



MAGNORA ASA

Third Quarter  
**Report**  
2024

# Table of **Contents**

Third Quarter in Brief	3
Key Portfolio Figures	4
Developments During the Quarter	6
Interim Financial Statements	10
Selected Notes to the Financial Statements	15

# Third Quarter in Brief

## Key Highlights

- On 4 July 2024, Vinci Concessions received FDI approval from Swedish authorities, and closing of the divestment of Helios commenced. On 11 July, the sellers' advisor received NOK 868 million and Vinci assumed ownership of all shares. Magnora held 40 percent of the shares at the time of the sale. Final payment was adjusted for by employee options and transaction costs.
- On 16 August, Magnora made a capital distribution of NOK 4.187 per share. Magnora has returned NOK 829.6 million to the shareholders since the legacy business was sold in 2018. In addition to this, the Group has distributed 70 percent of the shares in Hermana Holding ASA to Magnora's shareholders. The combined effect of these activities has been to return more than NOK 1 bn to shareholders since 2018 with the new management in the lead.
- On 5 September, Magnora resumed its share-buyback program. The maximum consideration to be paid for shares acquired under the buyback program is NOK 35 per share, with a total limit of NOK 50 million. As of 30 September, Magnora holds 398,042 treasury shares.
- On 11 September, Magnora announced its entry into Germany and Italy. Magnora has recruited local, experienced management and established a corporate structure to support its initiatives in both countries.
- During the quarter, Magnora South Africa's project portfolio reached 4.3 GW, adding 800 MW during the quarter. Furthermore, a deal with Red Rocket, signed in June 2024 was closed in Q3. Additional sales processes were initiated during the quarter and one transaction closed on 7 October.
- Hafslund Magnora Sol AS filed its first permit application and signed 9 additional lease agreements with landowners, representing a potential total of approximately 400MW. The company now holds a project portfolio totaling 1,500 MW, of which Magnora's share is 600 MW. Additionally, Hafslund Magnora Sol strengthened its team by appointing a permanent technical director.
- In September, Magnora Offshore Wind installed a metocean and LIDAR buoy at the Talisk site, which will collect data on weather and waves – key inputs

for design and consenting activities. This marks an important step in the project's development.

## Key Figures

- Net cash from operating and investment activities was NOK 307 million, increase of NOK 302.6 million compared to the previous quarter. This growth is primarily driven by proceeds from the divestment of the Helios and South African SPV investments.
- As of the end of Q3, the Group's cash and cash equivalents balance was NOK 334.9 million, representing a net increase of NOK 23.6 million from prior quarter, after an extraordinary capital repayment of NOK 275.3 million. This was largely attributed to strategic divestments, allowing the Group to unlock value from its development portfolio.















## Subsequent Events

- On 7 October, Magnora South Africa signed a deal for the sale of new projects. The project sites have been developed from origination by African Green Ventures (AGV), the South African development arm of Magnora. This is the fourth deal signed during the past 15 months in South Africa, accumulating to more than 600 MW of sold projects. The transaction is expected to be closed during Q4.

## Outlook

- A sustained fall in the prices of PV modules and batteries as well as carbon neutral policies from central governments is driving demand for projects globally and helps maintain the pricing power of successful developers. In addition, demand driven by deployment of Artificial Intelligence products and services will fuel growth for clean green electricity.
- Magnora and group companies are in several farm-downs and sales discussions and continue to explore opportunities as they enter new markets. Magnora anticipates the sale of 600–725 MW of new projects in 2025 across multiple countries (wind, solar and battery).
- Earnout, revenue share and milestone payments from divested companies and projects are expected to provide the Group with substantial income over the next years.

# Key Portfolio Figures (excluding Helios)

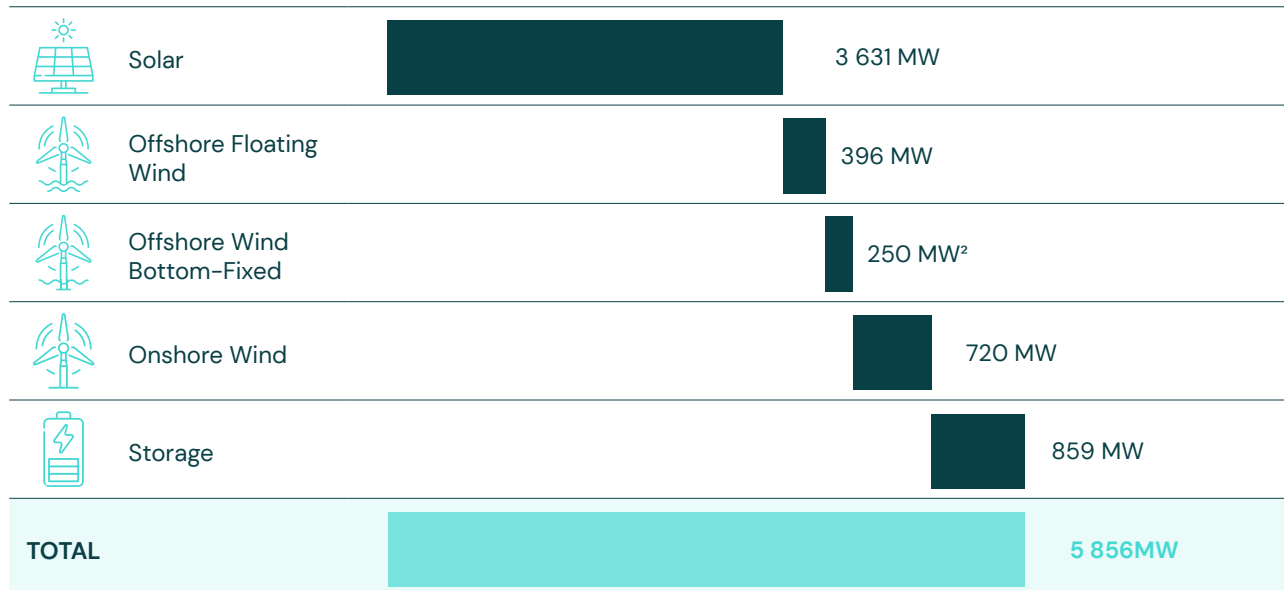
Portfolio Company	Ownership %*	Technology	Location	Potential capacity (MW) in development*	Capacity (MW) sold**
 MAGNORA OFFSHORE WIND	80		Scotland	396	0
 MAGNORA SOUTH AFRICA	100	  	South Africa	3 955	354
 MAGNORA PV UK	50	 	England	301	0
 Hafslund Magnora Sol	48	 	Norway	600	0
 kustvind	47.6		Sweden	250	0
<b>Total</b>				<b>5 502</b>	<b>354</b>
<b>Total Portfolio</b>				<b>5 856</b>	

\* Figures are net to Magnora based on ownership rate as of balance sheet date.

\*\* Projects sold to external investors with significant future revenue potential through milestone payments














## Portfolio By Technology

MW, net share of project capacity<sup>1</sup> for projects under development, incl. sold and delivered



## Market Presence

MW, net share of project capacity<sup>1</sup> for projects under development, incl. sold and delivered

Market		Net share of project capacity (MW)	Technology
	Sweden	250 MW <sup>2</sup>	
	Scotland	396 MW	
	South Africa	4 309 MW	  
	England	301 MW	 
	Norway	600 MW	
<b>Total</b>		<b>5856</b>	

1) Total capacity in MW x Magnora ownership share = Net share

2) Economic interest as of 30 September 2024 stands at 47.6 percent ownership with option to increase to 50 percent

Market Cap\*  
**MNOK 1 572**

Share Price\*  
**NOK 23.90**

Total Shares  
**65 781 825**

\*As of market close 30 September 2024

# Developments During the Quarter

## Financial Review

(Figures in brackets relate to second quarter 2024)

Numbers are unaudited.

Magnora recognises its share of the financial results in its portfolio companies based on ownership share in accordance with IFRS. Portfolio companies are classified as associates when the Group has less than 50 percent and more than 20 percent ownership and/or considers it does not have control of the entity. See note 8 Investment in associates for more details. Portfolio companies are classified as subsidiaries when the Group has more than 50 percent ownership and/or considers it has control of the entity as the majority shareholder. For subsidiaries, the full net profit/loss is recognised as these companies are consolidated into the Group's financial reports. Development costs in these companies are expensed and not capitalised, as they are in early development phase.

## Segments

The Group operates through two segments: Corporate and Projects. Each segment conducts business activities with separate tracking of revenues and expenses.

The corporate segment consists of the corporate staff and is responsible for overseeing the Group's strategic planning, financial management and administrative functions. This segment ensures operational efficiency and compliance across all areas of the group.

The licensing business related to the Western Isles FPSO, previously reported under the corporate segment, was demerged into a newly established company, Hermana Holding ASA, during the second quarter. As a result, the revenues and expenses previously associated with this business are classified as discontinued operations (refer to note 14 Discontinued operations). Magnora retained a 30 percent interest in Hermana Holding ASA, which is classified as an associated entity applying the equity method.

The project segment consists of portfolio companies, ongoing projects, and associated operational activities. Expenses related to development and mergers and acquisitions (M&A) activities are directly allocated to this segment, while costs linked to unsuccessful M&A transactions are allocated to the corporate segment.

## Revenue and Other Income

Total operating revenue and other income in the third quarter amounted to NOK 257.3 million (NOK 61.7 million). This includes NOK 0.1 million from services provided

to associated companies and NOK 257.3 million from proceeds from the divestments and investments. Other income related to Helios transaction was lower than the cash received since P&L is adjusted for historic investments and revenues according to IFRS 5 and IAS 28.

## Operating Expenses

Operating expenses for the third quarter were a total of NOK 10.8 million, down from NOK 17.8 million in the previous quarter. The decrease in expenses was mainly due to accrual for bonuses recognised in the previous quarter and bringing the cost level for that quarter up, while costs related to external services for supporting the divestments processes and general corporate activity remained consistent.

## Development and M&A

Development and M&A costs were NOK 13.9 million (NOK 13.1 million). This consistent level of expenditure reflects the continued progress of activities within the portfolio and the Group's strategic expansion into new markets.

## Operating Profit

Operating profit for the quarter amounted to NOK 227.2 million (NOK 68.7 million). The increase was primarily driven by the gains from divestments, offset by a negative contribution of NOK 5.4 million from associated companies.

## Net Profit/Loss

Net profit for the quarter was NOK 235.4 million compared to NOK 374.2 million in the previous quarter. This decline is due to lower gains from the disposal of investments in the third quarter compared to the gains recognized from the distribution of shares in Hermana Holding ASA in the prior quarter.

## Cash Flow

As of 30 September 2024, cash and cash equivalents totaled NOK 334.9 million (NOK 311.3 million). Cash flow from operating activities was a negative NOK 24.6 million, slightly higher than the previous quarter's negative cash flow of NOK 23.2 million, primarily due to expenses related to the development of the existing portfolio and overall expansion of the Group.

In terms of investment activities, the Group generated NOK 333.9 million from the sale of Helios and a project in South Africa. Additionally, the Group invested NOK 3.2 million in its associated companies. The gain from the



divestment of Helios is adjusted for transaction costs and settlement of employee options.

The financing activities of the Group included capital contributions made to shareholders amounting to NOK 275.3 million, as well as NOK 9.5 million incurred through its share buy-back program to repurchase its own shares.

### Financial Position

Total Group equity for the quarter was NOK 471.0 million (NOK 519.6 million), representing an equity ratio of 75 percent (77 percent). This decrease is a result of the share buy-back program undertaken by the Group, which decreased equity through the repurchase of its own shares, as well as the capital distribution made to shareholders.

### Segment Financials

Operating revenue for the corporate segment consists of services provided to companies within the group, and amounted to NOK 4.7 million in the third quarter, down from NOK 8.7 million in the previous quarter. This total comprised NOK 0.1 million from services provided to associates and NOK 4.6 million from services provided to subsidiaries. Operating expenses for the corporate segment was NOK 10.8 million (NOK 17.8 million), reflecting costs associated with external services for divestments and general corporate activities aimed at supporting the portfolio.

The segment's EBITDA was negative NOK 6.1 million, an improvement from a negative NOK 9 million in the previous period.

Other income from divestments in the project segment amounted to NOK 257.3 million (NOK 58.9 million), mainly due to the proceeds received from the divestment of Helios and a South African SPV. This amount is lower than the proceeds received due to adjustments of income from Helios recognised in prior quarters. The segment did not incur operating expenditure during

the quarter, while development and M&A expenses amounted to NOK 18.5 million, slightly down from NOK 19.1 million in the previous quarter.

As a result, the segment's EBITDA was NOK 238.7 million, a significant improvement from the negative NOK 39.8 million in the prior quarter, largely attributable to the favorable contributions from the divestment proceeds.

## Risk And Uncertainty Factors

Magnora is exposed to market risk, electricity price risk, indirect equipment price risk, customer risk, project and contractual risk, land lease risk, reservoir risk, credit risk, currency risk, renewable license risk, concession risk, auction risk, interest rate risk, inflation risk, liquidity risk, climate risks, regulatory risks, and other risk factors, all as described further below. The Group's overall risk management program aims to mitigate potential adverse effects on its financial performance arising from these uncertainties in the financial markets.

The Company strategically selects its portfolio projects and companies, focusing on diversification to mitigate the various inherent risks across various segments of the renewable energy production industry. While this approach doesn't eliminate individual risks entirely, it reduces the Group's susceptibility to their potential impacts.

The development of renewable energy plants involves inherent risks. Securing concessions from relevant authorities varies across countries, typically requiring local approval, with some countries granting veto rights to local municipalities. Public opinion and these veto rights can influence licensing decisions and have, in some cases, prompted changes in the political process governing regulatory frameworks for building and operating renewable energy plants. These uncertainties may lead to delays or denials of concession applications and could impact project economics. Additional risks include considerations related to military installations, training areas, and wildlife impacts.

As the Company's asset portfolio matures, the necessity to engage in a larger number of increasingly complex commercial contracts grows. This heightened involvement exposes the Group to greater risks associated with commercial disputes stemming from disagreements and uncertainties over contract interpretations.

The Group may fail to identify relevant issues related to investment and farm-down partners during its due diligence process and may as a result for some investments experience weaker than expected results. We might also experience that farm-down partners or companies who acquire our businesses change strategy and therefore, stop funding and investing.

The market price of electricity can influence the profitability and value of Magnora's companies and projects. 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 replace fossil fuels and nuclear plants.

Through the demerger of its legacy business, the Group has limited its exposure to the related risks based on its remaining 30 percent ownership in Hermana Holding ASA. The remaining legacy licensing agreement is with a customer with a strong financial basis. However, 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 Group is also subject to currency risk, field development and reservoir risk in situations where the license fee is tied to the field development and production such as the Shell Penguins' license fee income paid in USD.

Competition in the renewable energy sector is significant as companies in other industries are trying to benefit from the positive policy support from governments pushing for improvements in CO2 emissions. Several companies that Magnora competes with are parts of larger groups, giving them better access to key personnel and funding.

The global climate appears to be changing, and the average temperature is predicted to rise globally, causing more extreme weather conditions, and impacting habitat. Governments are now focusing on reaching a net zero world, which is aligned with the Group's strategy of investing in renewable energy projects and companies developed in a sustainable way.

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

Increasing geopolitical tensions have increased the level of uncertainty in the energy markets, affecting supply chains and contributing to global economic volatility. Sudden geopolitical developments can negatively influence energy markets, potentially

impacting regulatory environments, trade agreements, and geopolitical stability in regions critical to the Group. These uncertainties may impact the market conditions the Group bases its decision-making on and may therefore also affect the strategic planning of the Group.

The Group derives all its cash flow from financial investments, one legacy agreement and its subsidiaries and associated companies. Consequently, any negative cash flow or underperformance from those companies directly impacts the Group. The exposure is limited to the Group's invested amount in those companies and is closely linked to the companies' ability to execute its strategy and manage risk. Magnora is represented on all boards of its subsidiaries and associated companies and mitigates risks through normal governance processes.

The Group faces liquidity and capital access risks due to its increased investment in capital-intensive projects. To manage this, it maintains close communication with financial institutions and implements a strict cash flow timeline that synchronizes investment payments with proceeds from farm-downs and exits.

Loss of key personnel is a risk to the Group as it operates 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.

Sales of projects prior to the ready-to-build phase and final payments are typically closed when all permits, grid connections and/or equipment and long lead items are secured. The full payment of a project sale might be at risk depending on the exact contract terms. Lack of progress in a project can lead to a project sale being cancelled if the Group or a group company are unable to replace it with an alternative project.



## The Magnora Share

The board of directors initiated a share buyback program which was authorized during the annual general meeting ("AGM") held on 21 May 2019 and subsequently renewed during the AGM held on 23 April 2024. The Group has repurchased its own shares during the quarter, and as

of the end of the quarter, Magnora owns 398,042 of its own shares. The Board continues to see several organic growth opportunities in the short to mid-term in line with our original growth strategy.

Oslo, Norway, 14 October 2024  
**The Board of Directors of Magnora ASA**



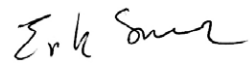
**Torstein Sanness**  
Chairman



**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 2024	Q2 2024	YTD 2024	Q3 2023 (restated*)	YTD 2023 (restated*)	2023 (restated*)
<b>Continued operations</b>							
Operating revenue	4	0.1	2.8	3.1	0.2	14.1	12.1
Other income	5	257.3	58.9	331.1	10.2	239.8	249.2
Operating expense	2	-10.8	-17.8	-40.5	-8.7	-22.6	-25.9
Development and M&A expense	2	-13.9	-13.1	-41.6	-18.8	-54.5	-74.7
<b>EBITDA</b>		<b>232.6</b>	<b>30.8</b>	<b>252.1</b>	<b>-17.1</b>	<b>176.8</b>	<b>160.7</b>
Profit/loss from associated companies		-5.4	37.9	41.75	-8.1	13.6	10.5
<b>Operating profit/(loss)</b>		<b>227.2</b>	<b>68.7</b>	<b>293.9</b>	<b>-25.2</b>	<b>190.4</b>	<b>171.2</b>
Financial income/(expense)		2.4	1.2	4.0	4.0	2.0	1.8
FX gain/(loss)		5.8	-4.3	-3.5	0.5	-0.9	0.5
<b>Net financial items</b>		<b>8.2</b>	<b>-3.1</b>	<b>0.6</b>	<b>4.5</b>	<b>1.1</b>	<b>2.3</b>
<b>Profit/(loss) before tax</b>		<b>235.4</b>	<b>65.6</b>	<b>294.4</b>	<b>-20.7</b>	<b>191.5</b>	<b>173.6</b>
Tax income/(expense)		0	-5.5	-5.5	0.0	0.0	0.1
<b>Net profit/(loss) continued operations</b>		<b>235.4</b>	<b>60.1</b>	<b>289.0</b>	<b>-20.7</b>	<b>191.5</b>	<b>173.7</b>
<b>Discontinued operations</b>							
Gain on distribution of Hermana ASA to shareholders		0	311.6	311.6	0	0	0
Net profit/ (loss) discontinued operations		0	2.5	4.2	1.7	3.2	5.2
<b>Total result</b>		<b>235.4</b>	<b>374.2</b>	<b>604.7</b>	<b>-19.0</b>	<b>194.7</b>	<b>178.9</b>

\*The legacy licensing business has been discontinued, resulting in restated figures for prior quarters. See note 14 Discontinued operations for further information.

Numbers are unaudited

### Statement of Comprehensive Income

NOK million	Note	Q3 2024	Q2 2024	YTD 2024	Q3 2023 (restated*)	YTD 2023 (restated*)	2023 (restated*)
Net profit/(loss)		235.4	374.2	604.7	-19.0	194.7	178.9
Foreign currency translation		-0.6	1.7	4.7	-5.5	9.8	11.3
<b>Total comprehensive income</b>		<b>234.8</b>	<b>375.9</b>	<b>609.4</b>	<b>-24.5</b>	<b>204.6</b>	<b>190.2</b>

#### Profit/(loss) attributable to:

Equity holders of the company		237.7	376.8	613.3	-16.6	204.6	199.9
Non-controlling interest		-2.3	-2.6	-8.5	-2.4	-9.8	-21
<b>Total comprehensive income attributable to:</b>							
Equity holders of the company		237.1	377.9	616.4	-21.2	212.8	207.3
Non-controlling interest		-2.3	-2	-7	-3.3	-8.2	-17

Numbers are unaudited

### Earnings Per Share

	Q3 2024	Q2 2024	YTD 2024	Q3 2023	YTD Q3 2023	2023
<b>Earnings per share for profit/(loss) attributable to the equity holders of the company during the year (NOK per share):</b>						
-Basic	3.61	5.73	9.18	-0.25	3.06	2.88
-Diluted	3.57	5.68	9.17	-0.25	3.05	2.86
Weighted average number of shares outstanding	65,781,825	65,751,825	66,822,679	66 822 679	66 822 679	66 822 679
Weighted average number of shares outstanding (diluted)	66,648,430	66,368,506	66,897,268	66 822 679	67,145,182	67 194 151

Numbers are unaudited

## Condensed Statement of Financial Position

NOK million	Note	30.09.24	30.09.23	31.12.23
Deferred tax assets	3	2.7	15.1	15.1
Intangible assets		147.0	136.1	135.2
Right-of-use assets		0.5	0.0	1.1
Fixed assets		0.4	0.5	0.3
Goodwill		8.4	8.4	8.4
Loan to associates		31.6	15.9	19.5
Other non-current assets		13.8	2.0	3.3
Investment in associates	8	54.7	41.9	41.3
<b>Total non-current assets</b>		<b>259.2</b>	<b>219.8</b>	<b>224.3</b>
Trade and other receivables		3.9	10.9	7.3
Other current financial assets	7	28.8	24.8	25.4
Cash and cash equivalents		334.9	367.6	347.6
<b>Total current assets</b>		<b>367.6</b>	<b>403.3</b>	<b>380.3</b>
<b>Total assets</b>		<b>626.8</b>	<b>623.2</b>	<b>604.6</b>
Share capital	10	26.2	32.7	32.7
Treasury shares	11	-0.2	-0.5	-0.5
Other equity	11	437.9	525.0	506.2
<b>Total shareholders' equity</b>		<b>464.0</b>	<b>557.2</b>	<b>538.3</b>
Non-controlling interest		7.0	18.3	14.0
<b>Total equity</b>		<b>471.0</b>	<b>575.5</b>	<b>552.3</b>
Deferred tax liability		0.4	0.4	0.4
Non-current liabilities		0	0.0	0.9
<b>Total non-current liabilities</b>		<b>0.4</b>	<b>0.4</b>	<b>1.3</b>
Trade payables	12	3.7	0.0	6.3
Overdraft facility*		0.0	0.0	0.0
Current liabilities	12	151.7	47.2	44.7
<b>Total current liabilities</b>		<b>155.4</b>	<b>47.2</b>	<b>51.0</b>
<b>Total liabilities</b>		<b>155.8</b>	<b>47.6</b>	<b>52.3</b>
<b>Total equity and liabilities</b>		<b>626.8</b>	<b>623.2</b>	<b>604.6</b>

\* The total available overdraft facility is NOK 150 million. In the period 31 March 2024 and 15 April 2024, a NOK 0.9 million payment related to the overdraft facility was made.

Numbers are unaudited

### Condensed Statement of Changes In Equity

NOK million	Share capital	Treasury Shares	Other equity	Currency transl. reserve	Non-controlling interest	Total equity
<b>Equity as of 1 January 2024</b>	<b>32.7</b>	<b>-0.5</b>	<b>497.5</b>	<b>8.6</b>	<b>14</b>	<b>552.3</b>
Total comprehensive income for the period			613.3	3.1	-7	609.4
Acquired treasury shares	-0.5	0.3	-9.2			-9.4
Share based payments			5.1			5.1
Other capital movement	0.7	-0.1	-0.7			0
Dividend declared			-287.6			-287.6
Distribution of non-cash assets to owners	-6.7		-392.2			-398.9
<b>Equity as of 30 September 2024</b>	<b>26.2</b>	<b>-0.2</b>	<b>426.2</b>	<b>11.7</b>	<b>7.0</b>	<b>471.0</b>
<b>Equity as of 1 January 2023</b>	<b>32.7</b>	<b>0</b>	<b>354.1</b>	<b>-1.3</b>	<b>46.3</b>	<b>431.8</b>
Total comprehensive income for the period			192.5	9.9	-12.1	190.2
Disposal of companies with non-controlling interests					-19.8	-19.8
Transactions with non-controlling interests			-1.7		-0.4	-2.1
Acquired treasury shares		-0.5	-31.7			-32.2
Dividend declared			-24.6			-24.6
Capital increase			0.6			0.6
Share based payments			8.4			8.4
<b>Equity as of 31 December 2023</b>	<b>32.7</b>	<b>-0.5</b>	<b>497.5</b>	<b>8.6</b>	<b>14</b>	<b>552.4</b>



Numbers are unaudited

## Condensed Statement of Cash Flow

NOK million	Q3 2024	Q2 2024	YTD 2024	Q3 2023	YTD 2023	2023
<b>Cash flow from operating activities</b>						
Cash from operations	-26.3	-23.2	-70.5	-10.3	0.3	3
Taxes paid/repaid	0	0	0	0	0	0
<b>Net cash generated from operating activities</b>	<b>-26.3</b>	<b>-23.2</b>	<b>-70.5</b>	<b>-10.3</b>	<b>0.3</b>	<b>3</b>
<b>Cash flows from investment activities</b>						
Investment in fixed assets	0	-0.1	-0.1	-0.1	-5.5	-5.5
Dividend received	2.6	0	2.6	0	24.1	24.1
Divestment of subsidiary, net of cash acquired	0	0	0	8.9	308	326
Investments in associated companies	-3.2	-10.1	-18.7	-2.5	-24	-39.7
Net cash as part of distribution to owners	0	-23.4	-23.4	0	0	0
Proceeds from divestments	333.9	0	333.9	0	0	0
Proceeds from milestone earnouts	0	61.2	61.2	0	0	0
<b>Net cash from investment activities</b>	<b>333.3</b>	<b>27.6</b>	<b>355.5</b>	<b>6.3</b>	<b>302.6</b>	<b>304.9</b>
<b>Cash flows from financing activities</b>						
Purchase of own shares	-9.5	0	-9.5	-26.9	-32.2	-32.2
Capital distribution/increase	0	0	0	0	0	0
Leasing payments	-0.3	-0.2	-0.8	0	-1.4	-2.2
Project loan	1.7	0	0	1.6	1.6	3.1
Overdraft facility drawn	0	-0.9	0	0	-76.3	-76.3
Dividend paid out	-275.3	0	-287.6	-12.3	-12.3	-24.6
<b>Net cash from financing activities</b>	<b>-283.4</b>	<b>-1.1</b>	<b>-297.9</b>	<b>-37.6</b>	<b>-120.6</b>	<b>-132.2</b>
<b>Net cash flow from the period</b>	<b>23.6</b>	<b>3.3</b>	<b>-12.9</b>	<b>-41.5</b>	<b>182.3</b>	<b>175.7</b>
Cash balance at beginning of period	311.3	308	347.6	395.6	171.9	171.9
<b>Cash balance at end of period</b>	<b>334.9</b>	<b>311.3</b>	<b>334.9</b>	<b>354.2</b>	<b>354.2</b>	<b>347.6</b>

The total available overdraft facility is NOK 150 million as of 30 September 2024.

# Selected Notes to the Financial Statement

## 1. General Information and Accounting Policies

### Corporate information

Magnora ASA is a public limited company, incorporated and domiciled in Norway, with its principal business office at Karenslyst Allé 6, 0278, Oslo, Norway. The condensed consolidated interim financial statements consist of the Company and the Company's interests in subsidiaries and associated companies.

Magnora ASA ('Magnora' or the 'Company') and its subsidiaries and investments in associated companies (the 'Group'), primarily engages in the industry, trade and business associated with energy, IT and commodities, and sectors directly or indirectly related to these. Additionally, the Group invests in and acquires businesses, securities, financial instruments and other assets, and participates in various enterprises connected directly or indirectly to these.

### Basis of preparation

The Group prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and these interim 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 required for a complete set of consolidated financial statements, they should be read in conjunction with the Group's Annual Financial Statements for the year ended 31 December 2023.

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 APMs:

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

### Accounting policies, judgements and estimates

In preparing these 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 the year ended 31 December 2023.

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

## 2. Segment Financials

The Group has developed a portfolio of several projects and companies within renewable energy. As the Group has grown, it has introduced an operating model designed to manage its expanding investment portfolio effectively. This model ensures corporate and project-related activities, along with their associated expenses, are tracked and reported separately.

Both the project and corporate segments are engaged in business activities where that generate revenue and incur expenses. The project segment experiences fluctuating revenues, as most of the projects are in early-phase development and not yet ready for divestment. The corporate segment, comprising the Group's corporate staff, represents the Group's cost base, while the renewable activities and investments are reflected in the project segment. M&A-related expenses for projects and transactions that do not materialize are reported within the corporate segment, separately disclosed to highlight the cost base of the Group. The Magnora board, acting as the chief operating decision maker, regularly reviews the operating results of these segments to inform decisions regarding resource allocation and performance evaluation. Segment performance is evaluated based on EBITDA and operating profit/ loss.

### Segment Financials YTD 2024

NOK million	Note	Corporate	Projects	Elimination	Consolidated
<b>Operations</b>					
Operating revenue		19.6	0.0	-16.5	3.1
Other income		0.0	331.1	0.0	331.1
Operating expense		-40.5	0.0	0.0	-40.5
Development and M&A expense		0.0	-58.0	16.5	-41.6
<b>EBITDA</b>		<b>-20.9</b>	<b>273.0</b>	<b>0.0</b>	<b>252.1</b>
Profit/loss from associated companies		0.0	41.8	0.0	41.8
<b>Operating profit/(loss)</b>		<b>-20.9</b>	<b>314.8</b>	<b>0.0</b>	<b>293.9</b>

### Segment Financials Q3 2024

NOK million	Note	Corporate	Projects	Elimination	Consolidated
<b>Operations</b>					
Operating revenue		4.7	0.0	-4.6	0.1
Other income		0.0	257.3	0.0	257.3
Operating expense		-10.8	0.0	0.0	-10.8
Development and M&A expense		0.0	-18.5	4.6	-13.9
<b>EBITDA</b>		<b>-6.1</b>	<b>238.7</b>	<b>0.0</b>	<b>232.6</b>
Profit/loss from associated companies		0.0	-5.4	0.0	-5.4
<b>Operating profit/(loss)</b>		<b>-6.1</b>	<b>233.3</b>	<b>0.0</b>	<b>227.2</b>

### Segment Financials YTD 2023 (Restated)

NOK million	Note	Corporate	Projects	Elimination	Consolidated
<b>Operations</b>					
Operating revenue		30.3	0.0	-16.2	14.1
Other income		0.0	239.8	0.0	239.8
Operating expense		-21.9	-0.7	0.0	-22.6
Development and M&A expense		0.0	-70.7	16.2	-54.5
<b>EBITDA</b>		<b>8.4</b>	<b>168.5</b>	<b>0.0</b>	<b>176.8</b>
Profit/loss from associated companies		13.6	0.0	0.0	13.6
<b>Operating profit/(loss)</b>		<b>21.9</b>	<b>168.5</b>	<b>0.0</b>	<b>190.4</b>

### Segment Financials Q3 2023 (restated):

NOK million	Note	Corporate	Projects	Elimination	Consolidated
<b>Operations</b>					
Operating revenue		5.0	0.0	-4.8	0.2
Other income		0.0	10.2	0.0	10.2
Operating expense		-8.7	0.0	0.0	-8.7
Development and M&A expense		0.0	-23.6	4.8	-18.8
<b>EBITDA</b>		<b>-3.7</b>	<b>-13.4</b>	<b>0.0</b>	<b>-17.1</b>
Profit/loss from associated companies		-8.1	0.0	0.0	-8.1
<b>Operating profit/(loss)</b>		<b>-11.8</b>	<b>-13.4</b>	<b>0.0</b>	<b>-25.2</b>

### 3. 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 carryforward 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 47.6 percent ownership at the balance sheet 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.

In Q2 2024 Magnora completed the carve-out of its FPSO business into Hermana Holding ASA, which commenced trading on Oslo Stock Exchange 18 June 2024. The Group holds 30 percent ownership at the balance sheet date and there are approximately 7,000 other shareholders. Hermana is listed on the Oslo Stock Exchange and is independent from Magnora with its own board. Magnora's interests are limited to investments in development of renewable energy, which does not have anything common with the investments and interests of Hermana. Magnora's ownership in Hermana is therefore accounted for using the equity method, classifying Hermana Holding ASA an associated company.

#### Divestments

For transactions that result in the loss of control of a subsidiary or associate, the accounting standards require measuring the fair value of the consideration received when determining the net gain/loss to be recognised. Based on the nature of Magnora's investments a significant portion of a consideration may be related to future payments depended upon future events, and hence requires significant judgement to assess. The Group follows a conservative approach to valuing its portfolio, which is also applied when estimating the fair value of future payments, such as earnouts and other types of milestone payments from divestments. The Group assesses the probability of these payments for each transaction and records contingent consideration as part of the net gain/loss. On each reporting period it is evaluated whether there are any changes to the fair value of future milestone payments. Changes are



recognised as Other Income in profit or loss statement. Total unrecognized value of potential earnouts and milestone payments from divestments as of the balance sheet date is NOK 1.5 billion. This value is subject to achievements of relevant milestones with related project risks, timing of achieving the milestones, as well as currency fluctuations and more. Some divested companies and projects may be subject to both technical and commercial milestones, such as the buyer of the project being awarded grid, auctions/CfD rates, etc.

#### **Demerger of legacy business**

In Q2 2024 Magnora completed the carve-out of its FPSO business into Hermana Holding ASA, which commenced trading on the Oslo Stock Exchange on 18 June 2024. In this process, 70percent of Hermana Holding ASA was distributed to the shareholders of Magnora ASA, leaving Magnora with 30percent ownership.

The demerger was accounted for in accordance with IFRIC 17 Distribution of Non-cash Assets to Owners. The obligation to distribute non-cash assets is treated as a dividend to its owners. Upon settlement, the Group recognized the difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable in the profit or loss statement. The gain from distributing 70percent of Hermana Holding ASA to the Magnora ASA shareholders amounted to NOK 311.6 million. The same amount was recognized as a dividend in the statement of equity in Q2 2024. This distribution was in the form of shares and had no cash effect, except for NOK 25 million, which was provided as a cash contribution to Hermana Holding ASA from Magnora ASA.

## 4. Operating Revenue

NOK million	Q3 2024	Q2 2024	YTD 2024	Q3 2023 (restated)	YTD 2023 (restated)	2023 (restated)
Other revenue	0.1	2.8	3.1	0.2	14.1	12.1
<b>Operating revenue</b>	<b>0.1</b>	<b>2.8</b>	<b>3.1</b>	<b>0.2</b>	<b>14.1</b>	<b>12.1</b>

Magnora ASA has established agreements with its subsidiaries and associated companies to provide intercompany services at predetermined hourly rates. These agreements ensure a transparent and consistent approach to the provision of management, technical and administrative support across the Group. During the third quarter, operating revenues generated from these services were NOK 0.1 million, a total of NOK 3.1 million for the year, reflecting the ongoing contributions of Magnora's expertise and resources to its affiliated entities.

## 5. Disposal of Assets

On 29 May 2024, the shareholders of Helios Nordic AB, where Magnora has a 40 percent interest, announced the sale of all their shares to Vinci Concessions, for an upfront payment of EUR 73 million (~NOK 850 million), with an additional earnout of up to NOK 3 billion contingent on the realization of the portfolio. During the third quarter, the transaction received FDI approval and financial close was reached. The net gain of the disposal was NOK 261.6 million.

In addition, financial close was reached for a solar project in South Africa. The net gain from the disposal was NOK 1.3 million, with potential additional milestones considerations of up to NOK 23 million as the project progresses towards ready-to-build (RTB) status.

## 6. Share Options

Share options have been awarded regularly since 2019 in accordance with the Group's share incentive scheme that was approved by the AGM in 2019. Both members of the board and members of management have been granted share options throughout this period. The cost of these options vests over a 36-month period following the grant date and is recognized as an expense monthly during the vesting period.

During the quarter, no new share options were granted. However, a total of 55,000 share options have been exercised, resulting in a total of 1,570,000 share options remaining outstanding.

For the quarter, expenses related to share options amounted to NOK 1.2 million, recognized in accordance with IFRS 2.

## 7. Other Current Financial Assets

At the end of the third quarter, the Group's other current financial assets totaled NOK 28.8 million, consisting of NOK 16.8 million receivables through its subsidiary Magnora Offshore Wind, related to a subscription contribution agreed upon during the subsidiary's establishment and payable by TechnipFMC, accrued interest income of NOK 8.2 million, and prepayments of NOK 3.7 million.

## 8. Investments in Associates

As of 30 September 2024, Magnora has a 47.6 percent ownership in Kustvind AB and has the option to increase its ownership to 50 percent. Magnora does not have a controlling share and uses the equity method to account for its investment, adjusting the investment's value based on its proportional share of Kustvind's operating results for the period.

As of 30 September 2024, Magnora owns 40 percent of Hafslund Magnora Sol AS and does not exercise control. Therefore, applies the equity method to account for its investment in Hafslund Magnora Sol AS, adjusting the investment's value based on its share of Hafslund Magnora Sol's operating results.

As of 30 September 2024, Magnora owns 30 percent of Hermana Holding ASA and does not exercise control. The Group therefore applies the equity method to account for its investment in Hermana Holding ASA, adjusting the investment's value based on its share of Hermana's operating results.

## 9. Investment Overview

Name of Entry	Type of investment	Registered office	Shareholder interest	Accounting method
Magnora Holding AS	Subsidiary	Norway	100%	Consolidating
Magnora Offshore Wind AS	Subsidiary	Norway	80%	Consolidating
Magnora South Africa Projects AS	Subsidiary	Norway / South Africa	100%	Consolidating
Magnora South Africa Development AS (AGV)	Subsidiary	Norway / South Africa	100%	Consolidating
Magnora Utvikling AS	Subsidiary	Norway	100%	Consolidating
Magnora UK PV Holding AS*	Joint venture	Norway / UK	50%	Equity Method
Hafslund Magnora Sol AS	Associated company	Norway	40%	Equity Method
Kustvind AB	Associated company	Sweden	47.6%	Equity Method
Hermana Holding ASA	Associated company	Norway	30%	Equity Method

*\*A wholly owned holding company with a 50percent ownership in a UK registered joint venture. During the third quarter, the sale of Helios Nordic Energy AB, a previously 40 percent owned associate company, was concluded, following the financial close of the transaction. Please further information on the disposal in note 5 Disposal of assets*

## 10. Capital Distribution

On 4 July 2024, Magnora's board of directors authorized an extraordinary capital return, amounting to a cash payment of NOK 4.187 per share. The payout took place on 16 August 2024, following the completion of the sale of Helios Nordic Energy AB to Vinci Concessions, see note 5 Disposal of assets.

This cash distribution represents a capital repayment exceeding the par value of Magnora's shares, with a total dividend of NOK 275.3 million.

## 11. Share Buy-back Program

The Group initiated a share buy-back program to repurchase its shares to enhance shareholder value by returning capital to shareholders. The program was authorized by the board of directors at the Annual General Meeting held on 23 April 2024, allowing for purchases of up to NOK 35 per share, with a total limit of NOK 50 million.

During the third quarter, the Group has acquired 398,042 shares at a weighted average price of NOK 23.6982 per share. The share buy-backs represent a total cost of NOK 9.432 million that is deducted from shareholder equity.

## 12. Current Liabilities

As of 30 September 2024, the Group's total current liabilities amount to NOK 155.4 million, which comprises NOK 91.8 million debt owed to Hermana Holdings ASA, NOK 42.1 million owed to TechnipFMC UK Ltd. (debt between Magnora Offshore Wind AS and TechnipFMC UK Ltd.) to cover its 20percent ownership share of the ScotWind license fee and NOK 3.7 million in trade creditors and NOK 17 million in other liabilities.

## 13. Liquidity

The Group manages short-term liquidity through undrawn overdraft facilities established with top-tier banks, with maturities ranging from one to three years.

For long-term liquidity, the Group utilizes a combination of overdraft facilities and share issues, particularly for investments requiring capital exceeding the overdraft facilities. As some projects enter phases with increasing funding needs, the Group will explore syndicated loans to be held until project exit. The current liquidity of the Group is robust, given the expected transactions and funding for our portfolio companies in the near future.

While some currency balances may lead to foreign exchange gains or losses, these fluctuations are non-cash effects, as the account balances will be settled once the currency revenues are received.

## 14. Discontinued Operations

During Q2 2024, the Group transferred its licensing business associated with the Western Isles FPSO through a demerger to a newly established company, Hermana Holding ASA, which is now a company listed on the Oslo Stock Exchange. The revenues and expenses related to the licensing agreement associated with the Western Isles FPSO are therefore no longer included in the financial statements of Magnora ASA. Furthermore, 70 percent of the shares in Hermana Holding ASA have been distributed to the shareholders of Magnora ASA.

Magnora still owns 30 percent of the shares in Hermana ASA, and this ownership is as of 30 September 2024 accounted for according to the equity method, with the investment recognized as an associate company. Please see the Magnora ASA Q2 2024 report for more details.



### The results from discontinued operations for YTD 2024 are shown as follows

NOK million	Total operations	Discontinued operations	Continued operations
<b>Operations</b>			
Operating revenue	8.4	5.3	3.1
Other income	336.7	0.0	336.7
Operating expense	-47.4	-6.9	-40.5
Development and M&A expense	-41.6	0.0	-41.6
<b>EBITDA</b>	<b>256.1</b>	<b>-1.6</b>	<b>257.7</b>
Profit/loss from associated companies	41.8	0.0	41.8
<b>Operating profit/(loss)</b>	<b>297.9</b>	<b>-1.6</b>	<b>299.5</b>
Financial income/(expense)	4.0	0.0	4.0
FX gain/(loss)	1.2	4.7	-3.5
<b>Net financial items</b>	<b>5.3</b>	<b>4.7</b>	<b>0.6</b>
<b>Profit/(loss) before tax</b>	<b>303.1</b>	<b>3.1</b>	<b>300.0</b>
Tax income/(expense)	-4.4	1.1	-5.5
<b>Net profit/(loss) continued operations</b>	<b>298.8</b>	<b>4.2</b>	<b>294.6</b>

Total operations include the figures for the Hermana Group until it was carved out on 17 June 2024. Discontinued operations show the figures for the Hermana Group until 17 June 2024. Continuing operations show the Magnora Group without Hermana.

### The results from discontinued operations for YTD 2023 are shown as follows

NOK million	Total operations	Discontinued operations	Continued operations
<b>Operations</b>			
Operating revenue	22.7	8.5	14.1
Other income	239.8	0.0	239.8
Operating expense	-28.0	-5.4	-22.6
Development and M&A expense	-54.5	0.0	-54.5
<b>EBITDA</b>	<b>180.0</b>	<b>3.2</b>	<b>176.8</b>
Profit/loss from associated companies	13.6	0	13.6
<b>Operating profit/(loss)</b>	<b>193.6</b>	<b>3.2</b>	<b>190.4</b>
Financial income/(expense)	2.0	0	2.0
FX gain/(loss)	-0.9	0	-0.9
<b>Net financial items</b>	<b>1.1</b>	<b>0</b>	<b>1.1</b>
<b>Profit/(loss) before tax</b>	<b>194.7</b>	<b>3.2</b>	<b>191.5</b>
Tax income/(expense)	0.0	0.0	0.0
<b>Net profit/(loss) continued operations</b>	<b>194.7</b>	<b>3.2</b>	<b>191.5</b>

Total operations include the figures for the Hermana Group for YTD 2023. Discontinued operations show the figures for the Hermana Group as of YTD 2023. Continuing operations shows the Magnora Group as of YTD 2023 without Hermana.

## Earnings Per Share

	YTD 2024	YTD 2023
<b>Earnings per share for profit/(loss) attributable to the equity holders of the company during the year</b>		
- Basic	0.06	0.05
- Diluted	0.06	0.05
Weighted average number of shares outstanding	66 287 252	66 822 679
Weighted average number of shares outstanding (diluted)	66 870 300	67 145 182

## Cash flow related to discontinued operations

NOK million	YTD 2024	YTD 2023
Cash flow from operations related to discontinued operations	-6.2	80.2
Cash flow from investments related to discontinued operations	0.0	0.0
Cash flow from financing related to discontinued operations	25.0	-80.2
<b>Net cash flow from the period</b>	<b>18.8</b>	<b>0.0</b>
Cash balance at the beginning of period	0.1	0.0
<b>Cash balance at end of period</b>	<b>18.8</b>	<b>0.0</b>

## 15. Subsequent Events

On 7 October, Magnora South Africa signed a deal for the sale of new projects. The project sites have been developed from origination by African Green Ventures (AGV), the South African development arm of Magnora. This marks the fourth deal signed during the past 15 months in South Africa, resulting in a total of more than 600 MW of sold projects.







**MAGNORA ASA**

Magnora ASA, Karenslyst allé 6,  
0278 Oslo, Norway  
[www.magnoraasa.com](http://www.magnoraasa.com)