive performance compared with conventional solar cells.

The Evolar team is in discussions with several industry players across the value chain who are eager to investigate the use of the perovskite technology for potential cooperation, testing, and scale-up of the technology to capitalise on the USD multi-billion solar cell market.

Evolar's organisation is growing according to their strategy, with key personnel successfully hired during the third quarter. In addition, the Dean of Uppsala University, Anders Hagfeldt, has joined Evolar's Advisory Board. Hagfeldt is widely known as a leading expert within the global perovskite community.

More details are available on Evolar's home page: www.evolarab.se.

Helios

During the third quarter, Magnora increased its ownership in Helios AB (Helios) to 40 percent. Magnora participated in a share issue acquiring 25 percent of Helios Nordic Energy AB (Helios) in February 2021.

Helios is a greenfield developer of large-scale PV projects in the Nordics. The company has developed a project portfolio by signing options for land leases in well suited locations in southern Sweden and has land lease agreements for 24 projects with a total installed capacity potential of approximately 1 GW. Helios has started the sale process for two of the projects totaling 68 MW, which is expected to close in first quarter 2022.

More details are available on Helios' home page: www.heliosnordic.com.

Vindr

Vindr is a developer of small and medium sized onshore wind and solar PV projects. Magnora initially acquired 25 percent of Vindr in March 2020. The Vindr Group is currently under incorporation.

Kustvind

Magnora increased its ownership in Kustvind AB (Kustvind) to 30 percent in the third quarter and has an option to acquire up to 50 percent of the company.

Kustvind is a 500 MW shallow water offshore wind project located in an area with very attractive wind conditions 8 - 15 km offshore the southern coast of Sweden. The wind park has a potential to produce 2 TWh annual green electricity and can potentially serve 250 000 homes with electricity.

The project is close to relevant infrastructure and in an area of Sweden that has had very attractive electricity prices both historically and recently. The project has entered the concession phase with significant studies and assessments required for the concession application. The impact assessment is progressing as planned, an energy yield report has been completed and park layout adjusted accordingly. Wildlife and marine environmental studies are ongoing. The local grid operator is investigating the capacity to determine alternative connection points to be proposed in the application for concession.

More details are available on the project's home page: www.kustvind.se.

Magnora South Africa

Magnora has entered the South African market by acquiring 100 percent of the shares in a South African company with a potential 850 MW greenfield renewable development portfolio consisting of approximately 550 MW wind and 300 MW solar PV. Magnora is integrating the company into Magnora's operations and working with Vindr's subsidiary in South Africa to develop the renewable projects in this company. The projects made good progress during the quarter, with access roads and met masts installed and put into operation for the wind measurement campaign. The supply of electric power in South Africa is inadequate. There is a particularly high demand for renewable electric energy and the country plans to develop 20-30 GW of renewable projects over the next decade.

South Africa has a very advanced and professional renewable market and Eskom, the public national grid and power generating company, is being de-bundled to create opportunities for the private sector. Magnora's South African company has commenced development of renewable projects with preparation for wind measurements and other early phase activities, such as business planning, meetings with industrial companies, equipment manufacturers, local and governmental banks, and potential investors. The renewable projects are expected to meet the criteria needed in public tender rounds ("REIPPP"), potential corporate power purchasing agreements (PPAs), and to serve local municipalities directly with electricity from renewable sources.

Magnora Offshore Wind

Magnora has established Magnora Offshore Wind, where TechnipFMC is a strategic partner, and Magnora aims to hold majority of the shares in the company.

Magnora Offshore Wind submitted its first applications for licenses to develop offshore wind farms in the

ScotWind licensing round in Scotland, UK. In addition, the company will participate in the first offshore wind application round in Norway, and other markets are under consideration. TechnipFMC has played a key role in floating wind industry since inception and has participated in developments such as the Hywind projects. The partnership with TechnipFMC has already provided several synergies through the ScotWind projects. TechnipFMC has over 4,500 employees in England, Scotland, and Norway.

License agreements

After selling its assets, rights, and intellectual property rights of cylinder vessel design to Sembcorp Marine Integrated Yard Pte. Ltd. (SMIY) in 2018, Magnora retained the financial benefits from the two licensing agreements detailed below.

Magnora is entitled to a license fee of USD 0.50 per barrel produced and offloaded from the Dana FPSO (the "FPSO") for the lifetime of the vessel. The associated license income for the third quarter 2021 was NOK 4.2 million (NOK 2.4 million). The FPSO was completed in 2017 and production started in Q4 2017. The FPSO has a production capacity of 44,000 barrels per day. The FPSO is expected to have a design life of 20 to 25 years. Magnora´s right to payments is tied to the FPSO, irrespective of operating location and field. Any potential field tied-back to the FPSO or any redeployment, irrespective of location, will also be subject to the payment obligations under the agreement. The Dana agreement is expected to generate income for Magnora for several years. The vessel's production depends on weather, maintenance, decline, timing of production drilling, discoveries and more.

During the quarter, Magnora learned that Dana has planned to increase activity and this can potentially increase our legacy revenues modestly going forward.

Magnora is also entitled to license fees from a license agreement with Shell for the Shell Penguins FPSO. The remaining license income of the Penguins agreement is approximately USD 16 million and subject to milestone achievements. The final investment decision regarding the Shell Penguins Redevelopment project was taken in January 2018. Magnora received payment for the first milestone of USD 2.625 million (NOK 20.7 million) under the license agreement in Q1 2018. Further payments under the license agreement are subject to three milestones: 1) the completion and sail away of the Penguins FPSO from the construction yard, 2) the installation of the Penguins FPSO at the field and production started, and 3) the successful production, offloading and gas export of 4 million barrels which is estimated to be approximately 6 months after successful start-up. It is currently anticipated that the sail-away of the Penguins FPSO will take place in the first quarter of 2022 according to industry journals and with further milestones achieved thereafter. The Penguins field is currently producing and is hooked up to the last of the remaining Brent platforms.

FINANCIAL REVIEW

As the Group has grown, it has implemented an updated operating model to manage its increasing portfolio. As part of the new operating model, corporate and project related activities and expenses are followed up and reported separately in segments. Currently the Group operates with two segments: corporate and projects. Both the project and corporate segments engage in business activities where it earns revenues and incur expenses.

Corporate

The corporate segment consists of the corporate staff and represents the cost base of the Group. All licensing revenues from legacy oil and gas contracts are managed and reported as part of the corporate segment.

Operating revenue for the corporate segment was NOK 5 million, and the operating expense was NOK 8.3 million in the third quarter. EBITDA in the corporate segment in Q3 was negative NOK 3.3 million. The year-to-date operating revenues were NOK 14.6 million and operating expenses NOK 20.7 million in the corporate segment.

Project

The project segment consists of the portfolio companies, projects, and all related activities. Development and M&A related expenses are assigned to the project segment, excluding M&A related expenses for acquisitions that have not materialised. These expenses are assigned to the corporate segment.

In the third quarter, there was no operating revenue for the project segment. The operating expense was NOK 0.8 million, and the development and M&A expense was NOK 5.9 million. EBITDA in the segment in was negative NOK 6.7 million.

Year-to-date, there was no operating revenue, operating expense was NOK 2.3 million, and development and M&A expense was NOK 15.2 million in the project segment.

Consolidated

Operating revenue in the third quarter 2021 was NOK 4.2 million, NOK 1.8 million higher than the previous quarter. The current operating revenue mainly reflects license income from the agreement with Dana, and the increase from previous quarter was in large due to higher off-loading volumes. EBITDA was negative NOK 10 million (negative NOK 9.1 million) due to low operating revenues and slightly increased operating costs compared to the previous quarter. EBITDA included NOK 0.9 million of non-cash option expenses for Q3 2021. See note 3 for further details.

Adjusted EBITDA was negative NOK 3.2 million. The operating expense was NOK 8.3 million. Development and M&A costs were NOK 5.9 million, mainly driven by development of the projects in South Africa and preparation of the ScotWind license applications.

Financial results from associated companies continued to be negative, as all associated companies are in the early phase of executing their business plans. As Magnora is increasing its ownership share in the portfolio companies, it is also recognising an increasing share of the negative financial results for the reporting periods.

Financial results reflect the activity level and progress in the portfolio companies. Net profit for the quarter was negative NOK 15.6 million, a decrease of NOK 3.6 million compared to the previous quarter (NOK 12 million).

This decrease was mainly due to the increase in development and M&A related expenses, as well as an increased share of negative financial results from the portfolio companies as explained above.

Year-to-date results 2021

Year-to-date, operating revenues ended at NOK 10.9 million, down from NOK 22.4 million in the same period of last year, due to lower revenues from our license agreements. Revenue streams from our license agreements will depend on timing of production drilling, currency rates, maintenance, uptime and more.

For the first nine months of 2021, EBITDA ended at negative NOK 24.1 million (which included NOK 2.4 million non-cash options expenses), versus NOK 2.8 million last year. The adjusted EBITDA ended at negative NOK 6 million in the third quarter, versus NOK 11 million in the same period last year. This year's EBITDA result has been negatively affected by higher operating and project related costs from a higher activity level with more external costs, higher personnel expenses, and higher legal fees related to new investments. As specified in note 2, EBITDA for first three quarters of 2021 was negative NOK 6.6 million for the corporate segment of the Group, and negative NOK 17.6 million for the project segment.

Net profit for the first three quarters of 2021 was negative NOK 33.8 million, versus NOK 21.9 million last year.

Earnings per share was negative NOK 0.59 in the first three quarters of 2021, versus NOK 0.42 in the same period in 2020.

Cash flow

As of 30 September 2021, cash and cash equivalents amounted to NOK 92.3 million (NOK 120.3 million). The cash flow in the quarter was mainly affected by 1) the increase in ownership in Helios AB and Kustvind AB, and 2) continued investments in projects in Magnora Offshore Wind and Magnora South Africa.

Financial position

The equity ratio was 95 percent as of 30 September 2021. The Group established during the quarter a credit facility of NOK 50 million with its main bank connection. The facility has not been used.

Financial reporting

The Group has evaluated its ability to present its financial results as an investment entity and has determined that it qualifies within IFRS rules to report its financial results in this format. Management believes that preparing the financial statements as an investment entity instead of consolidating the investments will provide more useful information to investors trying to determine the value of the Group's investments. The Board has not concluded on this item.

RISK AND UNCERTAINTY FACTORS

Magnora is exposed to market risk, project risk, reservoir risk, credit risk, currency risk, renewable license risk, concession risk, interest rate risk, inflation risk, liquidity risk, and regulatory risks. The Company's overall risk management programme focuses on the uncertainty of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company selects its portfolio projects and companies with emphasis on diversification to mitigate the various inherent risks in each segment of the renewable energy production industry. This does not reduce the individual risks below but makes the Company less vulnerable to the effects of those risks.

The project development process for renewable energy plants is also exposed to risks. The process for obtaining concession from relevant authorities can vary in different countries, but most countries have required local acceptance, and in some countries the local municipality has veto rights. The public opinion and local municipality veto rights can affect the licensing decisions and has in some countries caused changes to the political process determining the regulatory framework for obtaining concession for building and operating renewable energy plants. These uncertainties can cause delays and rejection of the concession applications, and it can cause the economics of the projects to be worsened as the approved size of turbines may not be sufficient for an optimised wind park. There is also risk related to military installations and training areas in addition to wildlife risks.

Market price of electricity can influence the profitability and value of Magnora's investments, and the price of electricity is influenced by government subsidies, supply and demand, availability of alternative energy sources (oil, coal, natural gas, nuclear plants, etc.), development cost and cost of equipment for power plants, and efficiency improvements within renewable energy plants (wind and solar for Magnora). One significant influencing factor in electricity prices is the political developments pushing for renewable energy to take over for the use of fossil fuels and the shutting down of nuclear plants.

Although Magnora's remaining customers are two major companies with a strong financial basis, as with suppliers and customers in general, there is a risk that unforeseen financial difficulties on the counterparty's side may arise and cause material adverse effects on the financial condition, cash flows and/or prospects of Magnora.

The Company is also subject to currency, field development and reservoir risk in situations where the license fee is tied to the field development and production such as the Dana income and Shell Penguins license fee income paid in USD. The company also relies heavily on two customers, Dana Petroleum and Shell for most of its operating revenues over the next three to four years.

Competition is significant as companies in other industries are trying to benefit from the positive policy support from governments as they try to push for improvements in CO2 emissions, etc. Many of the companies Magnora competes with are parts of larger groups and therefore may have better access to skilled personnel and funding.

The recent Covid-19 virus could potentially affect revenues for a short period if the crew on the Western Isles FPSO is dismissed due to infection risk or similar. Magnora could then experience a period without revenues if the Dana FPSO halts production due to the Covid-19 virus. Furthermore, the virus could also delay the construction and commissioning of the Shell Penguins vessel currently being built in China, which would then delay the milestone payments from Shell.

Regulatory risks can be changes in the regulatory environment that have a material adverse effect on Magnora's operations and financial performance. This could be changes in renewable energy policies, tax policies, or the regulatory environment that could affect the industries the Company is operating in. Changes in the licensing regulations can for instance cause delays in development and construction of projects.

The Group derive all its cash flow from financial investments, two legacy agreements and it associated companies. Negative cash flow and lack of financial performance from those companies therefore affects the Group. The exposure is limited to the Group's invested amount in those companies and is closely linked to the associated companies' ability to execute its strategy and manage risks it is exposed to. Magnora is represented on all the boards of its associated companies and mitigates risks through normal governance processes.

Loss of key personnel is a risk to the Group as it is operating with a staff of highly specialised professionals that may take time to replace if needed. Mitigation of this risk is an ongoing process of identifying outsourcing alternatives and potential recruitment to cover the resource needs of the Group.

OUTLOOK AND STRATEGY

Magnora continues to grow its portfolio of renewable energy companies and projects and has over the past months been able to expand into the Solar PV segment and the South African renewable market.

Through establishing Magnora Offshore Wind together with TechnipFMC, the Group has also moved into the offshore wind segment and has submitted two applications in the ScotWind licensing process in Scotland. The partnership is also focusing on new licensing processes outside of Scotland.

As all associated companies are in the early phase of executing their business plans, there is interest from industrial and institutional investors to increasingly invest prior to Ready-to-Build phase. Helios has received good attention for multiple projects by institutional investors and larger companies that want to invest in a holding company structure with Magnora and the founders.

Evolar will continue to consider IPO options going forward, as well as other ways of creating value for Magnora's shareholders. Evolar is continuously working on industrial partnerships and development of a strategic customer base.

Magnora is increasingly focusing on near-term development opportunities which for the most part is located within solar and offshore wind (shorter time-to-market). Political resistance remains high within onshore wind in Norway and Sweden. However, the political landscape is changing quickly on the back of record high electricity prices in the region. The Group is following developments in the region closely.

The original strategy of building a robust portfolio across several segments and geographical areas has proven effective, as it reduces political and country- specific risks. However, we see an increasing appetite for our portfolio companies and projects from leading energy companies and infrastructure funds. We also see interest from institutional investors and energy companies where Magnora originates various energy projects and manage their investments in a partnership. Magnora has established a deep and wide platform which can generate earnings beyond Penguins and the Western Isles revenues. Significant earnings from the Penguins (16 MUSD in three installments) and the Western Isles contract are expected in 2022 and 2023.

Over the past year, the Group has doubled the number of shareholders to over 9300. Management maintains close dialogue with its shareholders regarding progress and fine-tuning of the Group's strategy.

Going forward our focus will increasingly be opportunities with shorter development cycles such as solar projects and license rounds. There has been growing resistance for onshore wind projects in Norway and Sweden lately, but rising electricity prices might change policy or consumer sentiment quickly. The popularity of solar PV is increasing in the region on the back of rising and volatile electricity prices.

The private share issue performed during the first quarter was oversubscribed several times, which confirms Management's alignment with the shareholders. The additional funding was needed to execute the Group's strategy and secure adequate funding for the financial commitments already made in the portfolio companies. The Group continues to evaluate and investigate a significant volume of deals introduced, where Magnora can both help develop the companies' business case and assist with financing.

SHARE BUYBACK, CAPITAL REDUCTION AND DIVIDENDS

The board of directors launched a new share buyback programme based on authorisation from the annual general meeting ("AGM") held on 21 May 2019, and as of the date of this report, Magnora owns 76,175 of its own shares. The authorisation was renewed by the AGM held on 27 April 2021.

Quarterly dividends have been halted to conserve cash for investments needed as part of the Company's strategy in the short term.

Oslo, Norway, 15 November 2021
The Board of Directors of Magnora ASA

Torstein Sanness
Chairman

Hilde Ådland
Board Member

John Hamilton
Board Member

Erik Sneve
CEO

INTERIM FINANCIAL STATEMENTS

Numbers are unaudited

CONDENSED CONSOLIDATED INCOME STATEMENT

NOK million	Note	Q3 2021	Q2 2021	YTD 2021	Q3 2020*	YTD 2020*	2020*
Operations							
Operating revenue	7	4.2	2.4	10.9	6.8	21.6	27.1
Other operating revenue	7, 11	0.1	0.0	1.4	0.8	0.8	1.3
Operating expense		-8.3	-6.1	-20.7	-2.9	-13.3	-17.8
Development and M&A expense	2	-5.9	-5.4	-15.7	-0.6	-2.1	-3.6
EBITDA		**-10.0**	**-9.1**	**-24.1**	**4.1**	**7.0**	**7.0**
Profit/loss from associated companies		-5.7	-2.9	-15.1	0.0	0.0	-0.9
Operating profit/(loss)		**-15.6**	**-12.0**	**-39.2**	**4.1**	**7.0**	**6.1**
Financial income/(loss)	9	0.1	2.2	5.8	5.0	10.6	20.2
FX gain/(loss)		-0.1	-0.3	-0.3	0.3	7.3	7.8
Net financial items		**0.0**	**1.9**	**5.5**	**5.3**	**17.9**	**28.0**
Profit/(loss) before tax		**-15.6**	**-10.0**	**-33.8**	**9.4**	**24.9**	**34.1**
Tax income/(expense)	4	0.0	0.0	0.0	-2.1	-3.0	-5.6
Net profit/(loss) continued operations		**-15.6**	**-10.0**	**-33.8**	**7.3**	**21.9**	**28.5**
Net profit/(loss)		**-15.6**	**-10.0**	**-33.8**	**7.3**	**21.9**	**28.5**

* The Group has continued to successfully develop its portfolio of projects and has therefore implemented a new operating model where corporate and project related activities are followed up and reported separately. Due to the new segment reporting, development and M&A expenses are presented separately from ordinary operating expenses.

Numbers are unaudited

STATEMENT OF COMPREHENSIVE INCOME

NOK million	Q3 2021	Q2 2021	YTD 2021	Q3 2020	YTD 2020	2020
Net profit/(loss)	-15.6	-10.0	-33.8	7.3	21.9	28.5
Foreign currency translation	-0.5	-0.4	-0.8	0.0	0.0	0.0
Total comprehensive income	**-16.1**	**-10.4**	**-34.6**	**7.3**	**21.9**	**28.5**

Numbers are unaudited

CONDENSED STATEMENT OF FINANCIAL POSITION

NOK million	Note	30.09.21	30.06.21	31.12.20
Deferred tax assets	4	31.1	31.1	31.1
Goodwill		2.0	2.0	0.0
Investment in associates	5, 10	77.2	66.7	24.5
Total non-current assets		**110.3**	**99.9**	**55.6**
Trade and other receivables		7.4	3.2	4.0
Other current financial assets	9	2.7	1.4	19.6
Cash and cash equivalents		92.3	120.3	44.8
Total current assets		**102.4**	**124.9**	**68.4**
Total assets		**212.7**	**224.8**	**124.1**
Share capital		27.9	27.9	25.8
Treasury shares		0.0	0.0	0.0
Other equity		173.4	188.6	92.4
Total shareholders' equity		**201.4**	**216.5**	**118.1**
Total equity		**201.4**	**216.5**	**118.1**
Current liabilities		11.3	8.3	6.0
Total current liabilities		**11.3**	**8.3**	**6.0**
Total liabilities		**11.3**	**8.3**	**6.0**
Total equity and liabilities		**212.7**	**224.8**	**124.1**

Numbers are unaudited

CONDENSED STATEMENT OF CHANGES IN EQUITY

NOK million	Share capital	Treasury Shares	Other equity	Total equity
Equity as of 1 January 2021	**25.8**	**-0.1**	**92.4**	**118.1**
Total comprehensive income for the period	0.0	0.0	-34.6	-34.6
Share based payments	0.0	0.0	2.4	2.4
Capital increase	2.2	0.0	113.2	115.4
Equity as of 30 September 2021	**28.0**	**-0.1**	**173.4**	**201.4**
Equity as of 1 January 2020	**25.8**	**0.0**	**79.8**	**105.6**
Total comprehensive income for the period	0.0	0.0	28.5	28.5
Acquired treasury shares*	0.0	-0.1	-0.5	-0.6
Share based payments	0.0	0.0	1.9	1.9
Capital reduction and distribution	0.0	0.0	-17.4	-17.4
Equity as of 31 December 2020	**25.8**	**-0.1**	**92.4**	**118.1**

* Through the share buyback program, Magnora owns 76,175 shares or 0.15 percent of total shares outstanding.

Numbers are unaudited

CONDENSED STATEMENT OF CASH FLOW

NOK million	Q3 2021	Q2 2021	YTD 2021	Q3 2020	YTD 2020	2020
Cash flow from operating activities						
Cash from operations	-11.6	-5.7	-20.7	5.7	17.0	18.5
Taxes paid/repaid	0.0	0.0	0.0	0.0	0.0	0.0
Net cash generated from operating activities	**-11.6**	**-5.7**	**-20.7**	**5.7**	**17.0**	**18.5**
Cash flow from investment activities						
Net purchase of marketable securities	0.0	13.6	19.2	15.4	-4.7	16.3
Net purchase of associated companies	-16.4	-37.9	-66.4	0.0	0.0	-30.9
Net cash from investment activities	**-16.4**	**-24.3**	**-47.2**	**15.4**	**4.7**	**-14.6**
Cash flow from financing activities						
Capital distribution/increase	0.0	0.0	115.4	-4.2	-17.3	-17.3
Net cash from financing activities	**0.0**	**0.0**	**115.4**	**-4.2**	**-17.3**	**-17.3**
Net cash flow from the period	**-27.9**	**-29.9**	**47.5**	**16.9**	**4.3**	**-13.5**
Cash balance at beginning of period	120.3	150.2	44.8	45.7	58.3	58.3
Cash balance at end of period	**92.3**	**120.3**	**92.3**	**62.6**	**62.6**	**44.8**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION AND ACCOUNTING POLICIES

Magnora ASA's objective is the conduct of industry, trade and business associated with energy, IT and commodities, and sectors directly or indirectly related to these, in addition to investments in and acquisitions of businesses, securities, financial instruments and other assets, and participating in other businesses, directly or indirectly linked to these.

Magnora ASA is a public limited company, incorporated and domiciled in Norway. The condensed consolidated interim financial statements consist of the company and the company's interests in associated companies.

The Group prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and these financial statements have been prepared in accordance with the International Accounting Standard for Interim Financial Reporting (IAS 34). As the interim financial statements do not include the full information and disclosures as required in the annual financial statements, it should be read in connection with the Annual Financial Statements for 2020.

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

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

Adjusted EBITDA: Adjusted EBITDA is a measurement used in internal reporting to management and is considered to also be relevant for external stakeholders. Adjusted EBITDA shows the corporate activities and related expenses to operate the Group. This has been referred to as the Groups' cost base in previous reports. Adjusted EBITDA, as defined by Magnora, excludes development and M&A related expenses, and non-cash items and adjustments, such as options related expenses.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31 December 2020.

2 SEGMENT FINANCIALS

The Group has developed from being a former oil and gas engineering company with license revenues and transformed into a renewable energy development company with several projects and investments in companies in its portfolio. As the Group has grown, it has implemented an updated operating model to manage its increasing portfolio. As part of the new operating model, corporate and project related activities and expenses are followed up and reported separately. This is reflected in the tables below.

Both the project and corporate segments engage in business activities where it earns revenues and incur expenses. All licensing revenues from legacy oil and gas contracts are managed and reported as part of the corporate segment, and the renewable activities and investments are reported in the project segment. M&A related expenses for projects and transactions that do not materialise, are reported as an expense in the corporate segment, which is shown separately to show the cost base of the Group. Operating results of the segments are regularly reviewed by the entity's chief operating decision maker, which is the Magnora board, to make decisions about resources allocated to the segment and assess its performance. Segment performance is evaluated based on EBITDA and operating profit/loss.

Segment financials YTD 2021:

NOK million	Note	Corporate	Projects	Elimination	Consolidated
Operations					
Operating revenue	7	10.9	0.0	0.0	10.9
Other operating revenue	7, 11	3.7	0.0	-2.3	1.4
Operating expense	2	-20.7	-2.3	2.3	-20.7
Development and M&A expense	2	-0.5	-15.2	0.0	-15.7
EBITDA		**-6.6**	**-17.6**	**0.0**	**-24.1**
Profit/loss from associated companies		0.0	-15.1	0.0	-15.1
Operating profit/(loss)		**-6.6**	**-32.7**	**0.0**	**-39.3**

Segment financials Q3 2021:

NOK million	Note	Corporate	Projects	Elimination	Consolidated
Operations					
Operating revenue	7	4.2	0.0	0.0	4.2
Other operating revenue	7,11	0.8	0.0	-0.8	0.1
Operating expense	2	-8.3	-0.8	0.8	-8.3
Development and M&A expense	2	0.0	-5.9	0.0	-5.9
EBITDA		**-3.3**	**-6.7**	**0.0**	**-10.0**
Profit/loss from associated companies		0.0	-5.7	0.0	-5.7
Operating profit/(loss)		**-3.3**	**-12.4**	**0.0**	**-15.6**

Segment financials 2020:

NOK million	Note	Corporate	Projects	Elimination	Consolidated
Operations					
Operating revenue	7	27.1	0.0	0.0	27.1
Other operating revenue	7,11	1.6	0.0	-0.3	1.3
Operating expense	2	-17.8	-0.3	0.3	-17.8
Development and M&A expense	2	-0.2	-3.4	0.0	-3.6
EBITDA		**10.8**	**-3.8**	**0.0**	**7.0**
Profit/loss from associated companies		0.0	-0.9	0.0	-0.9
Operating profit/(loss)		**10.8**	**-4.7**	**0.0**	**6.1**

Segment financials YTD 2020:

NOK million	Note	Corporate	Projects	Elimination	Consolidated
Operations					
Operating revenue	7	21.6	0.0	0.0	21.6
Other operating revenue	7,11	0.8	0.0	0.0	0.8
Operating expense	2	-13.3	0.0	0.0	-13.3
Development and M&A expense	2	0.0	-2.1	0.0	-2.1
EBITDA		**9.1**	**-2.1**	**0.0**	**7.0**
Profit/loss from associated companies		0.0	0.0	0.0	0.0
Operating profit/(loss)		**9.1**	**-2.1**	**0.0**	**7.0**

Segment financials Q3 2020:

NOK million	Note	Corporate	Projects	Elimination	Consolidated
Operations					
Operating revenue	7	6.8	0.0	0.0	6.8
Other operating revenue	7,11	1.1	0.0	-0.3	0.8
Operating expense	2	-2.9	-0.3	0.3	-2.9
Development and M&A expense	2	0.0	-0.6	0.0	-0.6
EBITDA		**5.0**	**-0.9**	**0.0**	**4.1**
Profit/loss from associated companies		0.0	0.0	0.0	0.0
Operating profit/(loss)		**5.0**	**-0.9**	**0.0**	**4.1**

3 ADJUSTED EBITDA

As noted in Note 1, adjusted EBITDA, as defined by Magnora, excludes M&A related expenses, expenses from consolidated entities, and non-cash items and adjustments, such as options related expenses. The purpose of this measure is to show the cost base of the Group for the reporting period.

NOK million	Note	Q3 2021	Q2 2021	YTD 2021	Q3 2020	YTD 2020	2020
Operations							
EBITDA		-10.0	-9.1	-24.1	4.1	6.9	7.0
Development and M&A expense		5.9	5.4	15.7	0.6	2.3	3.6
Option expense (non-cash)		0.9	0.8	2.4	**0.2**	**1.8**	1.9
Adjusted EBITDA		**-3.2**	**-2.9**	**-6.0**	4.9	11.0	**12.5**

4 ACCOUNTING ESTIMATES

Deferred tax assets are recognised for unused tax losses only to the extent that it is probable that taxable profit will be available against which the losses can be utilised in the future. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the 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 upon 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 3.5 billion.

5 JUDGEMENTS

The Group has a portfolio of companies it has invested in and evaluates each quarter whether it has control in accordance with IFRS 10.

The Group invested in Vindr AS in March 2020 through a share issue for 25 percent ownership. In February 2021, the Group established the Vindr Group, which is still under establishment.

The Group invested in Kustvind AB in March 2020 through a share issue and currently has 30 percent ownership. Magnora further has the right to increase its ownership to 50% according to a budget and milestone plan. The option to increase ownership is currently not exercisable, as the increase in ownership must come from a capital call from the Kustvind board due to a capital need in the project. The three founders of Kustvind own equal shares of the remaining shares in the company. Magnora has three out of five board members, and the founders have the remaining two members of the board. The other shareholders have the right to elect its third board member at any time, and it is expected that they will do so shortly. Magnora is a minority owner with three other owners and has significant influence of the company. Hence its ownership is accounted for using the equity method as an associated company.

The Group invested in Evolar AB in November 2020 through a share issue for 28.44 percent ownership, which was increased to 40.7 percent in June 2021. The five founders of the company own equal shares of the remaining shares in the company. Magnora has two out of five board members, and the founders have the remaining three members of the board. Significant decisions (e.g., Issues of new shares, mergers or demergers, sale of all or substantially all of the assets of a member of the group, amendments and revisions of the business plan) shall always require the consent and approval by the Board members nominated by Magnora. The Group determines it does not have significant control but does have significant influence in Evolar. Magnora invested in this company with the intention of providing financing, strategic advice, and assistance with a potential stock exchange listing when the R&D has developed to an adequate stage but does not interfere in operations of the company. Magnora ASA has options to acquire a total of 63.5% of the company, but these options are not currently exercisable. Hence its ownership is accounted for using the equity method as an associated company. At the balance sheet date, the book value of the investment has been adjusted for the Company's share of the negative operating results in the period.

The Group invested in Helios AB in February 2021 through a share issue and owns 40 percent of the company at the balance sheet date. The remaining ownership of Helios is divided between the three founders of the company and other early investors. Magnora has one out of five board members, and the founders and other shareholders have the remaining four members of the board.

Although Magnora is a majority owner, it exerts no strategic or operational influence on this company, as Helios operates in a segment Magnora has not explored prior to this investment. This company operates fully independent of Magnora. For up to two years after the First Investment from Magnora, significant resolutions (e.g. Annual budgets, amendments in the business plan, any merger/demerger and so on) must be approved by the Board and supported by the director appointed by Magnora. Magnora has significant influence in the company and its ownership is accounted for using the equity method as an associated company.

6 SHAREHOLDER STRUCTURE

20 largest shareholder accounts 05 November 2021 (source: VPS)	Number of shares	Percent ownership
GINNY INVEST AS	2,508,778	4.40
KING KONG INVEST AS	2,400,995	4.21
CARE HOLDING AS	2,000,000	3.50
BEKKESTUA EIENDOM AS	1,791,860	3.14
ALDEN AS	1,729,829	3.03
PHILIP HOLDING AS	1,690,000	2.96
ANDENERGY AS	1,558,140	2.73
INTERACTIVE BROKERS LLC	1,406,307	2.46
F2 FUNDS AS	1,374,000	2.41
F1 FUNDS AS	1,316,422	2.31
NORDNET LIVSFORSIKRING AS	1,282,388	2.25
MP PENSJON PK	1,107,138	1.94
ALTEA PROPERTY DEVELOPMENT AS	1,054,944	1.85
AARSKOG, PHILLIP GEORGE	1,000,000	1.75
CLEARSTREAM BANKING S.A.	806,019	1.41
BAKLIEN, ÅSMUND	756,100	1.32
DANSKE BANK AS	751,322	1.32
SJØLUND STIAN	551,000	0.97
BILL INVEST AS	530,156	0.93
SKANDINAVISKA ENSKILDA BANKEN AB	471,114	0.83
Total, 20 largest shareholders	**26,086,512**	**45.71**
Other shareholder accounts	30,986,167	54.29
Total number of shares	**57,072,679**	**100.00**
Foreign ownership	8,906,864	15.61

7 OPERATING REVENUE

NOK million	Q3 2021	Q2 2021	YTD 2021	Q3 2020	YTD 2020	2020
Operations						
License revenue	4.2	2.4	10.9	6.8	21.6	27.1
Other revenue	0.1	0.0	1.4	0.8	0.8	1.3
Operating revenue operations	**4.3**	**2.4**	**12.3**	**7.6**	**22.4**	**28.4**

8 OPTIONS

Options have been awarded during 2020 and 2021 in accordance with the options programme approved by the AGM in 2019. Both members of the board and members of management have been granted options during 2020 and 2021, and the cost of the options is recorded over the first 36 months following the grant date.

The EVP Legal and M&A was granted 25,000 options during Q3 2021. NOK 0.9 million has been recognised for Q3 2021 in accordance with IFRS 2.

9 FINANCIAL ASSETS

In accordance with authorisation from the Board of Directors, Magnora ASA held and traded marketable securities during Q3 2021 with a net gain of NOK 0.1 million. The total value of other current financial assets held on the balance sheet is NOK 2.7 million at the end of the quarter. The Group holds marketable securities as part of an effort to carefully increase the return on cash holdings. The shares are considered sufficiently liquid to allow Magnora ASA to sell the shares to meet short-term working capital needs.

The financial assets are recognised in the Balance Sheet at fair value. Unrealised fair value changes are recognised in the profit and loss as financial income/(expense).

10 INVESTMENT IN ASSOCIATES

The investment in associates represents the investment in Vindr Group, Kustvind AB, Evolar AB, and Helios AB.

The Group established the Vindr Group and increased its ownership in Vindr to 50 percent in February 2021 (subject to close of the transaction). The initial investment was for 25 percent ownership and took place in March 2020. As noted in section three above, Magnora does not have a controlling share and does not exercise control in Vindr, and the investment is accounted for using the equity method. The value is adjusted for the Group's share of Vindr's operating results for the period.

The Group has 30 percent ownership in Kustvind AB and has a right to acquire up to 50 percent of the company. As of 30 June 2021, Magnora does not have a controlling share and does not exercise control in Kustvind, and the investment is accounted for using the equity method. The value is adjusted for the Group's share of Kustvind's operating results for the period.

The Group has 40.7 percent ownership in Evolar AB and has a right to acquire up to 63.5 percent of the company.

As of 30 June 2021, Magnora does not have a controlling share and does not exercise control in Evolar, and the investment is accounted for using the equity method. The value is adjusted for the Group's share of Evolar's operating results for the period.

The Group has 40 percent ownership in Helios. As of 30 June 2021, Magnora does not have a controlling share and does not exercise control in Helios, and the investment is accounted for using the equity method. The value is adjusted for the Group's share of Helios's operating results for the period.

11 RELATED PARTY TRANSACTIONS

Magnora ASA has an agreement with all subsidiaries and associated companies that allows services to be provided between the companies at agreed upon hourly rates. Magnora has both operating revenues and expenses from services provided between the companies that are considered to be related parties to Magnora. There were no operating revenues from associated companies in the third quarter.

MAGNORA ASA

Magnora ASA
Karenslyst Allé 2, 2nd floor
0277 OSLO
www.magnoraasa.com