



MAGNORA ASA

COMPANY PRESENTATION

3 February 2021



RISK FACTORS – MARKET

- **Magnora's remaining customers** are two major companies with a strong financial basis, but there is a risk that unforeseen financial difficulties may arise with adverse effects on the customer's ability to make payments
- **Field development and reservoir risk** related to the license fee tied to the field development and production such as the Dana and Shell Penguins license fees
- **The project development process** for renewable energy plants is exposed to risks in concession process, where public opinion or local municipality veto rights can affect the licensing decisions
- **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.
- **Competition** is significant with competitors coming from several directions 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.

RISK FACTORS – MARKET

- The recent **Covid-19 virus** could potentially affect revenues for a short period if the FPSO crew is dismissed due to infection risk or similar. Magnora could experience a period without revenues because of the Dana FPSO halting 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.
- Magnora has **changed to new industry** which means there is limited past to draw conclusions from regarding negative risks and events that can affect Magnora's financial performance and share price.
- **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.
- **Interest rate volatility** could impact Magnora if seeking financing for investments in renewable energy plants, or other assets.
- **Currency rate fluctuations** affect Magnora as most of its current operating revenues is from licensing agreements denominated in USD.
- **Capital market environment** may be unfavorable when Magnora needs additional equity at a later point in its development

RISK FACTORS – OPERATIONS

- The company 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 Company. The exposure is limited to the Company'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.
- **Increases in operating expenses** includes cost overruns in development of renewable power plants, or other unanticipated costs that has an adverse affect on the financial performance of the Company.
- **Disputes or legal proceedings** could arise through situations where the company is a party. This could cause additional expenses and take away from management focus.
- The company has experienced disputes with tax authorities in the past, and changes in tax policies could have an adverse affect on financial results of the company or the viability of a project the company is developing.
- **Loss of key personnel** is a risk to the Company as it is operating with a staff of highly specialised professionals that may take some time to replace if needed.
- **Fraud, corruption, or unethical behavior** is a risk for Magnora as with all other companies.

Q4 HIGHLIGHTS

Growing deal-flow and solid financials in Q4 and asset light business model

Financial results Q4 2020 / FY 2020

REVENUES

MNOK 6.0 / MNOK 28.4

ADJUSTED EBITDA*

MNOK 0.0 / MNOK 7.0

NET PROFIT

MNOK 7.3 / MNOK 29.2

CASH BALANCE PER 31.12.2020

NOK 44.8 million

Operational developments in Q4 2020

- Vindr identified 1.200 MW projects in core market.
- Vindr identifies opportunities beyond Nordic for franchise model
- Makes entry into Evolar solar Perovskite Technology company in Uppsala, Sweden.
- Engages Tor Ottar Karlsen former Chairman Vardar Energi and founding investor Nelja Energia for potential Baltics, Poland initiatives.
- Establishes relationship with RWE Renewables

Events subsequent to year-end

- Entered into agreement with undisclosed global offshore energy technology and service company to establish a joint floating wind company called Magnora Floating Wind ref ScotWind and Norwegian license round. Soon to be announced joint press release.
- Signed option agreement with RWE Renewables with the intention of developing the Oddeheia and Bjelkeberg wind farm in South Norway (98 MW) – Soon Ready-to-build. Pending government approval.
- Acquired 25 percent ownership share in Helios Nordic Energy AB, a Swedish solar PV company focusing on large-scale greenfield projects in the Nordics. Option to buy further 15%. 300 MW signed landowner agreements
- Several growth initiatives ongoing. New countries and teams

*See definition of Alternative Performance Measures in Note 1 of the Q3 2020 Report

Strategy to build a diversified portfolio of asset light renewable energy projects

Listed on OSE (MGN NO) Approx. 6,200 shareholders Nº of shares outstanding: 52.6 mil.	Strategy launched February 2020 “The Future is Electric”. A Broad Renewable Mandate	Industrialized portfolio approach developing renewable projects Leading in-house due diligence competence team	Highly experienced core wind power investment/project development Team of 25 people in portfolio comp	Presence in Norway, Sweden and UK
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SOLAR PROJECT PORTFOLIO

Evolar (solar special situation)

- Thin film low cost Perovskite Booster technology
- R&D and potentially design, procurement and royalty
- MSEK 200 assets estimated replacement value
- Full size prototyping production line
- Serial entrepreneurs, well-known to management team
- 28.44% - further options to 63.75%
- Call Option to IPO the company

Helios Nordic Energy AB (solar PV)

- Solar PV company focusing on large-scale greenfield projects in the Nordics
- 25% ownership, option to increase to up to 40%
- Highly experienced management and board

WIND PROJECT PORTFOLIO

Vindr (onshore developer up to 50%)

- Project development, small / medium sized (10-30 MW)
- Sweden (Norway) – export potential new countries
- +300 MW sales pipeline

Kustvind AB (offshore)

- Magnora up to 50%
- 500 MW project southern Sweden

Oddeheia and Bjelkeberg wind farm (onshore)

- Partnership with RWE Renewables
- Magnora's share: ~34% of 98 MW when complete
- Magnora's participation conditional upon approval of one-year permit extension

Magnora Floating Wind (offshore)

- Floating wind farms in deep waters
- Partner with global offshore technology and service co.
- Targets: ScotWind (UK) and offshore wind application round in Norway

ROYALTY CONTRACTS

Penguins FPSO

- Milestone payments (total of MUSD 16 in 3 instalments
- Early 2021 delivery according to Shell on linkedin

Western Isles FPSO

- Fixed price USD 0.5 per barrel produced and offloaded from the FPSO
- Revenues over the life-time of the asset – new fields or tie-ins
- Only FPSO type that can be electrified from shore or wind parks since it is geo-stationary – Great redeployment opportunities.

STRONG FINANCIAL POSITION – SHAREHOLDER FOCUS



Growing deal flow across Nordic,
Baltics, Poland, UK and Europe



EU Taxonomy – almost all opex and
devex spent on green initiatives

517 MNOK

Returned to shareholders over
past 24 months

8.4 BNOK

Paid-in capital availability
for distribution

0.5 USD + **16** MUSD

Fixed price per barrel produced and
offloaded from the Western Isles FPSO
royalty contract

Shell Penguins FPSO

3.6 BNOK

Deferred tax assets of which 2.5 BNOK
in Magnora Holding AS

RENEWABLES INVESTMENTS ON THE RISE

Strong trends creating attractive opportunity for investments in renewables



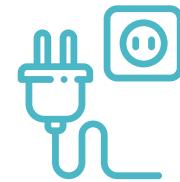
Air emissions



The Paris Agreement/EU Green Deal/EU Taxonomy



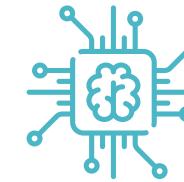
Business and consumer demand sustainable products/services



Electrification



Coal / Nuclear



Technology

BUSINESS PLAN – MARKET OPPORTUNITY RENEWABLES

EU Green Deal, EU Taxonomy, Coal and Nuclear Shutdowns, CO₂, Green Hydrogen and Offshore

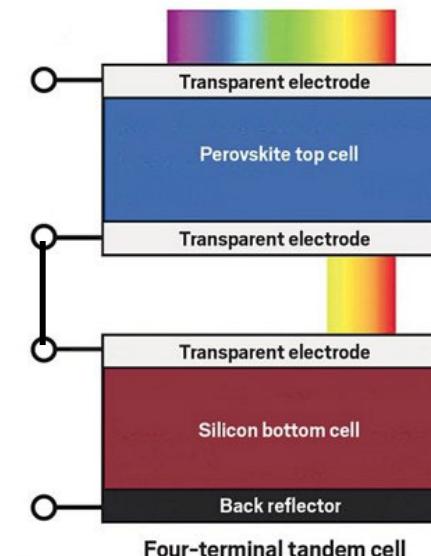
MAGNORA WIND AND SOLAR BUSINESS POSSIBILITIES Preferably Joint ventures - 2021		
Segment	Vehicle	Geography
Small-scale wind < 30 MW	Vindr Group	Sweden, (Norway), considering two new countries in 2021 in JV or franchise
Onshore wind > 30 MW	JVs with utilities, project developers, energy companies. Oddeheia and Bjelkeberg (RWE).	Sweden, Norway, Finland, Baltics, Poland and UK South Norway
Offshore wind	Kustvind AB Magnora Floating Wind: Norwegian Licensing Round 2021, ScotWin	Sweden Norway, UK, Baltics and others
Solar	Evolar AB Helios Nordic Energy AB	Globally The Nordics

Highlights Business Opportunity

- Attract top talent
- JV preferred operating model.
- Small scale wind in cultivated land
- Greenfield, pre-Ready-to-Build projects (re-applications (larger turbines), Ready-to-Build, Re-powering
- M&A opportunities with other small private developers
- Grow Vindr beyond core market – international expansion.
- Norwegian licensing round 4,500 MW in 2021 (3,000 MW + 1,500 MW)
- ScotWind licensing round 10,000 MW in 2021
- Sweden to build 80 TWh (20,000 MW) of wind power next decade alone
- Finland < 40% renewable today
- Technology – wind turbines getting bigger and bigger

Special situation, potential IPO – from CIGS thin film to Perovskite performance booster for all solar cells (thin film)

- Approached Magnora in Summer of 2020 – 4-month DD. Assisted in buy-out from district court, legal analysis, employment contracts and more. Ability to fast-track Perovskite on silicone based solar cells with new owner
- Team was part of Statkraft/Hafslund/Eidsiva in 84 MEUR exit in 2007 (Solibro) – Several world records of team: 18.7% CIGS Panel and 24% single CIGS cell. Perovskite CIGS 23.7% (internal results). Been involved in 10 CIGS panel factories globally last decade
- Same technology, platform and team, but new material: Perovskite – a recent discovery late 2000's in Japan
- Conventional solar cells have stagnated last 10 years performance wise
- Perovskite on cover glass low-cost high yield opportunity
- 200 MSEK in invested capital equipment and facilities in Evolar facilities. A unique prototyping production line
- Deal fully financed by Magnora's existing cash
- Business model: Asset light (design, engineering, software, procurement, control systems, patents/royalties)
- A fractional cost increase for potentially vast performance boost
- Magnora shareholders can potentially receive dividend shares if IPO



Solar perovskite start-up Evolar bags new investment to target rapid commercialisation

By Liam Stoker | Nov 17, 2020 10:32 AM GMT | 0

Share   



Targeting high growth international floating wind market

MAGNORA FLOATING WIND IN BRIEF

- Signed agreement in January 2021 with undisclosed global offshore energy technology and service company to establish a joint floating wind company called Magnora Floating Wind
- Magnora's strategic partner has vast experience in all basins and water depths. Broad experience from technology, local procurement and content, mass fabrication, project management, construction and installation processes. Experienced within hydrogen, E&P and floating wind market
- Already commenced its operations and started work on the application for the ScotWind round in Scotland, UK.
- Will participate in the first offshore wind application round in Norway, which will open in 2021
- Will consider entering new international markets

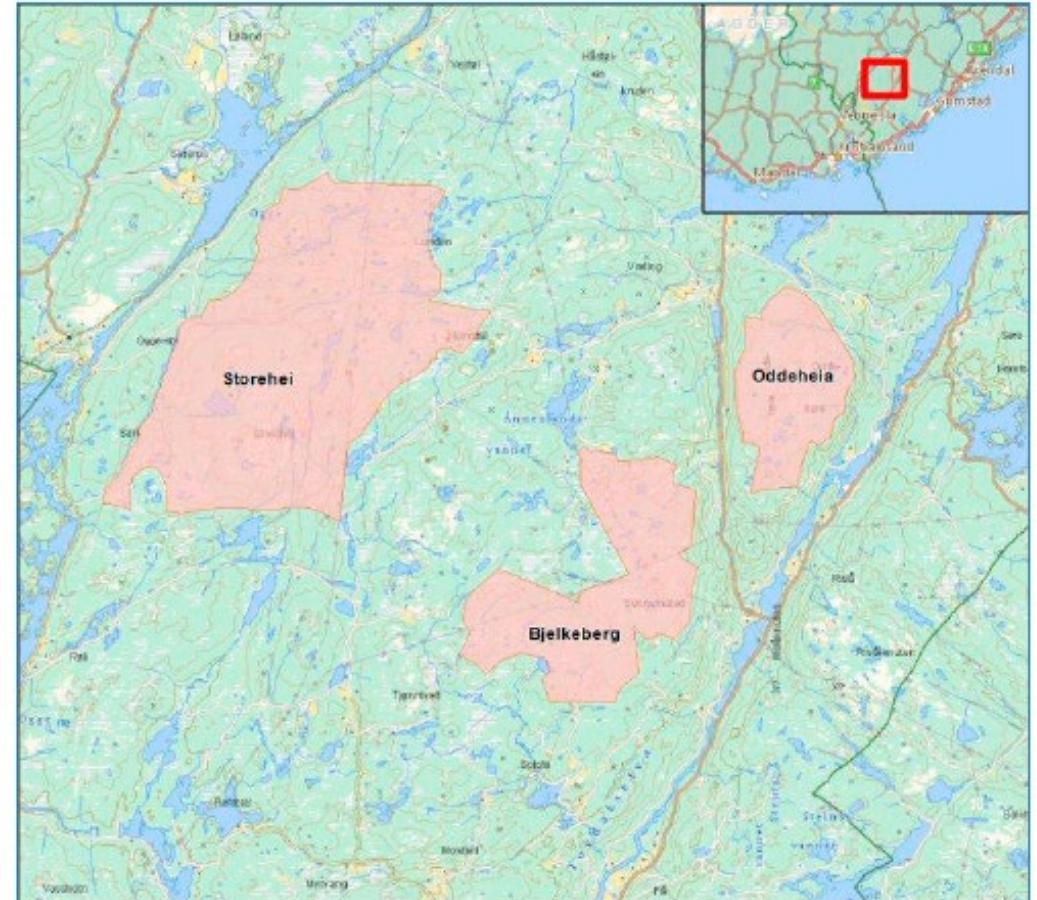


ODDEHEIA AND BJELKEBERG ONSHORE WIND FARM

Located in Birkenes municipality, Agder county, South Norway

ODDEHEIA AND BJELKEBERG WIND FARM IN BRIEF

- Partnership with RWE Renewables
- Installed capacity of up to 98 MW when completed
- Magnora's share in project: approximately 34 percent.
- The project will, according to plan, be ready-to-build in 2021 and operational in 2022
- RWE Renewables has applied to the Ministry of Petroleum and Energy for a one-year permit extension. This would mean that the wind farm must be in operation by 31st December 2022.
- Magnora's participation in the project is conditional upon approval of permit extension
- Magnora contributes with local knowledge and experienced team



Location of planning areas for Storehei, Oddeheia and Bjelkeberg wind farms in Birkenes, Agder (Map: Sweco)

Targeting Nordic large-scale PV industry

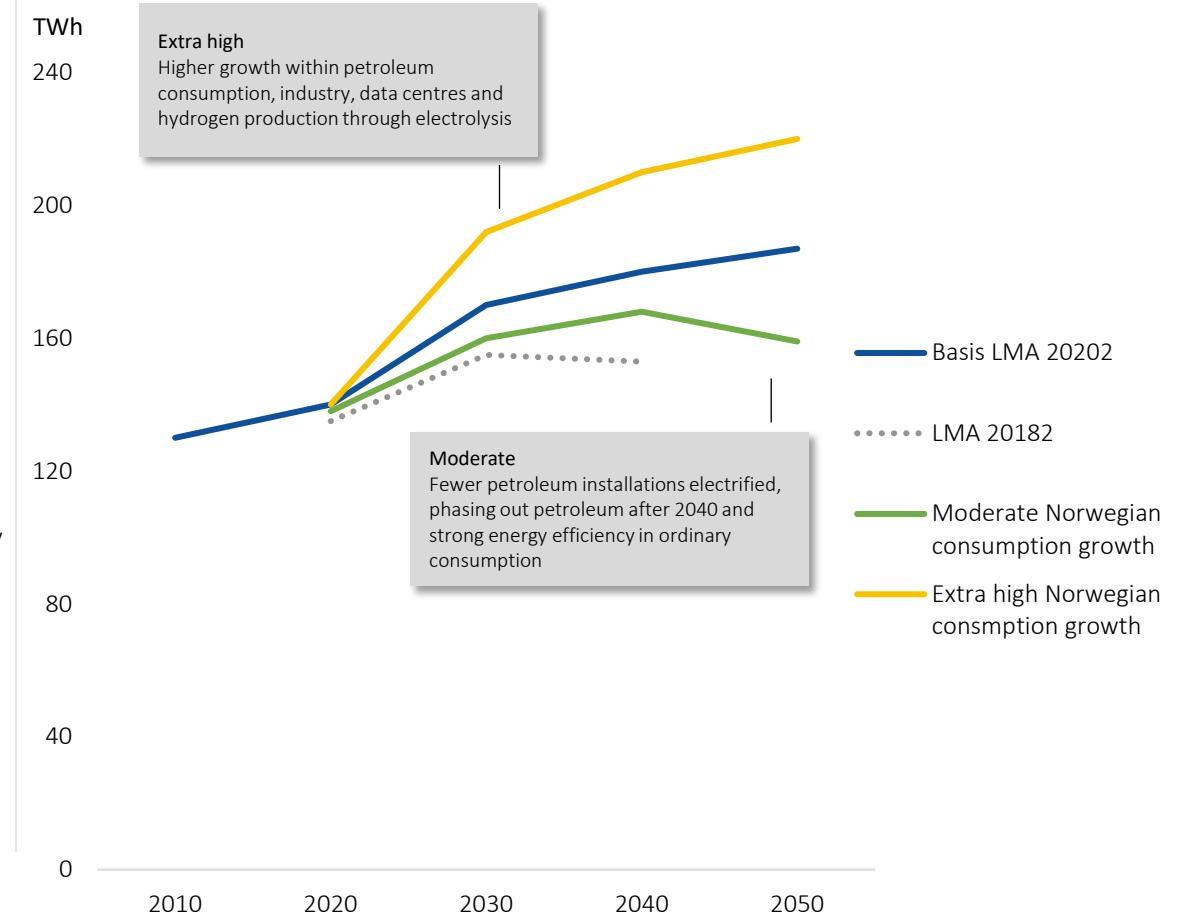
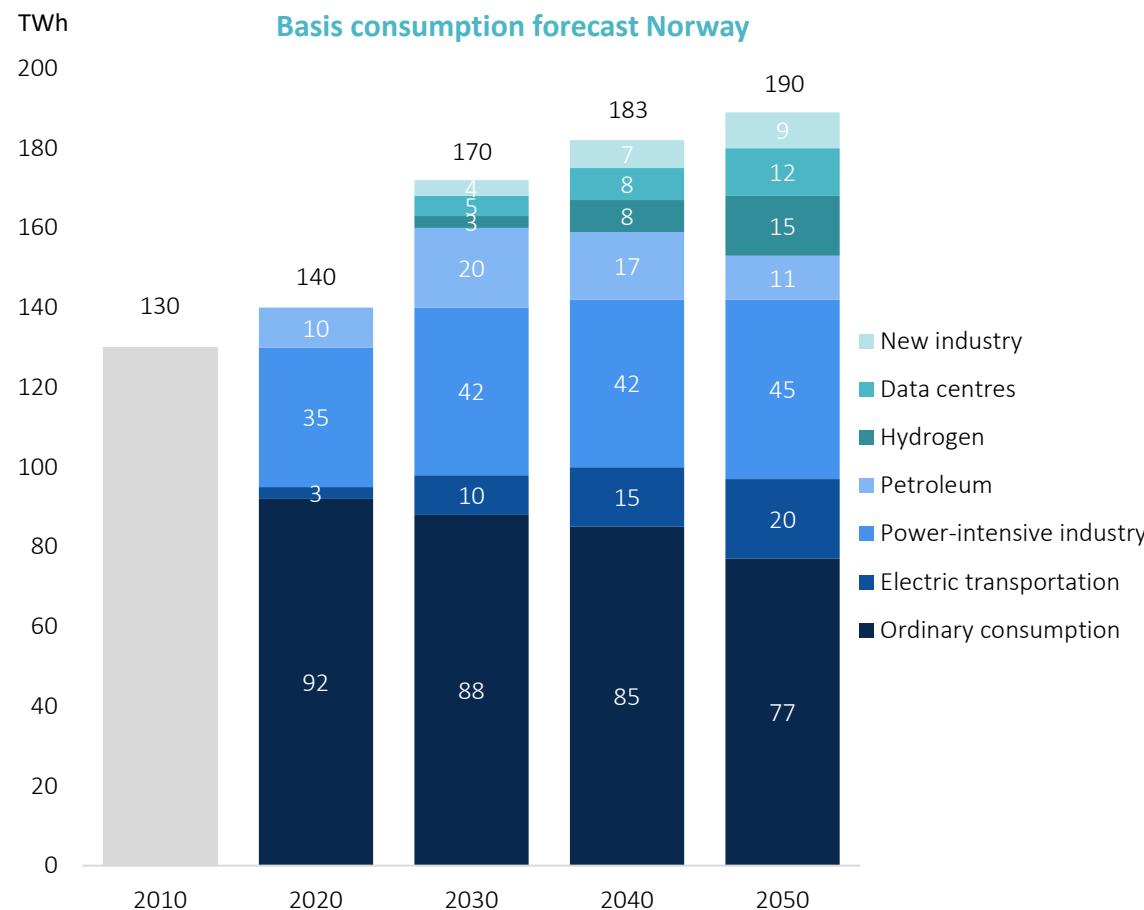
HELIOS NORDIC ENERGY IN BRIEF

- Sweden-based Solar PV company focusing on large-scale greenfield projects in the Nordics
- Magnora ASA has entered into an agreement to acquire a 25 percent ownership share
- Option to increase ownership share with additional 15 percentage points (total 40 percent) by 15 September 2021.
- Highly experienced management and board
- Helios has already developed a project portfolio that currently consists of 11 projects with a total of approximately 300 MW installed capacity
- Helios manages all the steps in the development process including site selection, environmental approvals, grid connection approvals, preliminary design, and procurement, plus financing of projects in collaboration with reputable, long-term investors
- Magnora CEO Erik Sneve joins Helios' board of directors



EXAMPLE NORWAY: INCREASED DEMAND FOR POWER

Long-term analysis show increase in offshore electrification, transport, industry and hydrogen

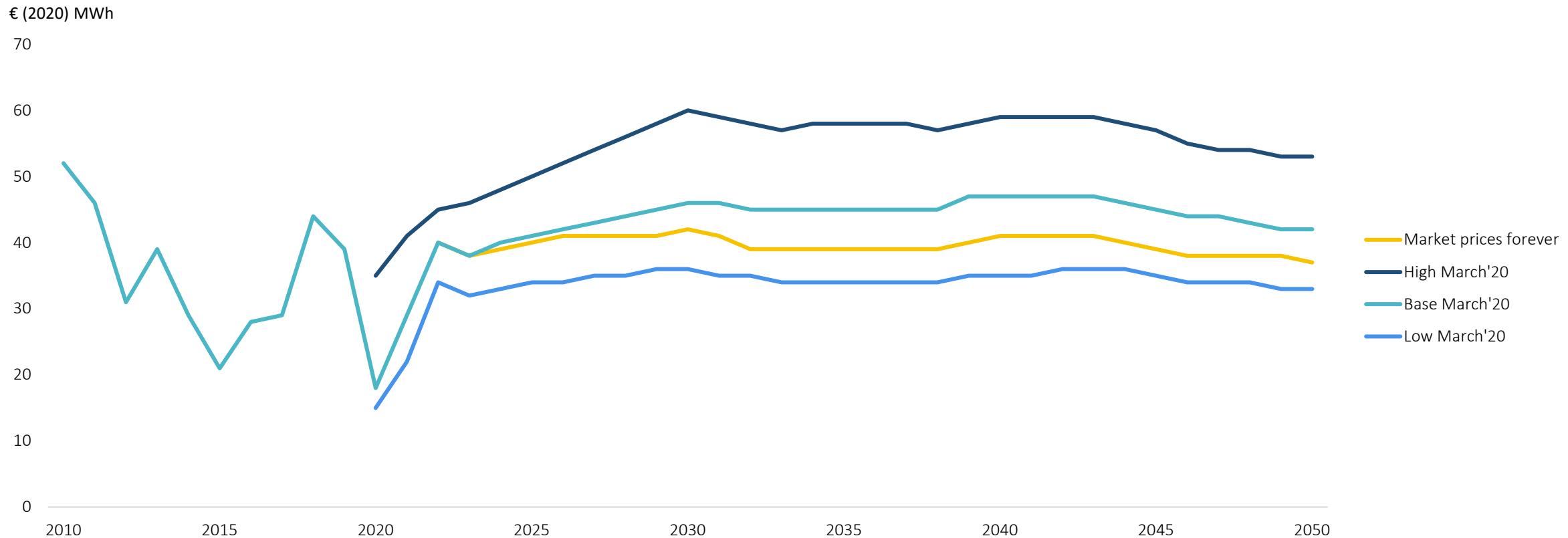


WATTSIGHT ESTIMATES ELECTRICITY PRICES

EU Green Deal: Three decades of top line growth for utilities and green power producers in the Nordics

Wind better than small hydro power due to seasonality in production

Forecasted Nordic spot price of base load power, in real 2020 euros



MANAGEMENT & BOARD

Extensive renewables project track record, leading Magnora's green transition



Erik Sneve CEO

- +23 years experience from VC industry/investments markets EY, DNB Markets, Tore Tønne and Torstein Tvene
- (Statkraft, Eidsiva and Hafslund JV), Investment Director
- COO of 3D Mobile & Healthcare Software
- B.Sc. In Finance from Arizona State University with Summa Cum Laude (Dean's list)



Bård Olsen CFO

- Prev. VP of Global Compliance in MHWirth
- 9 years in total with Aker Group companies, incl. Head of Internal Audit at Aker Solutions, prev. with EY
- Auto Industry in the US
- M.Sc. In Finance and MBA from Arizona State University



Haakon Alfstad Investment Director, Executive Chairman
in VINDR and Kustvind

- With Statkraft since 1987 (SVP for Wind Power on-/offshore 2008-17)
- Responsible for construction phase of all Statkraft's hydro, onshore wind and solar power projects 2017-19
- Responsible for wind power developments of >1 GW installed capacity and large scale M&A projects
- Master's Degree in Mechanical Engineering from NTH and Business Candidate from BI



Torstein Sanness Executive Chairman

- Experience as MD of Lundin Petroleum Norway and DNO, and from several executive positions during his 25 years at Saga Petroleum
- Board member Lundin Energy, IPC, Panoro Energy, Dr. Techn. Olav Olsen, TGS, previously Chairman of Lundin Petroleum Norway
- Master's degree in Engineering (geology, geophysics and mining engineering) from NTH



Peter Nygren EVP Operations

- CEO and co-founder of Arise
- More than 30 years of experience from renewable energy and companies in related industries, with previous employment at Vattenfall AB, SCA AB, and United Waters AG
- MBA Uppsala University

NORWAY AFTER THE OIL – LARGE ADDITIONAL POWER NEED

AKSJELIVE BØRS E24+ TIPS OSS **Søk** **MENY**

NYTT FRA BØRSESKAPENE

Storsatsing på batterimaterialer: Elkem skal bygge ny fabrikk i Porsgrunn

Industrieselskapet Elkem skal bygge en fabrikk i Porsgrunn for å lage batterimaterialer til bilbransjen. Ifølge selskapet kan investeringen potensielt bli på flere milliarder kroner.



Industrikonsernet Elkem planlegger å bygge en fabrikk i Porsgrunn for å produsere batterimaterialer til blant annet bilbransjen. Foto: Elkem

Vil bygge batterifabrikk til over fem milliarder kroner

Investor Bjørn Rune Gjelsten og Agder Energi vil utvikle miljøvennlig storindustri på Sørlandet. Et av målene er å bli mindre avhengige av Asia.



Bjørn Rune Gjelsten vil utvikle lithium-svovelbatterier i en stor fabrikk på Sørlandet. FOTO: STIG JAARVIK / NRK

HYDROGEN

Vil bruke hydrogen til å varme stål og lage metanol i Mo i Rana

– Dette er midt i det EUs hydrogenstrategi legger opp til.



Her vil Green Mountain bygge sitt fjerde datasenter i Norge for kunde som trenger 20.000 kvadratmeter

På området under utsiktpunktet Sandskallen – med Kvernaland og Føylandsvatnet i bakgrunnen – bygger Statnett nå et av de største knutepunktene for strøm i Norge. Det har resultert i at et område rundt, stort som 855 fotballbaner, blir vurdert regulert som næringsområde for datasenter og kraftintensiv industri. Foto: Geir Sveen

Fjellet under Rennesøy har ikke plass til nye store kunder. Nå vil Smedvig-eide Green Mountain bygge sitt fjerde datasenter i Norge, på Kalberg i Time.

AKSJELIVE BØRS E24+ TIPS OSS **Søk** **MENY**

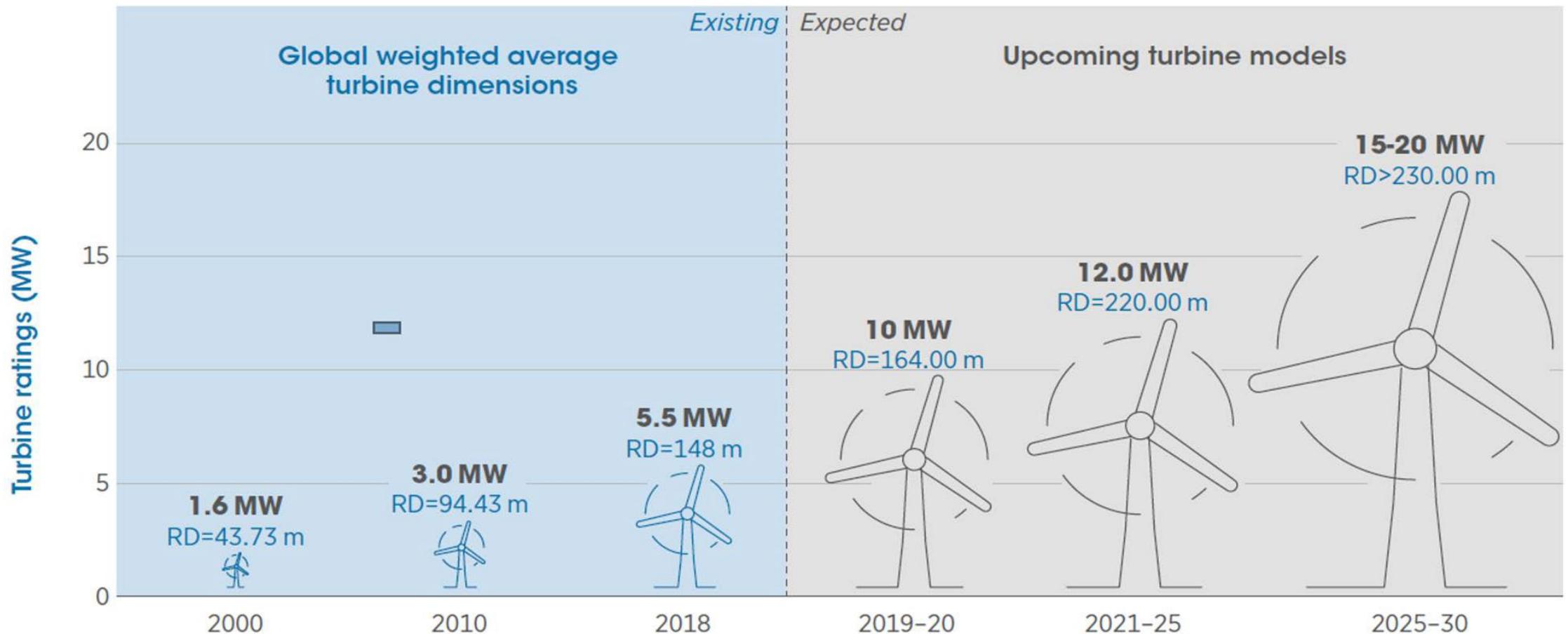
Google har kjøpt kjempetomt i Skien

Google har kjøpt en stor tomt i Skien, i tilfelle teknologigiganten får behov for flere nye datasentre i Europa.



Nå har selskapet kjøpt en tomt i Skien, som selskapet skal ha i bakhånd i tilfelle det trenger flere datasentre... vis mer

WIND TURBINE DEVELOPMENT



TOP 20 SHAREHOLDERS

20 largest shareholder accounts 29 January 2021 (source: VPS)	Number of shares	Percent ownership
DNB Markets Aksjehandel/-analyse	10 874 980	20.68
KING KONG INVEST AS	2 343 795	4.46
GINNY INVEST AS	2 248 778	4.28
CARE HOLDING AS	2 100 000	3.99
PHILIP HOLDING AS	1 620 000	3.08
ANDENERGY AS	1 558 140	2.96
MP PENSJON PK	1 502 638	2.86
Interactive Brokers LLC	1 406 307	2.67
ALDEN AS	1 363 529	2.59
BEKKESTUA EIENDOM AS	1 159 595	2.21
DANSKE BANK AS	1 153 074	2.19
F1 FUNDS AS	1 087 100	2.07
ALTEA PROPERTY DEVELOPMENT AS	1 004 944	1.91
AARSKOG	1 000 000	1.90
F2 FUNDS AS	761 000	1.45
BAKLIEN	700 000	1.33
SJØLUND	546 500	1.04
NORDNET LIVSFORSIKRING AS	532 867	1.01
HANDELSBANKEN CAPITAL MARKETS DMA	528 783	1.01
BILL INVEST AS	470 056	0.89
Total, 20 largest shareholders	33 962 086	64.58
Other shareholder accounts	18 624 612	35.42
Total number of shares	52 586 698	100.00
Foreign ownership	5 768 186	10.97

*Magnora's largest shareholder is Kistefos AS who owns shares held by DNB Markets Aksjehandel/-analyse and SB1 Markets. In total, Kistefos AS holds 10,942,314 shares in the company equal to 20.8% of shares outstanding



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