Third quarter results 2021

AKER

Highlights

Key figures - Aker ASA and holding companies

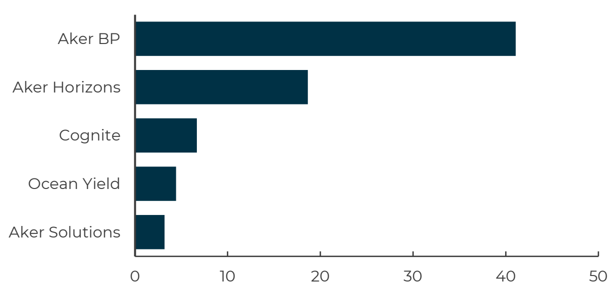
- The Net Asset Value ("NAV") of Aker ASA and holding companies ("Aker") increased by NOK 3.9 billion (6 per cent) in the third quarter of 2021. At the end of the third quarter the NAV was all time high at NOK 70.8 billion compared to NOK 66.9 billion at the end of the second quarter.
- The per-share NAV amounted to NOK 953 as per 30 September 2021, compared to NOK 901 as per 30 June 2021.
- The Aker share increased 9 per cent in the third quarter to NOK 692. This compares to a 4 per cent increase in the Oslo Stock Exchange's benchmark index ("OSEBX").
- Aker's Industrial Holdings portfolio increased by NOK 3.5 billion in the third quarter to NOK 75.5 billion. The value of Aker's Financial Investments portfolio stood at NOK 8.0 billion at the end of the third quarter, compared to NOK 7.6 billion as per 30 June 2021.
- Aker's liquidity reserve, including undrawn credit facilities, stood at NOK 2.1 billion as per 30 September 2021. Cash amounted to NOK 0.7 billion, up from NOK 0.5 billion as per 30 June 2021. Net interest-bearing liabilities stood at NOK 7.9 billion, compared to NOK 8.1 billion at the end of the second quarter.
- Adjusting for the Ocean Yield transaction, net interest-bearing liabilities stood at NOK 3.4 billion, equivalent to a loan to value of 4.6%.
- The value-adjusted equity ratio was 85 per cent as per the end of the third quarter, which is slightly up from 84 per cent as of 30 June 2021.

Key events

- Aker's Board of Directors has approved, based on the authorization provided by the General Meeting on 28 April 2021, to pay a cash dividend to Aker's shareholders of NOK 11.75 per share, and NOK 23.50 per share paid in total in 2021. Total dividend paid in 2021 is based on the 2020 accounts and equals to 3.27 per cent of NAV per 31 December 2020.
- Ocean Yield announced a recommended voluntary cash offer by funds managed by Kohlberg Kravis Roberts & Co L.P. ("KKR") to acquire all the outstanding shares in Ocean Yield at a price of NOK 41 per share. Aker has irrevocably pre-accepted the offer from KKR. The transaction will release NOK 4.5 billion to Aker.
- Aker entered a strategic partnership with SalMar to establish SalMar Aker Ocean, a global offshore aquaculture company. Aker will eventually hold 33.4 per cent of the company.
- Aker Solutions secured a major EPCI contract of more than NOK 3 billion with Ørsted and Eversource to provide the HVDC transmission system for the Sunrise Wind project.
- After quarter-end, Aker entered an agreement with Nordkraft to invest NOK 200 million in Nordkraft's data centre projects in Kvandal and Fjellbu in Narvik.
- After quarter-end Aker Solutions received a Letter of Intent (LOI) for a FEED contract from Equinor for the FPSO for the Wisting field development in the Norwegian Barents Sea. The intended FEED contract includes an option for EPCI of the topside of the FPSO.
- After quarter-end, Aker Horizons sold NOK 1 billion worth of shares in Aker Carbon Capture. The shares were sold to investor Baillie Gifford and two other institutional investors. Aker Horizons also announced it will establish green industry hub in Narvik, Northern Norway. Further, Aker Horizons announced it is in advanced discussions to establish a EUR 1 billion Energy Transition Fund as first step into planet-positive asset management.

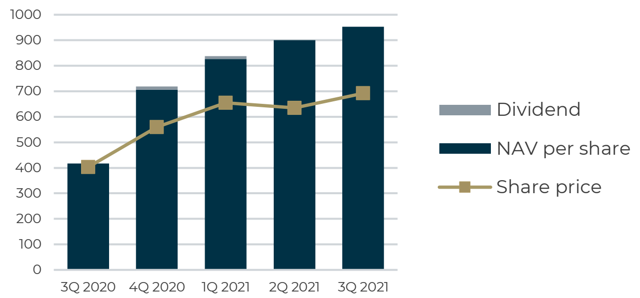
Main contributors to gross asset value

(NOK billion)
Representing 89 per cent of total gross asset value of NOK 83.5 billion



Net asset value and share price

(NOK per share)



The balance sheet and income statement for Aker ASA and holding companies (Aker) have been prepared to show the financial position as a holding company. Net asset value (NAV) is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Gross asset value is determined by applying the market value of exchange-listed shares, most recent transaction value for non-listed assets subject to material transaction with third parties, while book value is used for other assets. Net asset value is gross asset value less liabilities.

Letter from the Chairman of the Board and the CEO

Dear fellow shareholders,

Aker's positive development continues. At the end of September, our net asset value (NAV) reached a new record of NOK 70.8 billion, up from NOK 66.9 billion at the end of June. To strengthen our development further we are establishing Asset Management as a new business area.

Before we discuss our ambitions and plans for the future, we start with a status update on the third quarter. It is 25 years since Aker and RGI merged, and since TRG become the majority owner. It is therefore natural that we mark this occasion by taking a deeper view on both our history and our plans for the future.

Aker creates shareholder value through active, industrial ownership and transactions. It has developed rapid-growing industrial companies such as Aker BP, Aker Horizons and Cognite.

The industrial portfolio contributed a value increase of NOK 4 billion in the third quarter. Year to date, as of the end of September, our NAV has increased by 33 per cent. The investment in renewable energy and green technology has, in just a short period of time, made Aker Horizons our second most valuable investment.

The industrial portfolio is the focus of Aker's financial and industrial development. Through the portfolio, we manage opportunities and partnerships that develop technologies, projects, organizations and business models that create value quarter by quarter. An example of this is our recent entry into offshore salmon farming through the collaboration with SalMar in SalMar Aker Ocean.

A new initiative is our establishment of a competence center for green industrial initiatives in Narvik. The region has good access to renewable energy, great transport connections and a local community that demonstrates climate leadership. As part of Aker's investment in industrial software and industrial technology, we will, together with the region's electric utility company, Nordkraft, build and operate a data center. Aker Horizons will invest in property and companies as a platform for innovation and the launch of businesses in hydrogen, green steel, battery production and potentially new CCS projects for external customers.

We build companies for the future based on our core competences. Knowledge-driven industrial development, a unique ability to rapidly respond to changes in society and the markets in which we operate and cooperation between companies, local communities, engineers, and skilled workers are all a common thread since Aker was established in 1841.

Through 25 years of TRG's active ownership, Aker has continually reinvented itself. The sale of Ocean Yield to KKR is the most recent example of this and will release NOK 4.5 billion in proceeds, which Aker can reinvest in existing and new businesses.

Our goal is to make a difference. History shows that our active ownership adds extra value to shareholders. As an organization of employees and companies Aker generates value in excess of the main index on the Oslo Stock Exchange and other benchmark indexes. Measured in both NAV and total shareholder returns in the form of share price development and dividends, Aker is well above benchmark indexes since the company was re-introduced to the Oslo Stock Exchange 17 years ago.

In meetings with investors and business partners, we are often asked what makes Aker unique. Our answer is the combination of entrepreneurial spirit and deep industrial knowledge built up through several generations. Our ownership structure provides predictability through good and bad times. It provides us with fast and effective decision-making, the ability to exercise active ownership based on deep industrial knowledge and experience, extensive transaction expertise, robust organizations and Aker's ecosystem of companies, networks, and partners. Together this creates a unique competitive advantage, which is central to the creation of long-term added value.

With this foundation we attract skilled employees, capital, and a vast pipeline of business opportunities.

This year marks 25 years since TRG became the main owner of Aker. We are both tightly connected to Aker's development. Through this period Aker's DNA has remained constant, while our portfolio of companies has been continually evolving to create a rich, synergistic ecosystem of human and organizational capital.

The merger between RGI and Aker was approved on the 21st November 1996, and at it was clearly stated that: "The goal of the merger is to create a strong Norwegian-based owner company."

This goal of the merger is fulfilled. But the development has never been a linear trajectory. In 2000, TRG delisted and took Aker private. Later, it became apparent that the rescue operation of Kvaerner would result in some challenging years for Aker.

Early 2004 marked the start of a process to restructure the Norwegian supplier industry, offshore shipyards and shipbuilding whilst retaining Norway's leading engineering competence from Aker and Kvaerner.

As part of the restructuring, Aker was re-introduced to the Oslo Stock Exchange on the 8th September 2004. When Aker made its "comeback" on the stock exchange, its NAV stood at NOK 7.5 billion. Today, it is almost 10 times higher, and since its re-listing has paid-out dividends equal to NOK 16.7 billion.

Aker's NAV has increased at an average annual growth of 21 percent per year. Measured in share price development and dividends, the return to shareholders has averaged 26 percent per year. The main index on the Oslo Stock Exchange (OSEBX) has returned about half of this over the same period.

And over the past 10 years, Aker has been evolving constantly, with Aker and Aker-controlled companies completing acquisitions and transactions with a total value of over NOK 125 billion.

Expertise from oilfield services and engineering in Aker Solutions was vital when building an oil company. Aker BP has grown from close to zero into a company with a market value of about NOK 120 billion in just a few years. On the shoulders of Aker, Aker BP and Aker Solutions, we have built Cognite, Aize and Aker Horizons. In a short period of time, we have taken an internationally leading position in industrial software and established solid growth platforms for fast-growing areas in renewable energy and green technology.

During the corona pandemic the transformation of Aker accelerated. Over the course of the last 15 months, Aker Horizons has already become a valuable growth platform in offshore wind, onshore wind, hydrogen, CCS, hydro power, solar energy and, in the future, battery production as well.

Across the Aker group, we are experiencing higher activity than ever before. We see many exciting business opportunities ahead, both with our 13 publicly listed companies, and outside the stock exchange arena, where Aker is the largest owner in companies such as Cognite, Aize, Abelee, Seetee, Just Technologies and Aker Property Group. We facilitate a unique network of highly skilled employees and independent companies. This allows for a distinctive climate for cooperation, enthusiasm, and strong corporate governance, where leaders and employees are empowered to act, and new commercial opportunities are realized.

The Aker universe of companies has become a well-functioning ecosystem. As part of this universe, we collaborate with leading experts across a wide range of fields. Some examples:

In Cognite, Aker works with two of the world's top technology investors, Accel and TCV, to further develop industrial software. Cognite, for its part, collaborates globally with world-leading technology companies such as Microsoft and Accenture. BP and Aker are partners in the development of Aker BP, and the company is at the forefront in using technology and digital tools for oil and gas production to realise the lowest possible emissions and cost per barrel. Aker BP's alliance model with supplier companies has aligned incentives to improve and deliver quality according to budget and plan. Together with various partners, Aker Property Group has developed several real estate projects at Fornebu. Aker Offshore Wind collaborates with Statkraft, BP and Ocean Winds on offshore wind on the Norwegian continental shelf. Yara, Statkraft and Aker Clean Hydrogen have established a joint company for the production of green ammonia at Herøya, Norway. And SalMar and Aker combine expertise and capital in offshore fish farming through SalMar Aker Ocean.

The list of attractive partners is much longer but the point is that cooperation enables us to further develop our industrial portfolio and financial investments.

This is what we experience at “Akerkvartalet” at Fornebu, which is the head offices of Aker and its operating companies, and which has become a breeding ground for creativity and collaboration. Akerkvartalet is expanding its office space with Aker Tech House, which is under construction, and will host another 2 000 employees.

The world is changing rapidly, and Aker will utilize its key advantages to position itself for the future. Strong forces are altering the behavior of people and businesses. We are affected by climate change, geopolitics, inequality, lifestyle and health, and not least technology that touches every part of our modern lives.

In recent years, these changes have been strongly influenced by falling interest rates, exponential growth in computing power and the exploding number of digital devices. Consumer technology has changed markets and business models, and the consumer wave continues to evolve and disrupt yesterday’s business models.

Think about the impact of the smartphone. In January 2007, Apple’s Steve Jobs unveiled the first iPhone, which combines three products into one: a telephone, a music player and an internet communication tools. The smartphone, and especially the iPhone, has touched and transformed many aspects of our everyday lives.

We’re now standing at an inflection point in the disruption of heavy industries. Smart minds, programmers and industrial software combined with domain knowledge, will enable us to drive down emissions and reinvent products and work processes to ensure a transformation in cost and resource-efficiency in industry. This provides new value creation opportunities for those who can adapt to the changes.

The change is happening faster than most people would have dreamed only a few years ago. The level of digital knowledge among mankind and machines is rising rapidly. Some 90 percent of the information available online was unavailable or did not exist even a few years ago.

The era we have embarked upon is centered around human capital - how talented people will use their abilities to make a difference in solving the greatest challenges we face today and building the companies of the future, creating jobs and value. With continued low interest rates, there will be good access to capital to realize new ideas and projects.

Norway is probably the only country in the world that has had such a large portion of its talents allocated to the oil and gas industry. This talent base has created an even larger portion of the innovations in the industry, which have made it possible with safe and effective hydrocarbon production around the world. Now the time is ripe for this talent to be reallocated to new challenges and opportunities. Norwegian companies have a promising, and potentially world-leading, basis for seizing and driving the transition to green energy.

These changes will be driven in ecosystems and companies where innovation isn't organized as a cost center.

Norwegian industry and the Aker companies are well positioned to face the future. At Aker, we have excellent domain knowledge in oil, gas, offshore construction, renewable energy, seafood, and marine biotechnology. This knowledge combined with industrial technology, software and automation will shape the years to come. Many new companies will emerge, and some will disappear. 25 years from now, the top 10 list of Europe's and Norway's largest and most valuable companies is likely to consist of company names that we have not heard of or barely know today.

Aker's DNA is developing new industrial leaders through utilizing our deep domain knowledge build up over generations and our ability to drive value-creating transactions We are pleased with our positive industrial and earnings development so far. At the same time, we recognize that the number of opportunities that come our way exceeds our capacity. This is especially true within industrial software, industrial technology, and green infrastructure, which are relatively new segments in Aker's portfolio. In addition, we realize that our ability to create shareholder value through transactions can advantageously be institutionalized to become more scalable.

The industrial portfolio currently accounts for 90 per cent of Aker's assets. Going forward, the percentage of the industrial portfolio may decrease due to reallocation, sales and growth in new areas. For shareholders, the total portfolio value development will be more important than the individual companies in the portfolio.

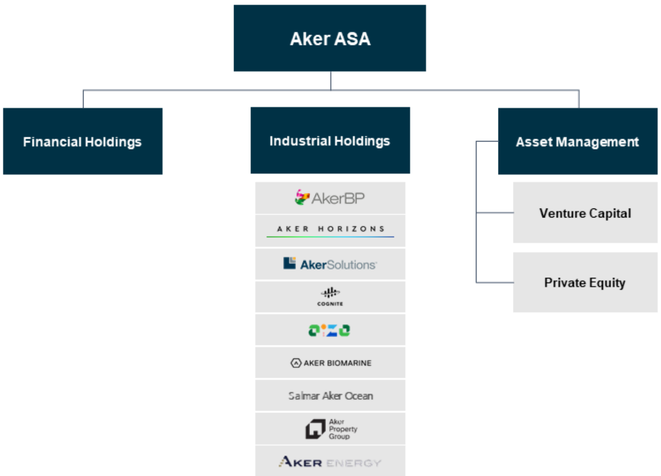
To put it into perspective: Today, Aker BP, Aker Horizons and Cognite account for approx. 75 percent of Aker's assets. Our three most valuable companies are newcomers. Today's Aker BP was in its infancy 15 years ago and a key milestone was the merger with Det Norske in 2009, while the acquisition of Marathon Oil Norge in 2014 was a "company maker," and its breakthrough was the merger with BP Norway in 2016. Cognite is less than five years old, and Aker Horizons was established in July last year.

It's time to think and act anew. If we could skip 10 years into the future, there will be new companies and businesses that define Aker. Much of the future could well lie in what has little economic value today or is only at an early phase in its development. Our task as industry builders is to use Aker's industrial DNA to ensure good access to opportunities and capital, and importantly good access to people with the right ideas. In this way, Aker facilitates industrial development and long-term value creation.

In practice, Aker is an active asset manager with an industrial base. At the end of the third quarter, Aker managed assets worth NOK 84 billion, and is the largest owner of 13 listed companies and private companies with a total value of more than NOK 200 billion.

The direction is clear. Long-term industrial development and active asset management go hand-in-hand. Going forward, we will grow and strengthen the capital base to realize new opportunities and provide even greater opportunity for active ownership. Aker will still play in the top division in Norway, but we have ambitions for both Aker and many of our companies to take a larger role on the international stage.

With this backdrop, Aker has taken its first steps towards managing third-party capital through a fund structure. Aker is now establishing active asset management as a new business area with Aker Venture Capital and Aker Private Equity as the first initiatives.



Our rationale for this can be summarized in a few main points. We are continually exposed to a vast range of business opportunities and access to expertise and capital will enable us to scale up our ability to execute on these opportunities. We will be able to complete more transactions and projects with both private and public capital. We are open for collaborating with new partners and widening our base of investors. In sum this will enable us to create value for shareholders and recurring cash flows for Aker.

We already have the key personnel in place for these new platforms. As part of Aker Private Equity, we will establish OrbeNovo together with Co-Founder Khash Mohajerani, where BP's former CEO Bob Dudley will take on the role as Chairman of the Board. Aker's Investment Director Martin Bech Holte will lead Aker Venture Capital and Investment Director Lene Landøy will lead Aker Industrial Holdings, which will form the center of our organization.

The new organizational structure of Aker aims to strengthen Aker's industrial and financial position further. The breadth of Aker's current opportunities requires us to connect expertise and capital together in new constellations. An example of this is Aker Horizons' initiative to establish an Energy Transition Fund, together with an anchor investor. This kind of fund structure acts as a financial partner, which enables us to realize opportunities and industrial projects that are beyond our companies' current capital capacity.

We see similar opportunities and needs across many other areas in Aker's portfolio, including venture capital and private equity. The combination of the right expertise and the right capital can enable us to realize more opportunities than our current capital structure allows.

We envisage that the new business areas will be organized into fund structures where each fund has its own capital base and partnership. The decision to establish partnerships at several levels is an important part of our development in the coming years. This will align incentives and with the right expertise drive behaviors and discipline towards a common goal, in addition to making it more attractive to recruit new talent. We aim to create a dedicated organization with partners (de-facto co-shareholders), who are experts within the respective mandate and decision-making processes that meet the requirements that future external investors in the funds will expect.

The model for financing industrial development and value creation will be based on a decision-making process that safeguards independence and integrity. Potential conflicts of interest and transactions involving related parties must be handled and treated carefully and professionally.

In recent years we have completed several transactions between Aker-owned companies that have been executed in a manner that has created value for all shareholders in the companies involved. Our experience is that there lies an enormous potential at the cross-section between companies, and under the right conditions and in the right hands this value can be realized. Openness, independence, and transparency are important prerequisites.

Aker already has an extensive network, and in the future, we will continue to expand this network with significant knowledge and expertise from asset management, capital allocation and establishing PE-funds. This will certainly affect how we take our next steps in asset management.

Venture Capital will be organized into a stand-alone company and partner model with three vertical fund structures initially: Early-stage investments, industrial software, and industrial technology.

Aker has already demonstrated success with investments in venture capital. Cognite, Aize, Abelee, Seetee and Just Technologies are recent examples. Our ambition is now to take our venture capital investments to the next level, where in the first phase this will be financed with Aker's own capital. Once we have established a solid framework we will invite in external capital.

We have already announced that together with Tor Bækkelund, we are establishing RunwayFBU for "start-up" early phase investments in software and technology companies. The first fund is NOK 300 million. In addition, Axis will be established to invest primarily in software companies specialized in industrial data that are at a later growth stage. Our close partner and Cognite CEO, John Markus Lervik, will be closely involved in building up Axis. Aker's investments in the fintech companies Abelee, Just Technologies and Seetee will be included as part of the venture capital structure.

Clara Venture Labs will be established as our platform for venture capital in industrial technology. We have already put in place a strong team under the leadership of Bernt Skeie, who comes from Prototech, a company which Aker acquired earlier this year. In addition to companies that originate from Prototech, the newly acquired Abalonyx, which is changing name to LayerOne, will be the foundation of the first Clara Fund.

Both RunwayFBU, Axis and Clara will initially be funded by Aker. In the future, it may be relevant to invite external parties to invest in funds where Aker's share as a rule of thumb will be approx. 25 percent of the total capital in each of the funds.

In a similar manner, we have taken our first steps within Private Equity (PE). This asset class has emerged as an increasingly important part of active international asset management. PE has several similarities with Aker as an industrial investment company, including the use of transactions, optimized capital structures and active ownership as tools for value creation.

The PE company OrbeNovo, which means "the new world" in Latin, will be established in London. Mohajerani, with the appropriate sounding first name Khash, has been a partner in the renowned PE management company Bluewater, and we were impressed with him during his role as a board member of TRG Energy. Bob Dudley, who played a key role in establishing Aker BP will take the Chairman role in OrbeNovo.

Bob Dudley was CEO of BP in a challenging period for the company from 2010-2020 and is now recognized as one of today's great industry leaders. Bob also has a central role in Aker's recent history. Together with BP's current CEO, Bernard Looney, it was Bob who was behind the merger that created Aker BP in 2016. No single transaction has created greater shareholder value and such ripple effects in the industry during the time we have been involved in Aker. Bob means a lot to us; therefore, we are grateful and excited for the opportunity to collaborate with him again, now to realize the PE opportunity in Aker.

OrbeNovo will have a broad investment mandate that, among other things, embraces companies in fast-growing industries. Aker will be the anchor investor in the first fund.

In addition to the establishment of OrbeNovo, Aker has given Converto a mandate to develop Aker's values in Akastor, Philly Shipyard, American Shipping Company, Solstad Offshore, Norron and some smaller investments. These are companies that have been part of Aker's portfolio for several years, but which will now benefit from Converto's even more focused ownership. Aker's former CFO and current deputy chairman of the board, Frank O. Reite, is the main owner of Converto. It will in practice be operated as an independent fund with Aker providing 100% of the LP capital.

Aker ASA in its current form was listed on the Oslo Stock Exchange in 2004. For 17 years, there has been a couple of minor mergers, but no equity issues.

We are keenly focused on crystalizing and creating value in a way that serves the shareholder community. Over shorter time horizons it can be optimal to not alter our capital structure through sale of controlling ownership posts when our analysis and investment thesis support strong underlying value creation over the longer term. But over the long term our task is to manage capital, which all our shareholders own, in an optimal manner.

A little "Food for thought" to those who like numbers and math: Aker's NAV was NOK 70.8 billion at the end of the third quarter, and at the same time Aker's market value was NOK 51.4 billion on the Oslo Stock Exchange. The total value of Aker's listed shares was NOK 68.7 billion. At the same time, it must be emphasized that a large share of Aker's value creation lies in the added value of our unlisted companies such as Cognite, Aize and Aker Property Group. As an example, the cost price for our ownership interest in Cognite was NOK 42 million at the end of the third quarter of 2020, while the value at the end of the third quarter this year, was NOK 6.7 billion after Accel and TCV entered as owners.

At the same time, Aker has a solid financial position with net interest-bearing debt of NOK 7.9 billion at the end of the third quarter, which constitutes a "loan-to-value" of 10 percent. In the fourth quarter, Aker will release NOK 4.5 billion from the sale of its controlling stake in Ocean Yield in accordance with the binding agreement with American PE investor KKR. Adjusted for this expected release of capital at the end of the third quarter Aker's net interest bearing debt is NOK 3.4 billion.

KKR will pay a premium of 26 percent over the last closing price of Aker's portfolio company. A premium 25-30 percent above the share price is seen as a normal range when buying listed companies. In the event of a sale of a "share block" in a listed company, on the other hand, the price is normally around 5-10 percent lower than the last share price.

To continue this thought experiment: let us for example assume that Aker sells 80 percent of its large ownership stakes in listed assets for a strategic premium of 25 percent. This represents a value of approx. NOK 13 billion. In addition, if we assume that the remaining 20 percent of our portfolio of listed assets is sold at a 5-10 percent discount to the share price at the end of Q3 2021 – then this represents a loss in value of approx. NOK 1 billion. In sum the implication is a total of NOK 12 billion in additional value beyond the approx. NOK 20 billion in discount to Aker's underlying values that is not priced into Aker's shares.

The calculation can of course be discussed, and it can be argued that values are higher or lower. Most companies are convinced that they have pockets of hidden value. But remember that Aker is an investment company where 80 percent of the values are significant ownership positions in listed companies. The point is that we have the opportunity and potential to unlock value. The question is how we can optimize our capital structure and the companies we own, and not about short-term gains in the stock market. In Aker we have an industrial DNA that we do not intend to lose.

So why is Aker on the Oslo Stock Exchange? The company has never issued new shares or used shares as a means of settlement for transactions. TRG has never sold a share. For investors who buy and sell shares, gains can be realized as a "speculative value" with the right market timing.

Investors challenge us on what measures we want to implement to crystalize the underlying values. Repurchase of our own shares is something that is often mentioned but this is not considered an attractive option, as it reduces the liquidity of both the share and the company, limits the flexibility of the company, and increases the financial leverage.

Taking Aker private through a voluntary offer and then compulsory redemption is not an option for TRG.

One possibility would be to merge with a partner or an external company that prices Aker based on its underlying values inclusive of the growth potential we believe lies in our investments. This would give all shareholders an uplift in value, and a platform for future value creation.

Aker has traditionally been at its best in creating value over the long run, but we also have the capacity to perform and collaborate with the best PE players over shorter time horizons. A strategic collaboration with PE companies on smaller or larger sections of our investments is something we shall consider.

To return to where we started and the recently announced green industrial investment of Aker and Aker Horizons in the Narvik region: We were invited by the municipality to collaborate on the development of industrial activity by refining and converting competitive and clean hydropower into green jobs and sustainable export industries. We would never have had this opportunity if Aker was a pure PE and asset management company. The combination of Aker's long-term commitment, access to resources, adaptability and drive makes this possible. And as an industrial locomotive, Aker will attract private and public partners and suppliers.

To turn these plans into reality in Narvik, more than NOK 50 billion will probably have to be invested. It is not possible to achieve this without combining industrial ownership with access to the right type of capital on competitive terms. Our entry into active asset management allows for that. Aker will tie this together holistically. For Aker, the Narvik investment will be a prototype of the Aker of the future, where active asset management gives us the opportunity to take an even bigger step as an industrial developer.

In the meantime, we continue the processes and work to firm up Aker's new direction and plans for value creation. Aker will continue to be one of the most transformative and value-creative companies in Norway.

As always, we are open to good input and suggestions that can make Aker even more dynamic and relevant for the next 25 years. Historically we have been at our best when building our own companies. In the future we will be focused on building and developing companies together with others and having an even greater focus on the capital that we are managing.

Together with partners, co-shareholders and new investors, we will build the future on Aker's unique competitive advantage, where our entrepreneurial culture unites industrial development and capital in a new and value-accretive manner. TRG will continue as owner in an active ownership ecosystem that will create value, innovation, growth and provide predictability.

Kjell Inge Røkke, Chairman of the Board and majority owner	Øyvind Eriksen, President & CEO and minority shareholder

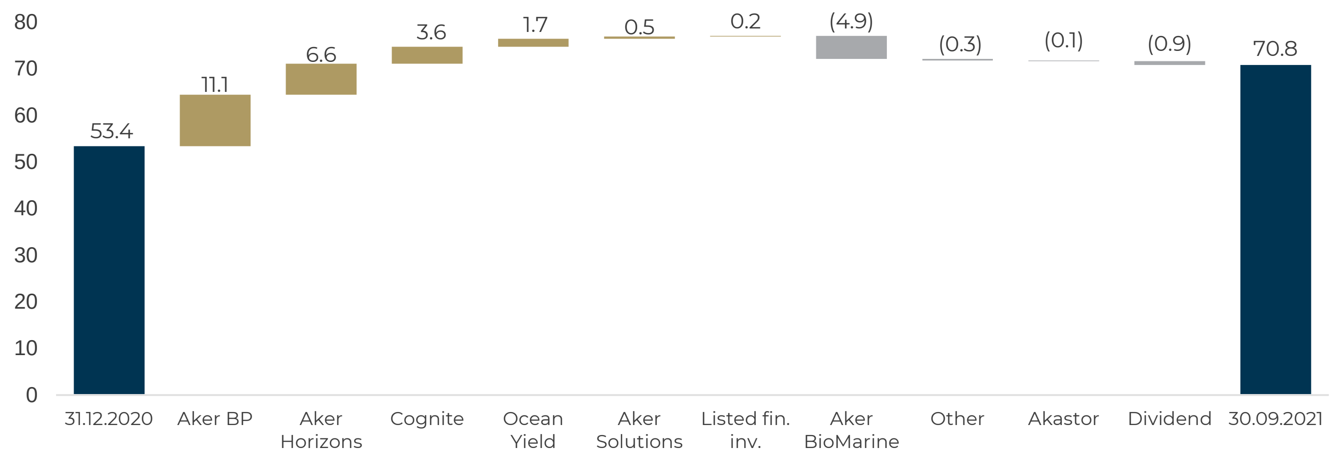
Aker ASA and holding companies

Assets and net assets value

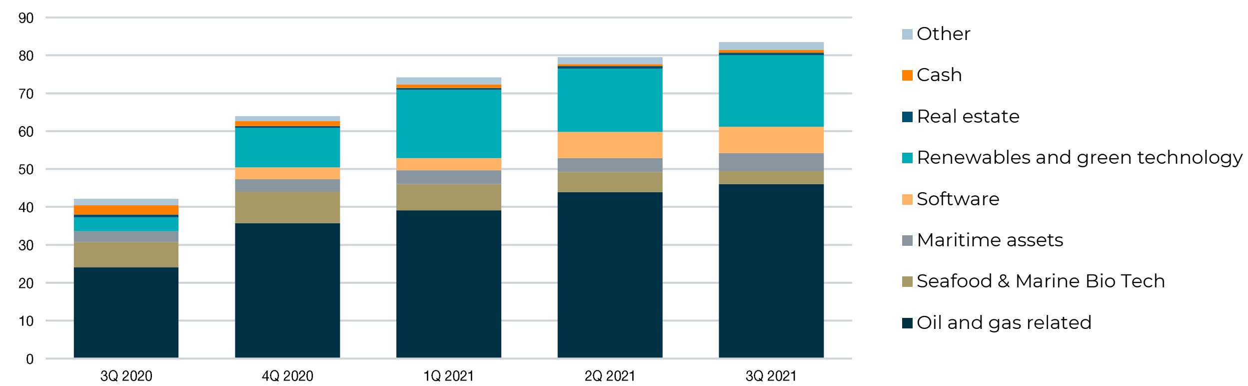
Net asset value (NAV) composition - Aker ASA and holding companies

	31.12.2020		30.06.2021		**30.09.2021**	
	NOK/share	NOK million	NOK/share	NOK million	NOK/share	NOK million
Industrial Holdings	765	56 793	968	71 942	1 016	75 457
Financial Investments	96	7 153	102	7 574	108	8 049
Gross assets	861	63 945	1 070	79 516	**1 124**	**83 506**
External Interest-bearing debt	(139)	(10 351)	(167)	(12 428)	(169)	(12 526)
Non interest-bearing debt (before dividend allocation)	(3)	(240)	(2)	(179)	(3)	(197)
NAV (before dividend allocation)	718	53 354	901	66 909	**953**	**70 783**
Net interest-bearing assets/(liabilities)		(7 211)		(8 111)		(7 918)
Number of shares outstanding (million)		74.273		74.287		74.287

Net Asset Value contribution YTD 2021
(NOK billion)



Gross assets per sector
(NOK billion)



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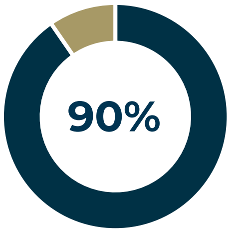
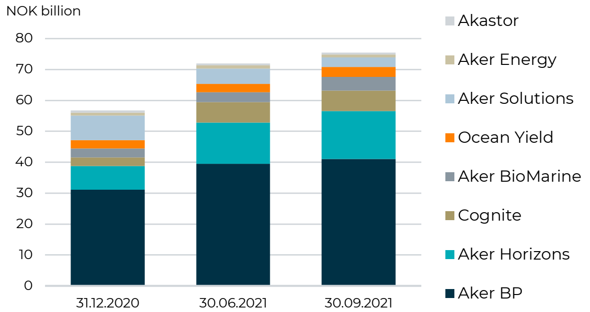
Aker – Segment information

Industrial Holdings

Share of Aker's assets





		31.12.2020	30.06.2021	**3Q 2021**				**30.09.2021**
Amounts in NOK million	Ownership in %	Value	Value	Net investments	Dividend income	Other changes	Value change	Value
Aker BP	40.0	31 143	39 527	-	(400)	-	1 941	**41 068**
Aker Horizons	79.9	7 591	13 251	-	-	-	2 210	**15 461**
Cognite*	50.5	2 816	6 684	-	-	-	-	**6 684**
Ocean Yield	61.7	2 869	3 216	-	(54)	-	1 273	**4 435**
Aker Solutions	33.3	2 699	2 629	-	-	-	554	**3 183**
Aker BioMarine	77.8	8 006	5 035	-	-	-	(1 969)	**3 066**
Aker Energy**	50.8	957	957	-	-	-	-	**957**
Akastor	36.7	712	644	-	-	-	(40)	**603**
Total Industrial Holdings		56 793	71 942	-	(454)	-	3 969	**75 457**

* Value at 31.12.20 reflecting the transaction value with Accel from Q4 2020, while values at 30.06.21 and 30.09.21 reflecting transaction value with TCV from Q2 2021.

** At book value.

The total value of Aker's Industrial Holdings increased by NOK 3.5 billion in the third quarter to NOK 75.5 billion, mainly explained by value increases of the investments in Aker Horizons, Aker BP, Ocean Yield and Aker Solutions, partly offset by value reductions for Aker BioMarine and Akastor.

Aker received NOK 400 million in cash dividend from Aker BP and NOK 54 million in cash dividend from Ocean Yield in the quarter.

Aker BP

Amounts in USD million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	684	**1 563**	2 146	**3 820**
EBITDAX	543	**1 347**	1 637	**3 253**
EBITDAX margin (%)	79.4	**86.2**	76.3	**85.2**
Net profit continued operations	80	**206**	(85)	**487**
Closing share price (NOK/share)	145.90	**285.10**	145.90	**285.10**
Shareholder return, incl. dividend (%)	(15.8)	**4.9**	(46.1)	**35.6**

Aker BP is a pure-play E&P company operating on the Norwegian Continental Shelf ("NCS") with a business model built on safe operations, lean principles, technological competences, and industrial cooperation to secure long-term competitiveness.

Aker BP reported total income of USD 1.6 billion and a record high operating profit of USD 849 million for the third quarter of 2021. Net profit was USD 206 million.

The company's net production in the third quarter was 210.0 thousand barrels of oil equivalents per day (mboepd), up from 198.6 mboepd in the second quarter. Production costs for the oil and gas produced in the third quarter amounted to USD 9 per boe, same as in the second quarter.

During the quarter, Aker BP and its license partners submitted a Plan for Development and Operation (PDO) for Frosk. The development will contribute to increase production and reduce unit costs in the Alvheim area by utilizing existing infrastructure. In the NOAKA area, Aker BP and license partners made a final development concept selection, and resources upgraded to 600 million barrels of oil equivalents.

At the end of the third quarter, Aker BP had total available liquidity of USD 4.8 billion. Net-interest bearing debt was USD 2.2 billion.

In July, the company disbursed dividends of USD 112.5 million, equivalent to USD 0.3124 per share. The Board has resolved to increase the annualized dividend level to USD 600 million effective from fourth quarter, and hence pay a quarterly dividend in November 2021 of USD 150 million, equivalent to USD 0.4165 per share. This will bring total dividend payments in 2021 to USD 487.5 million.

Ocean Yield

Amounts in USD million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	57	**45**	208	**138**
EBITDA	52	**33**	195	**120**
EBITDA margin (%)	90.7	**73.8**	93.3	**87.5**
Net profit continued operations	(7)	**15**	14	**66**
Closing share price (NOK/share)	22.35	**41.04**	22.35	**41.04**
Shareholder return, incl. dividend (%)	5.3	**39.6**	(47.7)	**59.9**

Ocean Yield is a ship-owning company with a mandate to invest in and own a diversified portfolio of modern vessels within various shipping segments. The company targets modern vessels on fixed, long-term bareboat charters to creditworthy counterparties.

In September, Ocean Yield announced a recommended voluntary cash offer by funds managed by Kohlberg Kravis Roberts & Co L.P. ("KKR") to acquire all the outstanding shares in Ocean Yield at a price of NOK 41 per share. The offer price can be increased to NOK 41.74 per share if Aker Energy exercises its option to acquire the FPSO Dhirubai-1 for USD 35 million and will be reduced with the declared Ocean Yield dividend. Aker has irrevocably pre-accepted the offer from KKR and will as a result own zero shares in Ocean Yield after close of the transaction. The transaction is expected to close before year-end. Aker has invested NOK 2.5 billion in shares and assets in Ocean Yield, and since IPO received NOK 3.8 billion in dividend. The transaction with KKR will result in a cash release for Aker of NOK 4.5 billion.

Ocean Yield declared USD 0.057 per share in dividend for the third quarter, which constitutes the 33rd quarterly dividend paid by the company.

Aker Solutions

Amounts in NOK million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	7 198	**7 314**	22 521	**20 805**
EBITDA	1 077	**441**	1 456	**1 258**
EBITDA margin (%)	15.0	**6.0**	6.5	**6.0**
Net profit continued operations	291	**100**	(676)	**186**
Closing share price (NOK/share)	9.27	**19.40**	9.27	**19.40**
Shareholder return, incl. dividend (%)	48.6	**21.1**	(49.7)	**17.9**

Aker Solutions targets to maximize recovery and efficiency of oil and gas assets, while using its expertise to develop sustainable solutions for the future.

In the third quarter, Aker Solutions delivered revenues of NOK 7.3 billion and an EBITDA of NOK 441 million. The order intake was NOK 9.5 billion, and at the end of the quarter, the backlog stood at NOK 48.4 billion, an increase from NOK 38.1 billion a year ago.

During the quarter, the company won several important contracts across its business segments. The company secured a major engineering, procurement, construction, and installation (EPCI) contract of more than NOK 3 billion with Ørsted and Eversource to provide the HVDC transmission system for the Sunrise Wind project in the US. The company also announced a topside modification contract for ConocoPhillips' Tommeliten Alpha field development and a contract from Aker BP to provide the subsea production system for the Kobra East & Gekko (KEG) field development. Aker Solutions also announced important front-end engineering and design (FEED) contracts during the quarter including two platforms and subsea production systems for NOA, Fulla and Frøy, part of the NOAKA field development, from Aker BP and for Kakinada LNG regassification project offshore India.

During the quarter, Aker Solutions and AF Gruppen signed a Letter of Intent (LOI) to merge the two companies' existing offshore decommissioning operations into a 50/50-owned company with the goal of creating a leading global player for environmentally friendly recycling of offshore assets.

During the quarter the company announced it has formed a consortium with Siemens Energy and Doosan Babcock to develop solutions for the growing UK carbon capture market. The consortium is working in close collaboration with Aker Carbon Capture and its leading carbon capture technology.

Recent contract awards and the company's continued high tender pipeline illustrate a gradual change in AKSO's exposure as the company tilts further towards renewable and low-carbon solutions with the target of reaching one third of revenues from these segments by 2025.

Aker BioMarine

Amounts in USD million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	70	**62**	213	**186**
EBITDA	22	**12**	46	**37**
EBITDA margin (%)	31.1	**19.9**	21.4	**20.0**
Net profit continued operations	2	**14**	(8)	**0**
Closing share price (NOK/share)	93.00	**45.00**	93.0	**45.0**
Shareholder return, incl. dividend (%)	N/A	**(39.1)**	N/A	**(61.7)**

Aker BioMarine is a leading biotech innovator and Antarctic krill-harvesting company, developing krill-based ingredients for pharma, consumer health and wellness, and animal nutrition. Aker BioMarine has a fully transparent value chain that consists of two business segments, Ingredients and Brands.

In the third quarter, the company reported revenues of USD 62 million and an EBITDA of USD 12 million. During the quarter, the company announced an agreement for a refinancing structure with a three-bank syndicate. The agreement, expected to be signed in the fourth quarter, offers improved terms and conditions, as well as increased flexibility related to covenants and dividends.

The third quarter results are according to expectations communicated in the company update in September. Harvesting has been challenging throughout the year due to low krill availability and ice, but showed good harvesting conditions end of September. The vessels are now in shipyard and will return to start the new season end of November. The Houston krill oil plant is performing very well, with an all-time-high production this quarter.

In the Ingredients segment, the company has seen a significant decline in the Superba krill oil sales, mainly due to a large drop in the South Korean market driven by regulatory issues, as well as challenges in the US market. A Superba growth plan is now under implementation including a restructuring of the sales organization. The Qrill Aqua sale is good, and demand is strong, but there have been some challenges with regards to product availability due to low offshore production.

In the Brands segment, the private label business, Lang, delivers good and stable results, on par with last year. The company's own brand, Kori, reached several important milestones in the quarter as they were awarded full store distribution with two large retailers that will be launched first quarter next year. Kori also launched on Amazon in August.

Finally, Aker BioMarine continues to focus on growth in new verticals through its innovation projects, including introducing a new protein product, INVI as well as commercializing the Lysoveta product, both in the supplement and in the pharma sector.

Akastor

Amounts in NOK million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	192	**229**	664	**706**
EBITDA	(5)	**(10)**	(43)	**15**
EBITDA margin (%)	(2.6)	**(4.3)**	(6.4)	**2.2**
Net profit continued operations	(46)	**(81)**	(429)	**(107)**
Closing share price (NOK/share)	6.00	**6.00**	6.00	**6.00**
Shareholder return, incl. dividend (%)	25.0	**(6.3)**	(39.6)	**(15.3)**

Akastor is an oil-services investment company with a portfolio of industrial and financial holdings. The company has a flexible mandate for active ownership and long-term value creation.

In the third quarter, Akastor delivered revenues of NOK 229 million and a negative EBITDA of NOK 10 million.

During the third quarter, Akastor continued the closing preparations and integration planning for the new company to be established between MHWirth and Baker Hughes SDS. The transaction was formally completed on October 1st, following which Akastor holds 50 per cent of the equity in the new company to be branded HMH. As a result of this, MHWirth was still classified as "held for sale" in Akastor's financials per Q3, with financial effect from the completion of the transaction to be booked in Q4 2021. Operationally, revenues and EBITDA of MHWirth in Q3 continued to increase compared to the previous quarter, primarily as a result of increased activity within single equipment sale as well as continued good momentum in Services.

Aker Energy

Amounts in USD million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	1	**1**	5	**3**
EBITDA	(5)	**(6)**	(24)	**(18)**
EBITDA margin (%)	N/A	**N/A**	N/A	**N/A**
Net profit continued operations	(10)	**(8)**	(41)	**(29)**

Aker Energy is an E&P company aiming to become an offshore oil and gas operator in Ghana.

In March 2020, Aker Energy announced that a Final Investment Decision (FID) for the Pecan field development project had been placed on hold and the strategy shifted from a centralized FPSO approach to a phased development to develop the resources in its contract area. Aker Energy has matured this development solution and substantially reduced the CAPEX and breakeven cost of the project. The company is currently working to submit a revised Plan of Development (PDO) to the Ghanaian government by the end of 2021.

GNPC has received approval by the Ghanaian Parliament to negotiate a transaction with Aker regarding a potential acquisition of a stake in the DWT/CTP block in Ghana.

During the quarter Aker Energy entered into an option agreement to acquire the FPSO Dhirubhai-1 that can be exercised within the earlier of 16 business days prior to settlement of the Ocean Yield offer by KKR and latest 15th December 2021.

Cognite

Amounts in NOK million	3Q20	**3Q21**	YTD 20	**YTD 21**
Revenue	97	**170**	327	**464**
EBITDA	(85)	**(60)**	(152)	**(232)**
EBITDA margin (%)	(88.2)	**(35.3)**	(46.5)	**(50.0)**
Net profit continued operations	(93)	**(18)**	(163)	**(215)**

Cognite is a fast-growing industrial software company enabling companies in the oil & gas, power & utilities, and manufacturing sectors, as well as other asset-intensive verticals, to advance their digital transformation.

Cognite reported NOK 170 million in revenues in the third quarter, a 75 per cent increase compared to NOK 97 million in the same period last year, supported by a fast-growing customer base.

In the quarter, the Company secured several new commercial engagements with some of the world's leading industrial companies, including a new agreement with bp to provide a single consolidated data layer for their well operations. The company is working with Accenture on a global go-to-market and delivery partnership and to establish a global Cognite centre of excellence within Accenture's Industry X vertical.

Cognite also hosted Ignite Talks, its fourth global industrial digitalization conference, this year in partnership with Microsoft and Aker Horizons. More than 100 top leaders in Technology & AI, Energy, Power & Utilities, Manufacturing, Finance, and Cybersecurity shared insights with over 17 000 attendees across a three-day program.

Aker Horizons

Amounts in NOK billion	2Q21	**3Q21**
Gross asset value	21.9	**22.6**
Net asset value	15.6	**16.1**
Net asset value per share (NOK/share)	26.90	**27.60**
Closing share price (NOK/share)	28.54	**33.30**
Shareholder return, incl. dividend (%)	(9.7)	**16.7**

Aker Horizons is Aker's investment vehicle within renewable energy and green technologies. The company leverages the Aker ecosystem's deep domain expertise and capabilities, including within industrial software, to drive sustainable long-term value creation. Aker Horizons has a 2025 ambition to invest NOK 100 billion in green technology, reach 10 GW renewable power capacity, and enable removal or avoidance of 25 million tonnes CO_2e annually. Each Aker Horizons portfolio company works to optimize value individually, with separate management teams and boards, but with strong support from Aker Horizons to ensure activities are optimized across the entire value chain and to capitalize on internal expertise in the broader Aker group. Aker Horizons' NAV increased with 3 per cent to NOK 16.1 billion in the third quarter, while the share price rose with 17 per cent to NOK 33.30 per share in the same period.

Aker Horizons portfolio events

In July, Mainstream Renewable Power announced it had fully energised its 571 MW Condor portfolio, which will supply more than 680 000 Chilean households with 100 per cent renewable energy. Mainstream also launched Nazca Renovables, a new hybrid renewable energy platform in Chile with over 1 GW of capacity, which can avoid the emission of more than 1.1 million tonnes of CO_2.

The ScotWind offshore wind leasing round saw entries from Mainstream, together with Siemens Project Ventures, and a consortium of Aker Offshore Wind and Spain based Ocean Winds, the latter focusing on floating technology. Together, Aker Offshore Wind and Mainstream were also selected as the preferred bidder to acquire an initial 50 per cent stake in Progression Energy's 800MW floating offshore wind project in Japan.

Aker Carbon Capture launched Carbon Capture as a Service; an integrated offering for the delivery of carbon capture, transport and storage through strategic partnerships, where the client pays a fee per tonne captured CO2. The pure-play CCS company also teamed up with Iceland's Carbfix to offer complementary technologies covering the whole value chain.

In August, Aker Carbon Capture raised NOK 840 million to support further growth by issuing 38,181,818 new shares in a private placement. The placement was multiple times over-subscribed amidst strong demand, particularly from international investors.

Aker Clean Hydrogen continued to mature its project portfolio, and in July signed a Memorandum of Understanding with energy major Shell to explore developing a large-scale production facility for clean hydrogen at Aukra, using natural gas from the local gas processing plant at Nyhamna. Shell is the operator of the Ormen Lange gas field and the Nyhamna plant, and an owner of Northern Lights, the CO2 storage project.

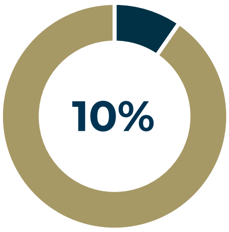
In August, Aker Clean Hydrogen and partners Yara and Statkraft launched HEGRA, a major industrial climate project to electrify the ammonia plant at Herøya, enabling large-scale green ammonia production which can be used to reduce emission in shipping and agriculture.

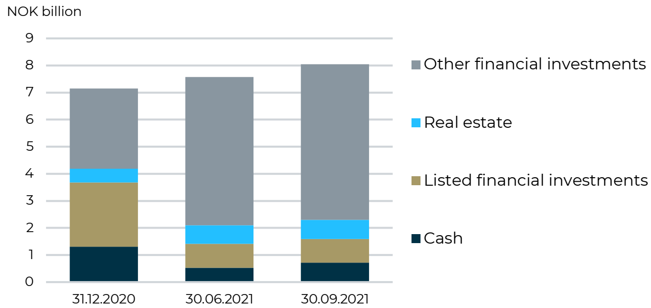
After quarter-end, Aker Horizons announced they are making a NOK 290 million investment in Narvik, Northern Norway, for the establishment of a hub for green industrial development in collaboration with Narvik municipality. Aker Horizons also announced it is in advanced discussions to establish a EUR 1 billion Energy Transition Fund as first step into planet-positive asset management.

Aker – Segment information

Financial Investments

Share of Aker's assets





	31.12.2020		30.06.2021		**30.09.2021**	
	NOK/share[1]	NOK million	NOK/share[1]	NOK million	NOK/share[1]	NOK million
Cash	18	1 303	7	529	**10**	**713**
Listed financial investments	32	2 377	12	889	**12**	**873**
Real estate	7	508	9	683	**10**	**708**
Other financial investments	40	2 964	74	5 472	**77**	**5 755**
Total Financial Investments	96	7 153	102	7 574	**108**	**8 049**

[1]The investment's contribution to Aker's per-share NAV.

Financial Investments comprise Aker's cash, listed financial investments, real estate investments and other financial investments. The value of Aker's financial investments amounted to NOK 8.0 billion as of 30 September 2021, up from NOK 7.6 billion as per 30 June 2021.

Aker's **Cash holding** stood at NOK 713 million at the end of the third quarter, up from NOK 529 million three months earlier. The primary cash inflows in the third quarter were NOK 472 million in dividend received and NOK 51 million in proceeds from Ocean Yield from the divestment of a 50 percent stake in three oil tanker vessels previously owned together with Ocean Yield through a joint venture. The primary cash outflows were investments in and loans issued to portfolio companies of NOK 185 million in total, and NOK 133 million in net interest and operating expenses.

The value of **Listed financial investments** stood at NOK 873 million as of 30 September 2021, compared to NOK 889 million as of 30 June 2021.

Aker's **Real estate holdings,** Aker Property Group, stood at a book value of NOK 708 million at 30 September 2021, up from NOK 683 million at 30 June 2021. The value mainly reflects commercial properties and land areas at Fornebu and in Aberdeen and hotel developments in Norway.

Other financial investments consist of equity investments, receivables, and other assets, and amounted to NOK 5.8 billion at the end of the third quarter up from NOK 5.5 billion as at 30 June 2021 due to value increase in Seetee, in addition to investments in portfolio companies. At the end of the quarter, Aker's receivable position towards Aker Horizons totalled NOK 3.2 billion, consisting of a NOK 1.2 billion convertible bond and a NOK 2.0 billion interest-bearing loan.

Aker ASA and holding companies

Combined balance sheet

Amounts in NOK million, after dividend allocation	31.12.2020	30.06.2021	**30.09.2021**
Intangible, fixed and non interest-bearing assets	577	618	**646**
Interest-bearing assets	1 837	3 788	**3 895**
Investments[1]	25 018	33 001	**31 756**
Non interest-bearing short-term receivables	34	101	**97**
Cash	1 303	529	**713**
Assets	28 769	38 037	**37 107**
Equity	17 305	25 430	**24 384**
Non interest-bearing debt	1 113	179	**197**
External interest-bearing debt	10 351	12 428	**12 526**
Equity and liabilities	28 769	38 037	**37 107**
Net interest-bearing assets/(liabilities)	(7 211)	(8 111)	**(7 918)**
Equity ratio (%)	60	67	**66**

[1]) Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting principles (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently, gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2020 annual report.

The total book value of assets was NOK 37.1 billion at the end of the third quarter 2021, down from NOK 38.0 billion at the end of the second quarter. The decrease is mainly explained by decreased value of investments recorded at the lower of market value and cost price.

Intangible, fixed and non interest-bearing assets stood at NOK 646 million, compared with NOK 618 million at the end of the second quarter.

Interest-bearing assets stood at NOK 3.9 billion at 30 September, up from NOK 3.8 billion at 30 June 2021. The increase is mainly explained by loans issued to portfolio companies. Aker's receivable position towards Aker Horizons totalled NOK 3.2 billion at quarter end.

Investments decreased to NOK 31.8 billion in the third quarter compared to NOK 33.0 billion as per the end of the second quarter. The decrease is mainly explained by write-down of the investment in Aker BioMarine of NOK 1.9 billion, partly offset by reversed write-down of the investment in Aker Solutions of NOK 554 million.

Non interest-bearing short-term receivables stood at NOK 97 million at 30 September 2021. This is on par with 30 June 2021.

Aker's **Cash** stood at NOK 713 million at the end of the third quarter, up from NOK 529 million as per 30 June 2021. In addition, Aker had NOK 1.4 billion in undrawn credit facilities, bringing the total liquidity reserve to NOK 2.1 billion at 30 September 2021.

Equity stood at NOK 24.4 billion at the end of the third quarter, compared to NOK 25.4 billion at the end of the second quarter. The decrease in the third quarter is mainly explained by the loss before tax of NOK 1.0 billion.

Non interest-bearing debt stood at NOK 197 million at the end of the third quarter, compared to NOK 179 million at the end of the second quarter.

External interest-bearing debt stood at NOK 12.5 billion at the end of the third quarter, up from NOK 12.4 billion at the end of the second quarter 2021. The increase is primarily explained by foreign exchange adjustments.

Amounts in NOK million	31.12.2020	30.06.2021	**30.09.2021**
AKER09	1 000	1 000	**1 000**
AKER14	2 000	2 000	**2 000**
AKER15	1 500	2 000	**2 000**
Capitalised loan fees	(23)	(28)	**(25)**
Total bond loans	4 477	4 972	**4 975**
USD 450m term loan	3 840	3 852	**3 950**
NOK 1bn term loan	1 000	1 000	**1 000**
NOK 3 bn rev. credit facilities	-	1 600	**1 600**
EUR 100m Schuldschein loan	1 047	1 017	**1 017**
Capitalised loan fees	(13)	(13)	**(16)**
Total bank loans	5 874	7 456	**7 551**
Total interest-bearing debt	10 351	12 428	**12 526**

Aker ASA and holding companies

Combined income statement

Amounts in NOK million	3Q 2020	2Q 2021	**3Q 2021**	YTD 3Q 2020	**YTD 3Q 2021**	Year 2020
Operating expenses	(49)	(68)	**(85)**	(190)	**(228)**	**(270)**
EBITDA	(49)	(68)	**(85)**	(190)	**(228)**	**(270)**
Depreciation and impairment	(8)	(8)	**(8)**	(24)	**(23)**	**(82)**
Value change	1 249	78	**(1 332)**	763	**5 943**	**3 815**
Net other financial items	451	463	**376**	906	**1 375**	**1 752**
Profit/(loss) before tax	1 643	466	**(1 049)**	1 455	**7 067**	**5 215**

Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting principles (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently, gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2020 annual report.

The income statement for Aker ASA and holding companies shows a loss before tax of NOK 1 049 million for the third quarter 2021. This compares to a profit before tax of NOK 466 million in the second quarter 2021. As in previous periods, the income statement is mainly affected by value changes in share investments and dividends received.

Operating expenses in the third quarter were NOK 85 million compared to NOK 68 million in the prior quarter.

Value change in the third quarter was negative by NOK 1.3 billion, mainly explained by write-down of the investment in Aker BioMarine of NOK 1.9 billion, partly offset by reversed write-down of the investment in Aker Solutions of NOK 554 million.

Net other financial items in the third quarter amounted to positive NOK 376 million, compared to positive NOK 463 million in the second quarter. Net other financial items are primarily impacted by dividends received, net interest expenses and by foreign exchange adjustments. Aker posted a dividend income of NOK 481 million in the third quarter, compared to NOK 444 million in the prior quarter.

The Aker Share

The company's share price increased to NOK 692.00 at the end of the third quarter 2021 from NOK 635.00 three months earlier. The company had a market capitalisation of NOK 51.4 billion as per 30 September 2021. As per 30 September 2021, the total number of shares in Aker ASA amounted to 74 321 862 and the number of outstanding shares was 74 287 314. As per the same date, Aker held 34 548 own shares.

Risks

Aker and each portfolio company are exposed to financial risk, the oil price, currency and interest rate risk, liquidity risk, market risk, credit risk, counterparty risk, and operational risk. Aker has established a model for risk management based on the identification, assessment, and monitoring of major financial, strategic, climate-related, and operational risk factors for each business segment. Contingency plans have been prepared for these risk factors and their implementation is ensured and monitored. Identified risk factors and how they are managed are reported to the board of Aker on a regular basis.

The main risk factors to which Aker is exposed relate to changes in the value of listed assets due to fluctuations in market prices. Developments in the global economy, particularly in energy prices, increasing inflation and interest rate levels, as well as currency fluctuations, are important variables when assessing short-term market fluctuations. These variables may also influence the underlying value of Aker's unlisted assets. Aker is also exposed to the risk of insufficient access to external financing which may affect the liquidity situation in the companies. This is also further emphasised by the increased attention on ESG issues. Aker and portfolio companies seek to reduce the risk by maintaining a solid liquidity reserve, and by proactively planning refinancing activities, as well as strict compliance with environmental regulations. Climate-related risk conditions also present business opportunities for Aker and portfolio companies. In 2020, Aker established the investment company Aker Horizons to exercise active ownership within renewable energy and green technologies, which additionally exposes the company to technology and performance-related risks.

Like Aker, the companies in Aker's industrial portfolio are exposed to commercial, financial and market risks. In addition, these companies, through their business activities within their respective sectors, are also exposed to risk factors related to operational risks, climate-related risks, technology developments, laws and regulations, as well as political risk, such as policy decisions on petroleum taxes, environmental regulations, and operational framework conditions, including major accidents that may have a significant financial impact.

Oil prices will be volatile and constitute a source of uncertainty. Aker BP's revenue and cash flow are directly affected by fluctuations in oil prices, and variations in oil prices can also impact the activity level of Aker's oil service companies, including Aker Solutions and Akastor. The activity level affects the supplier companies' counterparties, and the companies are therefore monitoring counterparty risk closely.

Aker's risk management, risks and uncertainties are described in the Annual Report for 2020.

Key events after the balance sheet date

- Akastor announced that it had completed the refinancing of its existing Revolving Corporate Credit Facility. Akastor further announced that MHWirth's contract for delivery of a drilling equipment package to Guangzhou Marine Geological Survey (GMGS) had been formally signed with a total contract value of about USD 83 million.
- Akastor announced that the transaction for MHWirth with Baker Hughes SDS was formally completed on October 1st, following which Akastor holds 50 per cent of the equity in the new company to be branded HMH.
- Aker Solutions, DeepOcean and Solstad Offshore joined forces to create Windstaller Alliance. The new partnership aims to provide the world's most cost-efficient and complete product supply, fabrication and marine services offering within offshore wind. The alliance will also pursue other offshore renewables segments.
- Aker Solutions received a Letter of Intent (LOI) for a FEED contract from Equinor for the FPSO for the Wisting field development in the Norwegian Barents Sea. The intended FEED contract includes an option for EPCI of the topside of the FPSO.
- Aker Horizons sold 40.0 million shares in Aker Carbon Capture at NOK 23.80 per share, for a total consideration of NOK 1 billion. Following the transaction, Aker Horizons will own 42.33 per cent of the shares and votes in Aker Carbon Capture. 36 million of the shares were sold to investor Baillie Gifford.
- Aker Horizons announced they are making a NOK 290 million investment in Narvik, Northern Norway, for the establishment of a hub for green industrial development in collaboration with Narvik municipality.
- Aker Horizons announced it is in advanced discussions to establish a EUR 1 billion Energy Transition Fund as first step into planet-positive asset management.
- Aker announced that via its subsidiary Aker Capital had entered into an agreement with Nordkraft to invest NOK 200 million in Nordkraft's data centre projects at Kvandal and Fjellbu in Narvik.

Outlook

Investments in listed shares comprised 82 per cent of the company's assets as per 30 September 2021. About 55 per cent of Aker's investments were associated with oil and gas production. The remaining value is mainly found in renewable energy and green technology, energy services, marine biotech, and industrial software.

Aker expects growth in the renewable energy and green technologies segment going forward. This is consistent with IEA's 'Net Zero by 2050' report. The report states that in order to reach the climate targets, the world's energy consumption must change towards renewable energy and global investments in the renewable energy sector will have to increase from USD 2.3 trillion annually to USD 5 trillion annually by 2030. Solar and wind energy will have to become the leading sources of electricity generation by 2030 and reach 70 per cent market share in global power generation by 2050. The world also needs to see significant growth in the use of hydrogen and carbon capture utilization and storage (CCUS).

Aker wants to contribute to solving the environmental and climate challenges and established Aker Horizons during the summer of 2020 to dedicate capital, technology, and resources to the energy transition. Aker Horizons will utilize Aker's industrial competency, network, and extensive industrial experience to help retool the global energy system through investments in renewable energy and green technologies. Through Aker Horizons, Aker has already made significant investments in renewable segments such as solar, wind and hydrogen, as well as in carbon capture. Aker believes the energy transition will also create new opportunities for Aker's software portfolio, including Cognite and Aize.

Policy measures, especially in the US, Europe, and China, are expected to be supportive of the global renewable energy business and the energy transition in the years ahead. With the increased diversification of Aker's industrial holdings portfolio, the Net Asset Value will be influenced by several factors related to the renewable energy market, including regulatory decisions, feed-in tariffs, operational performance, and commodity prices. However, Aker's investment in Aker BP means that oil prices will continue to be the most important macro-economic variable for Aker's Net Asset Value development in the near-term. IEA states that the world is currently not investing enough in renewable energy to reach climate targets, the exception is oil & gas investments that stays muted and will be adequate if oil & gas demand indeed drops according to IEA's Net Zero scenario. The muted investments in oil & gas have taken place despite rising oil and gas prices in 2021. This implies that the historical link between oil & gas prices and global investments might be permanently changed. Based on guided investment levels from international oil companies, investments in the global oil industry will remain muted also going forward and this will impact order intake for international oil service companies. In Norway, investment activity has, however, increased following the temporary changes to the Norwegian petroleum tax system. This has supported short-term order intake in Aker's oil service-related companies, which are also experiencing increased tender activity for services related to renewable energy projects.

The ongoing megatrends of population growth, a growing middle class, and urbanization, especially in Asia, supports future oil demand. At the same time, oil supply growth is likely to be kept in check by OPEC policy, inadequate E&P spending and tightened financial conditions in particularly the US shale industry. Another megatrend that is likely to support oil prices the coming years is the rising cost of capital, which is influenced by growing focus on environmental, social and governance (ESG) principles by both lenders and investors. The increased focus on ESG could result in lower supply growth than demand growth going forward, supporting market prices. Price volatility is expected to remain high also in coming years, but Aker's E&P investment Aker BP, with a strong balance sheet, is well-positioned to benefit from such developments. Aker remains positive towards the attractiveness of oil and gas investments and will continue to evaluate strategic alternatives and opportunities in the sector.

Aker's strong balance sheet enables the company to face unforeseen operational challenges and short-term market fluctuations, as well as to seize value-accretive investment opportunities. As an industrial investment company, Aker will use its resources and competence to promote and support the development of the companies in its portfolio.

Fornebu, 4 November 2021
Board of Directors and President and CEO

Aker ASA and holding companies: Net Asset Value

Reported values in NOK million	Number of shares per 30.09.2021	Ownership capital per 30.09.2021	Share of total assets per 30.09.2021	Reported values per 30.09.2021	Reported values per 30.06.2021	Reported values per 31.12.2020
Industrial Holdings						
Aker BP	144 049 005	40.0%	49.2%	41 068	39 527	31 143
Aker Solutions	164 090 489	33.3%	3.8%	3 183	2 629	2 699
Akastor	100 565 292	36.7%	0.7%	603	644	712
Ocean Yield	108 066 832	61.7%	5.3%	4 435	3 216	2 869
Aker BioMarine	68 132 830	77.8%	3.7%	3 066	5 035	8 006
Aker Energy	63 633 423	50.8%	1.1%	957	957	957
Aker Horizons	464 285 714	79.9%	18.5%	15 461	13 251	7 591
Cognite	7 059 549	50.5%	8.0%	6 684	6 684	2 816
Total Industrial Holdings			**90.4%**	**75 457**	**71 942**	**56 793**
Financial Investments						
Cash			0.9%	713	529	1 303
Aker Property Group			0.8%	708	683	508
Listed financial investments			1.0%	873	889	2 377
American Shipping Company (direct investment)[1]	11 557 022	19.1%	0.4%	366	357	326
Philly Shipyard	7 237 631	57.6%	0.5%	405	426	391
Solstad Offshore	18 776 027	24.9%	0.1%	101	107	179
REC Silicon	-	-	-	-	-	1 481
Receivables			4.6%	3 870	3 788	1 837
Aker Horizons			2.4%	1 991	1 991	1 176
Aker Horizons convertible bond			1.4%	1 209	1 200	-
Aize			0.3%	213	213	210
Other receivables			0.5%	457	384	451
Other financial investments			2.3%	1 884	1 685	1 127
Total Financial Investments			**9.6%**	**8 049**	**7 574**	**7 153**
Gross Asset Value			**100.0%**	**83 506**	**79 516**	**63 945**
External interest-bearing debt				(12 526)	(12 428)	(10 351)
Non interest-bearing debt				(197)	(179)	(240)
Net Asset Value (before allocated dividend)				**70 783**	**66 909**	**53 354**
Number of outstanding shares				74 287 314	74 287 314	74 272 761
Net Asset Value per share (before allocated dividend)				**953**	**901**	**718**

1) Aker ASA holds direct exposure to 11 557 022 shares in American Shipping Company ASA, equivalent to 19.07% of the shares and votes of the company, and financial exposure to 18 687 620 underlying shares through two total return swap agreements, equivalent to 30.83% of the share capital in the company. As per 30 September 2021, the value of the swap agreements was positive by NOK 41 million.

Financial calendar 2022

18 February	4Q 2021 Report
30 March	Annual Report 2021
4 May	1Q 2022 Report
15 July	2Q 2022 Report
4 November	3Q 2022 Report

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AKER NO in Bloomberg
AKER.OL in Reuters

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Alternative Performance Measures

Aker ASA refers to alternative performance measures with regards to Aker ASA and holding companies' financial results and those of its portfolio companies, as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are frequently used by securities analysts, investors and other interested parties, and they are meant to provide an enhanced insight into operations, financing and future prospects of the group. The definitions of these measures are as follows:

- **EBITDA** is operating profit before depreciation, amortisation and impairment charges.
- **EBITDA margin** is EBITDA divided by revenue.
- **EBITDAX** is operating profit before depreciation, amortisation, impairment charges and exploration expenses.
- **Equity ratio** is total equity divided by total assets.
- **Gross asset value** is the sum of all assts determined by applying the market value of listed shares, most recent transaction value for non-listed assets subject to material transaction with third parties, and the book value of other assets.
- **Kboed** is thousand barrels of oil equivalents per day.
- **Mmboe** is million barrels of oil equivalents.
- **Net Asset Value** ("NAV") is gross asset value less liabilities.
- **NAV per share** is NAV divided by the total number of outstanding Aker ASA shares.
- **Net interest-bearing receivable/debt** is cash, cash equivalents and interest-bearing receivables (current and non-current), minus interest-bearing debt (current and non-current).
- **Order intake** includes new signed contracts in the period, in addition to expansion of existing contracts. The estimated value of potential options and change orders is not included.
- **Order backlog** represents the estimated value of remaining work on signed contracts.
- **Value-adjusted equity ratio** is NAV divided by gross asset value.

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