Aker ASA

Annual report 2021

Content

Financial calendar 2022

Aker reserves the right to revise the dates.

Annual General Meeting:	22 April
Announcement of 1Q 2022:	4 May
Announcement of 2Q 2022:	15 July
Announcement of 3Q 2022:	4 November

This is Aker

Since its establishment in 1841, Aker has been a driving force for the development of internationally focused, knowledge-based industry in Norway.

> Aker is the largest shareholder, directly or indirectly, in 11 companies listed on the Oslo Stock Exchange, Euronext Expand Oslo or Euronext Growth Oslo.

Aker ASA (Aker) is an industrial investment company that develops businesses and exercises active ownership to create value for its shareholders and society at large. Aker combines industrial expertise with knowledge of the capital markets and financial strength. In its capacity as owner, Aker helps to develop and strengthen its portfolio of Aker companies, working through the boards of the industrial holdings portfolio companies to drive strategy development, operational improvements, financing, restructuring and transactions.

Aker's ownership interests are concentrated in the oil and gas, renewable energy and green technologies, industrial software, seafood and marine biotechnology sectors. With effect from 2022, active asset management through Aker Asset Management will be a business area on an equal footing with industrial investments. In 2021, investments were divided into two portfolios:

Industrial holdings are strategic assets and are managed with a long-term perspective. They comprise Aker's ownership interests in Aker BP, Aker Energy, Aker Solutions, Akastor, Aker Horizons, Aker BioMarine, SalMar Aker Ocean, Cognite and Aize.

Financial investments comprise cash and other assets. The portfolio includes the listed companies American Shipping Company, Philly Shipyard, and Solstad Offshore, in addition to Aker Property Group.

Size

Aker is the largest shareholder, directly or indirectly, in 11 companies listed on the Oslo Stock Exchange, Euronext Expand Oslo or Euronext Growth Oslo. Aker and companies in which Aker is the largest investor had a total turnover of more than NOK 94 billion in 2021, and a workforce of approximately 31 000, including temporary hires. About 18 000 people are employed in Norway.

Net Asset Value (NAV) growth is a key performance indicator for Aker ASA and holding companies. As at 31 December 2021, NAV amounted to NOK 69.8 billion, compared to NOK 53.4 billion one year prior. In addition, a dividend of NOK 1.75 billion was paid in 2021.

Ownership

As of 23 March 2022, Aker has generated an average annual return of 27 per cent, including dividends, since its re-listing on the Oslo Stock Exchange on 8 September 2004. At the beginning of 2022, Aker had 19 986 shareholders. Aker's main shareholder is Kjell Inge Røkke, who owns 68.2 per cent of Aker through his company TRG Holding AS. Through a private company, CEO Øyvind Eriksen owns 0.2 per cent of the B-shares in TRG Holding AS, as well as 219 072 shares in Aker ASA.

Highlights 2021

Shareholder return:

+52 per cent

The Aker share price increased from NOK 560 to NOK 825 during the course of 2021. Including dividends totalling NOK 23.50 per share, the shareholder return totalled 52 per cent. The NAV stood at NOK 939 at year-end 2021, up from NOK 718 at the end of 2020. Including dividends paid in 2021, value growth totalled 34 per cent. The Oslo Stock Exchange's benchmark index – Aker's benchmark – rose by 23 per cent in 2021.

Aker BP:

Acquires Lundin Energy

Aker BP announced a transaction agreement with Lundin Energy for the takeover of the latter's oil and gas business. The completion of the transaction is expected to take place in the second quarter of 2022, after which Aker's shareholding in Aker BP will decrease to 21.2 per cent, while BP's shareholding will decrease to 15.9 per cent.

Aker Asset Management:

New business area

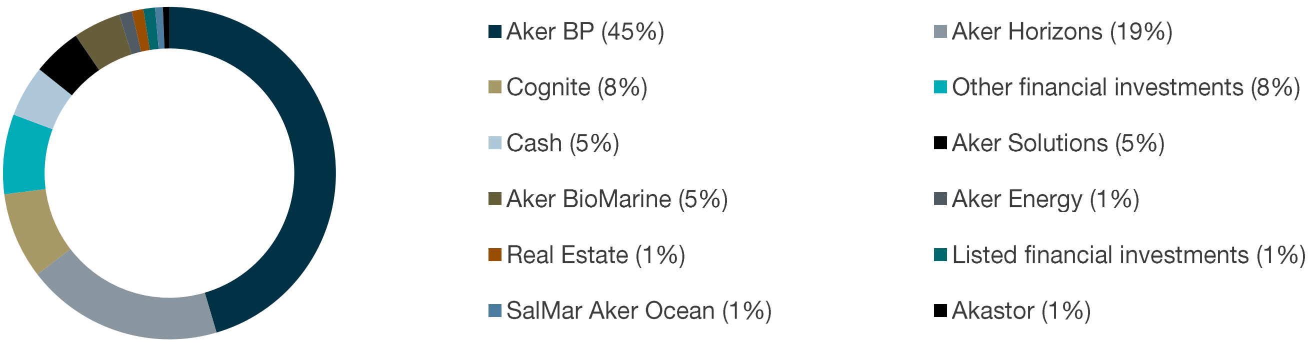
Aker has established active asset management as a new business area on an equal footing with the company's existing industrial holdings. Yngve Slyngstad has been appointed CEO and senior partner of Aker Asset Management (AAM). He had previously worked at Norges Bank Investment Management (NBIM) since its establishment in 1998. AAM will manage funds in the areas of infrastructure and the energy transition, including the asset classes private equity, venture capital and start-ups, which were established and staffed with competent key personnel and partners in 2021.

Sale of shares:

NOK 7.7 billion

In 2021, Aker released NOK 7.7 billion through the sale of shares. This further strengthens its investment capacity and gives it more room to invest in new and existing businesses. Aker sold its 61.7 per cent controlling interest in Ocean Yield to the American company KKR for NOK 4.5 billion. Aker and BP both divested shares in Aker BP. Aker's shareholding was reduced from 40 per cent to 37.1 per cent, releasing NOK 3.2 billion to Aker. Aker and BP continue their excellent partnership in Aker BP and in other areas, such as offshore wind power.

Distribution of Aker's NOK 80.0 billion gross asset value as at 31 December 2021



Key performance indicators

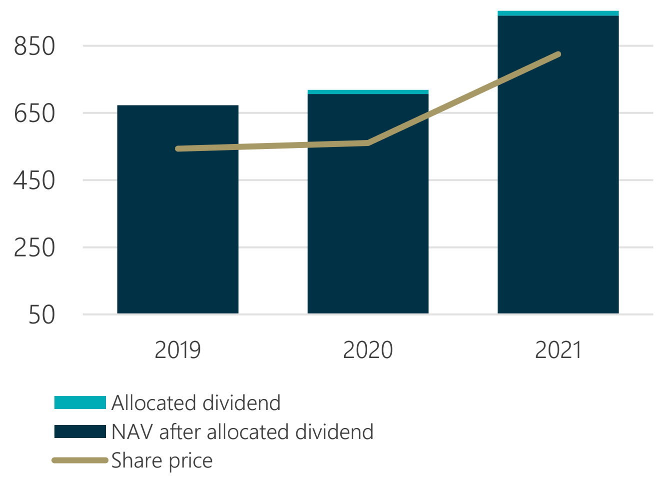
Aker's key performance indicators are net asset value growth and shareholder returns (share price and dividends).

Net asset value (NAV) expresses Aker's underlying financial value and provides the basis for the company's dividend policy (two to four per cent of NAV per year). The NAV is calculated on the basis of the market value of 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.

In 2021, an ordinary dividend of NOK 11.75 per share was paid for the 2020 fiscal year. At the Annual General Meeting in April 2021, the board was authorised to disburse an additional dividend in 2021 on the basis of the annual accounts for 2020. In November 2021, an additional dividend of NOK 11.75 per share was paid. In 2022, the board is proposing that an ordinary dividend of NOK 14.50 per share be paid for 2021, and that the AGM authorise the Board to disburse an additional dividend in 2022 based on the 2021 annual accounts.

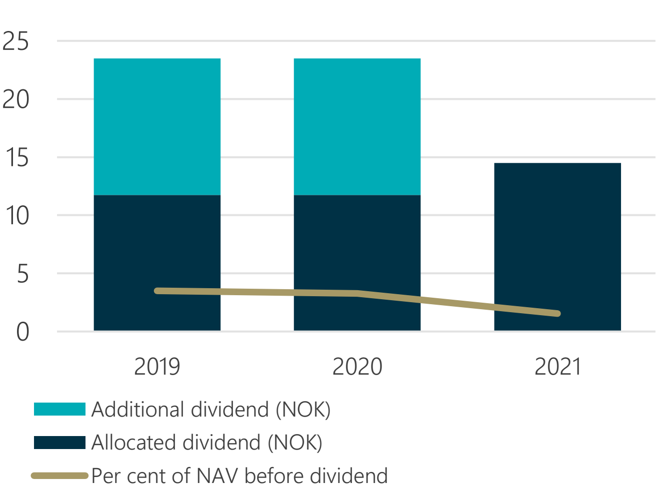
NAV per share

NOK per share



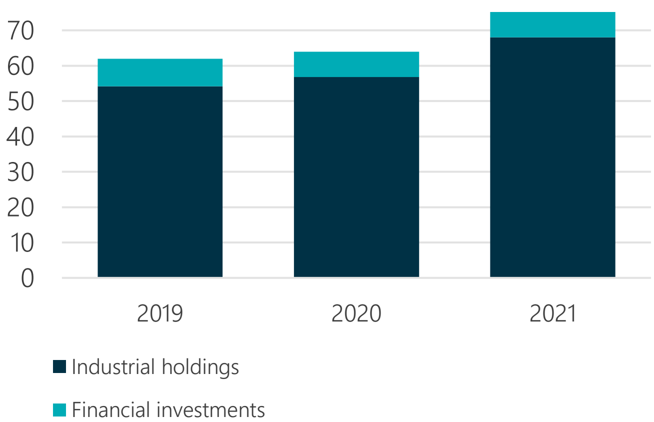
Dividend per share (see comments above)

NOK per share and per cent of NAV



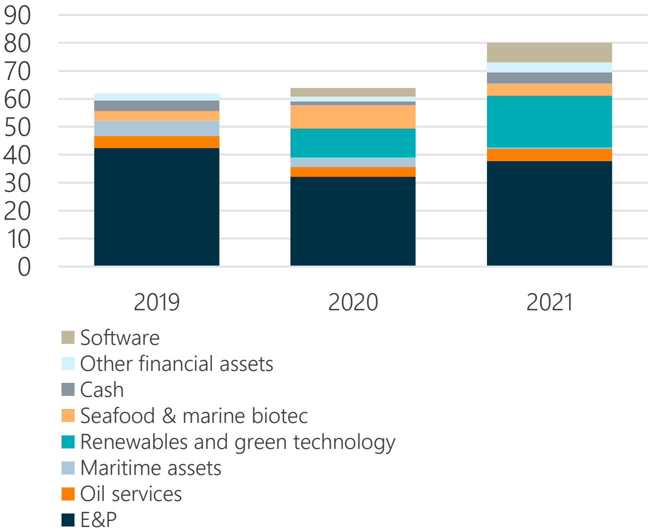
Gross assets per business segment

NOK billion



Gross assets per sector

NOK billion



Changes in net asset value

Net Asset Value (NAV) totalled NOK 69 787 million at year-end 2021, compared to 53 354 million last year. This equates to a NAV-per-share of NOK 939. The following tables show the exposure and composition of Aker's NAV per share.

Net asset value development – Aker ASA and holding companies

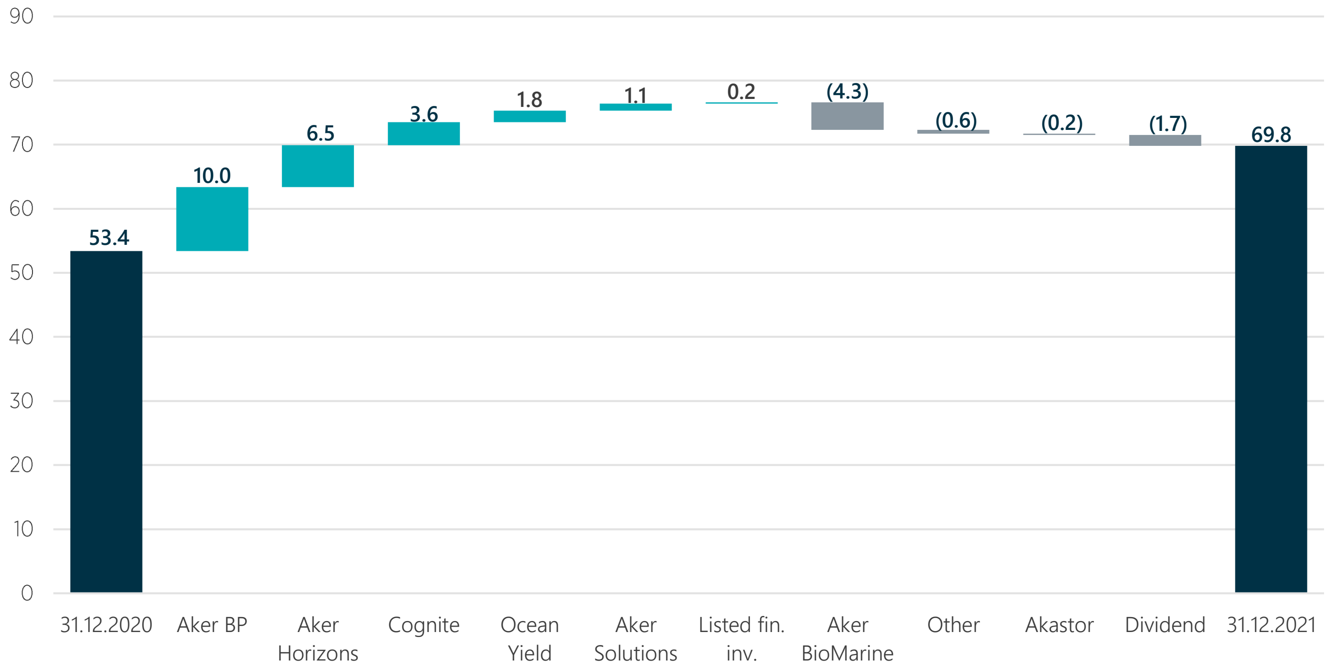
NOK million

	2021	2020
Dividends received	**2 010**	2 341
Operating expenses [1]	**(369)**	(270)
Other financial expenses	**(107)**	(589)
Tax expense	**-**	-
Total	**1 534**	1 482
Dividend payments	**(1 746)**	(1 745)
Sale/(purchase) of treasury shares [2]	**6**	(7)
Value changes [3]	**16 638**	3 645
Change in net asset value	**16 433**	3 375
Net asset value before dividend allocation	**69 787**	53 354

1) Excluding depreciation and amortisation
2) Bonus shares to employees / treasury shares
3) Changes in value include depreciation and amortisation, write-downs of non-current assets and net proceeds from divestments

Change in net asset value

NOK billion



Net asset value

		As at 31.12.2021		As at 31.12.2020	
	Ownership	NOK per share	NOK million	NOK per share	NOK million
INDUSTRIAL HOLDINGS					
Aker BP	37.1%	**489**	**36 329**	419	31 143
Aker Solutions	33.3%	**52**	**3 836**	36	2 699
Akastor	36.7%	**7**	**537**	10	712
SalMar Aker Ocean	15.0%	**9**	**645**	-	-
Aker BioMarine	77.8%	**50**	**3 700**	108	8 006
Ocean Yield	-	**-**	**-**	39	2 869
Aker Energy	50.8%	**13**	**957**	13	957
Cognite	50.5%	**90**	**6 684**	38	2 816
Aker Horizons	76.1%	**207**	**15 342**	102	7 591
Total Industrial Holdings		**916**	**68 030**	765	56 793
FINANCIAL INVESTMENTS					
Cash		**54**	**4 025**	18	1 303
Listed financial investments		**12**	**873**	32	2 377
Real estate		**12**	**908**	7	508
Other financial investments		**83**	**6 192**	40	2 964
Total Financial Investments		**162**	**11 999**	96	7 153
Total value-adjusted assets		**1 077**	**80 030**	861	63 945
External interest-bearing liabilities		**(135)**	**(10 052)**	(139)	(10 351)
Interest-free liabilities before allocated dividend		**(3)**	**(191)**	(3)	(240)
Total liabilities before allocated dividend		**(138)**	**(10 243)**	(143)	(10 591)
NAV before allocated dividend		**939**	**69 787**	718	53 354
Net interest-bearing debt			**(1 591)**		(7 211)

A future-oriented Aker

> In the past two years, Aker has worked quickly to evolve its portfolio of industrial companies. The result is a more future-oriented Aker.

Aker is changing. 2021 was probably the most active year in Aker's 180-year history. Measured in billions of kroner, we have never generated greater value for our shareholders. Now, the most important thing is to implement and deliver through action for continued value creation.

In 2021, shareholder value – the change in the share price plus dividend paid – increased by NOK 21.4 billion. Aker's Net Asset Value (NAV), including dividends, rose by NOK 18.2 billion to a record NOK 69.8 billion at year-end. This corresponds to a 52 per cent growth in shareholder value, and a 34 per cent rise in NAV in 2021. Only three times since Aker was relisted on the Oslo Stock Exchange in 2004 has the percentage increase been higher: in 2005, 2006 and 2016. Measured in billions of kroner, however, our value creation has never been higher than in the year we have now put behind us.

At the same time, developments in the first few weeks of 2022 show that what goes up must come down. The start of the year has been affected by geopolitical tensions and nervous capital markets. The situation escalated with Russia's invasion of Ukraine on 24 February. This is a serious setback for global democratic and economic development. At the time of writing, there is no way of predicting with any certainty how the international crisis will play out.

One thing is clear, however. There is a great deal of uncertainty, and both share prices and oil prices are volatile. In some periods, they fluctuate more than in others, and geopolitical crises cause the pendulum to swing even more strongly. This is the nature of the oil and stock markets, but does not change Aker's long-term industrial development.

The start of 2022 illustrates how important it is for Aker to have a portfolio with different characteristics and operations that are well positioned in relation to global megatrends. Aker's investments in the green transition have been made possible by dividends from Aker BP. Oil and gas-producing companies are experiencing substantial earnings, primarily because demand for oil and gas has risen faster than most people expected after society's gradual post-pandemic reopening. Many believed that consumption would never return to its pre-pandemic level.

That this prediction was way off base has come as no surprise to Aker. The level of investment in the oil and gas industry has fallen steadily over the past few years, while OPEC has withheld production from the market. Output has therefore been lower than demand for many months. In the past year, this resulted in historically high withdrawals from both oil and gas inventions. At the same time, Russia's military invasion of Ukraine is the largest human and geopolitical crisis in Europe for decades. As a consequence, oil and gas exports from Russia may be cut off. Russia is the largest exporter of gas to Europe, and is the world's second largest exporter of oil – after Saudi Arabia.

At a time when the value of "green companies" has fallen on global stock markets, oil and gas companies have earned more than ever before as a result of oil prices in excess of USD 100 per barrel at times and a gas price per barrel of oil equivalents produced of more than twice that figure. In this present decade, there will probably be substantial fluctuations in global energy prices. However, Aker is well positioned to meet uncertain times, thanks to its portfolio of companies in the oil and gas market, renewable energy, green technologies, industrial software and active asset management.

A more future-oriented Aker

In the past two years, Aker has worked quickly to evolve its portfolio of industrial companies. The result is a more future-oriented Aker. The portfolio has become even more diversified. The figures and actions bear witness to a whirlwind transformation:

- At the start of the transitional year 2020, oil and gas accounted for 75 per cent of Aker's gross asset value, industrial software accounted for 0.1 per cent and renewable energy stood at zero.
- At the close of 2021, oil and gas accounted for 53 per cent of gross asset value, renewable energy and green technology companies have surged to 23 per cent, while industrial software has grown to 9 per cent.
- Aker plays a key role in the development of Aker BP. The oil and gas company is growing, as is the dividend payout. And we aim to achieve the industry's lowest emissions and costs per barrel of oil equivalent produced.
- Aker Solutions is back on track for growth, both within the oil service sector and new focus areas. At the start of 2022, renewable energy and low-emission solutions accounted for approx. 30 per cent of its order book. The temporary changes in Norway's petroleum tax regime have triggered important projects and secured both the competence and capacity to accelerate the transition to green and renewable industries.
- Aker Horizons has created a solid financial foundation for industrial investments in renewable energy and green technology companies. The company is a driver for decarbonisation and environmental improvements.
- Cognite has gained international star status. Two of the world's most well-reputed technology investors, Accel and TCV, and the world's largest oil company, Saudi Aramco, are co-owners and industrial partners. On the technology and market side, the company partners globally with Microsoft and Accenture.
- The focus on seafood and marine biotechnology has been expanded through Aker's partnership with SalMar, one of the world's leading producers of farmed salmon. Together, we have established the offshore aquaculture company SalMar Aker Ocean.
- Active asset management has been established as a new business area, on an equal footing with our industrial investments. Aker Asset Management (AAM) has three target areas: green energy, green industry and green cities.
- Aker's financial muscles have become even stronger after the divestment of Ocean Yield and the sale of a tranche of shares in Aker BP. These transactions have released NOK 7.7 billion of cash.

Asset value has surged and the composition of the portfolio has changed. In the next few years, more than 90 per cent of Aker's cash flow, in the form of dividends from portfolio companies, will come from Aker BP. Aker will channel this income into new and green investments, and secure an attractive and predictable dividend for Aker's shareholders.

We have established a firm foundation on which to build Aker's future. Aker and our portfolio companies have strengthened their position and will play an active role in solving challenges and creating value linked to three megatrends: rising demand for energy, industrial digitalisation and health/nutrition.

Rising demand for energy

The world's need for energy is rising fast, while emissions must be reduced. Oil and gas will be an important part of the energy mix for decades to come. At the same time, we have only seen the start of the transition to significantly more renewable energy. Here, Aker and Aker-owned companies will help to make a difference.

Powerful forces are pulling the world in the direction of sustainable societies based on renewable and green energy. This is a positive and necessary development. Through Aker Horizons, Aker Solutions and AAM, we are seizing new opportunities. Our partner, and the CEO of AAM, Yngve Slyngstad, aims to raise EUR 100 billion to infrastructure funds that will help towards the energy transition and green restructuring.

The figure equals just 0.1 per cent of the amount that Mark Carney, the former governor of the Bank of England, told the COP26 climate change conference would be needed to finance the green transition.

Digital future

Although industry's need for software and digital solutions is accelerating fast, it has barely left the starting gate. The consumer market is decades ahead of industry in the use of technology to streamline and rationalise its day-to-day operations.

Cognite's flagship – Cognite Data Fusion – gathers, processes and presents vast amounts of data to industrial companies. The data is shared in real time to optimise and monitor production, warn of irregularities, reduce energy consumption, limit emissions and plan maintenance activities, etc.

Aize is a newcomer to Aker's industrial portfolio. The company develops applications that accelerate industry's digital transition. Aize works with a groundbreaking technology product that will be used on the upcoming NOAKA development on the Norwegian continental shelf. It will give developers and licence partners considerable time and cost savings in areas such as engineering services, procurement and fabrication.

We have just seen the start of industry's digitalisation process. For tomorrow's competitive companies and supply chains, there is no avoiding the utilisation of technologies that people understand and that contribute to the efficient performance of work tasks.

More food from the ocean

So to the third megatrend. The focus on health and healthy food is increasing in line with population growth and an expanding middle class. Sustainable food production will be an important part of the green transition.

Aker has core competences with respect to the ocean and marine proteins – both as an industrial player and as one of the co-founders of the environmental and marine technology centre HUB Ocean (formerly C4IR Ocean), in partnership with the World Economic Forum. Almost 70 per cent of the globe is covered in ocean, but less than 5 per cent of what we eat comes from the sea. This percentage must rise to meet the world's growing demand for food.

Aker BioMarine possesses fisheries-related competence. The company develops, produces and sells krill-based ingredients for fish feed and petfood, as well as products for the consumer market. These are growing market segments.

With the newly established SalMar Aker Ocean, we are taking a position in a global growth market. SalMar and Aker combine industry expertise and state-of-the-art competence in the fields of salmon farming, the design and construction of offshore installations, industrial software and environmental technology. Our ambition is to build an internationally leading company which, by the close of 2030, sustainably produces an annual volume of 150,000 tonnes of salmon at offshore fish farms.

Value creation through action

Our course is set, and we have made changes to the portfolio that will affect Aker in the years ahead. We have paved the way for us to realise the potential of what we have started. Aker strives constantly to improve what we already own, and it is well known that transactions are part of our DNA.

In 2022, there are five items on my list of main priorities:

- Complete the announced transaction between Aker BP and Lundin Energy. Complete the successful merger of these two businesses into one powerful corporate culture. Further develop one of the world's most efficient oil and gas companies to achieve ever lower costs and emissions per barrel produced. Ensure the NOAKA development stays on track in terms of time and budget. Continue assessing transaction opportunities on the Norwegian continental shelf.
- Reinforce the Cognite team for further growth. In impressive fashion, John Markus Lervik has built the company together with Aker from zero to "unicorn" status, with a market value of over USD 1 billion prior to listing on the stock exchange. Cognite is entering a new era. Together with partners like Accel, TCV and Saudi Aramco on the ownership side, and partnerships with Microsoft and Accenture on the market side, we will take steps to further strengthen Cognite.
- Establish AAM by recruiting the best asset managers and launching the first fund management operations. Tie capital more closely to industry. Together, AAM and Aker's industrial operations have the opportunity to create something unique, which can realise, accelerate and finance important projects that help develop climate-friendly solutions and contribute to the green transition.
- Develop Aker Solutions by maintaining a high level of activity in its core business of oil and gas, while simultaneously growing in new, green industrial segments.
- Build SalMar Aker Ocean, in conjunction with our partner SalMar, to become a leading player in offshore aquaculture, which represents a new, exciting and sustainable era for the salmon farming industry. The plan is to start up production in 2023. Investment decisions for a further two offshore fish farming facilities are being prepared. In eight years, our ambition is for SalMar Aker Ocean to produce as much as SalMar does today.

To sum up: ambitious plans will be converted into actions, results and continued high returns for our shareholders.

Øyvind Eriksen

Øyvind Eriksen, President and CEO

Shareholder information

Aker is committed to maintaining an open dialogue with its shareholders, investors, analysts and the financial market in general.

Aker works to ensure that its share price reflects its underlying value by making all price-sensitive information available to the market.

Aker's goal is to create value for its shareholders in the form of dividends and share price growth over time. In February 2006, the company's board adopted the following dividend policy: "Aker ASA's dividend policy supports the company's intention to maintain a solid balance sheet and liquidity reserves adequate to handle future obligations. The company's objective is to pay dividends annually that amount to 2-4 per cent of the company's net asset value. In determining net asset value, the share prices of Aker's listed investments are applied."

In 2021, an ordinary dividend of NOK 11.75 per share was paid for the 2020 fiscal year. At the AGM in April 2021, the board was authorised to disburse an additional dividend on the basis of the annual accounts for 2020. Based on this authorisation, an additional dividend of NOK 11.75 per share was paid out in November 2021.

In 2022, the board is proposing an ordinary dividend of NOK 14.50 per share for 2021. The board is further proposing that the AGM authorise it to disburse an additional dividend in 2022 based on the 2021 annual accounts.

Year	Dividend (NOK)	% of NAV
2021	14.50	1.5
2020	23.50	3.3
2019	23.50	3.5
2018	22.50	4.0
2017	18.00	3.2
2016	16.00	3.5
2015	10.00	3.6
2014	10.00	4.1
2013	13.00	3.9

Shares and share capital

Aker ASA has 74 287 314 ordinary shares, each with a par value of NOK 28 (see Note 8 to the company's annual accounts). Aker ASA has a single share class. Each share carries one vote. The company held 34 548 treasury shares as at 31 December 2021.

As at 31 December 2021, the company had 19 986 shareholders. Kjell Inge Røkke, Aker ASA's main owner, holds 68.18 per cent of Aker ASA shares through TRG Holding AS. According to the shareholder register maintained by the Norwegian Central Securities Depository (VPS), non-Norwegian shareholders held 16.93 per cent of the company's shares as at 31 December 2021.

Stock-exchange listing

Aker ASA is listed on the Oslo Stock Exchange under the ticker AKER. Aker ASA's shares are registered with VPS with the registration number ISIN NO 0010234552. DNB ASA is Aker's registrar.

Board authorisations

At the annual general meeting on 28 April 2021, Aker's shareholders authorised the board to acquire up to 7 432 186 Aker ASA shares with a total par value of NOK 208 101 208. The authorisation also encompassed the acquisition of agreement liens in shares. The per-share purchase price may not be less than NOK 4, nor exceed NOK 1,200. The board is free to decide the method for acquiring or disposing of treasury shares. The authorisation is valid until the 2022 Annual General Meeting, though no longer than until 30 June 2022.

During 2021, the company distributed and sold 14 553 treasury shares in connection with the employee incentive programme.

Share option plans

Aker ASA had no share option plans as at 31 December 2021.

Investor relations

Aker seeks to maintain an open and direct dialogue with shareholders, debt holders, financial analysts, and the stock markets in general. In addition to capital markets days, the company arranges regular presentations for, and meetings with, shareholders, analysts, and investors.

All Aker ASA press releases, stock exchange notices and investor relations (IR) information are available on the company's website, www.akerasa.com. This online resource also offers access to the company's quarterly and annual reports, prospectuses, corporate presentations, articles of association, financial calendar, investor relations and communications policy and corporate governance information.

Quarterly and annual reports

Aker ASA's quarterly and annual reports are published electronically on the company's website at the same time as they are released via the Oslo Stock Exchange distribution service, www.newsweb.no (Ticker: AKER).

Nomination committee

The company's nomination committee has the following members:

- Kjell Inge Røkke (chair)
- Leif-Arne Langøy

Shareholders who wish to contact the nomination committee may do so using the following email address: contact@akerasa.com

Audit committee

The company's audit committee has the following members:

- Frank O. Reite (chair)
- Kristin Krohn Devold
- Atle Tranøy

Annual general meeting

Aker ASA's Annual General Meeting (AGM) is held in April each year. Written notification is sent to all shareholders and shareholder nominees.

Meeting notices and attendance registration forms are sent to shareholders by the deadlines laid down in the Norwegian Public Limited Liability Companies Act and made available on the company's website and through the Oslo Stock Exchange distribution service. The annual report and other enclosures to the meeting notice are made available solely via the company's website and the Oslo Stock Exchange distribution service. Shareholders who wish to receive the enclosures by post must contact the company.

This year's AGM will be held solely online, without any in-person attendance on the part of shareholders. Shareholders participating digitally will receive a live webcast from the meeting. They will have the opportunity to submit questions in writing and vote on each individual agenda item. Shareholders who wish to participate online do not need to register their intention in advance.

Shareholders who are unable to attend the AGM may vote on individual agenda items electronically on Aker ASA's website during the pre-meeting registration period. Shareholders may change their votes or opt to attend the meeting in person throughout the registration period.

Shareholders may also vote by proxy. The company has designed its proxy forms to allow shareholders to vote on (issue voting instructions for) individual agenda items.

Shareholders who have voted in advance or issued a proxy authorisation can log into the online meeting, but will not be able to vote on the various agenda items.

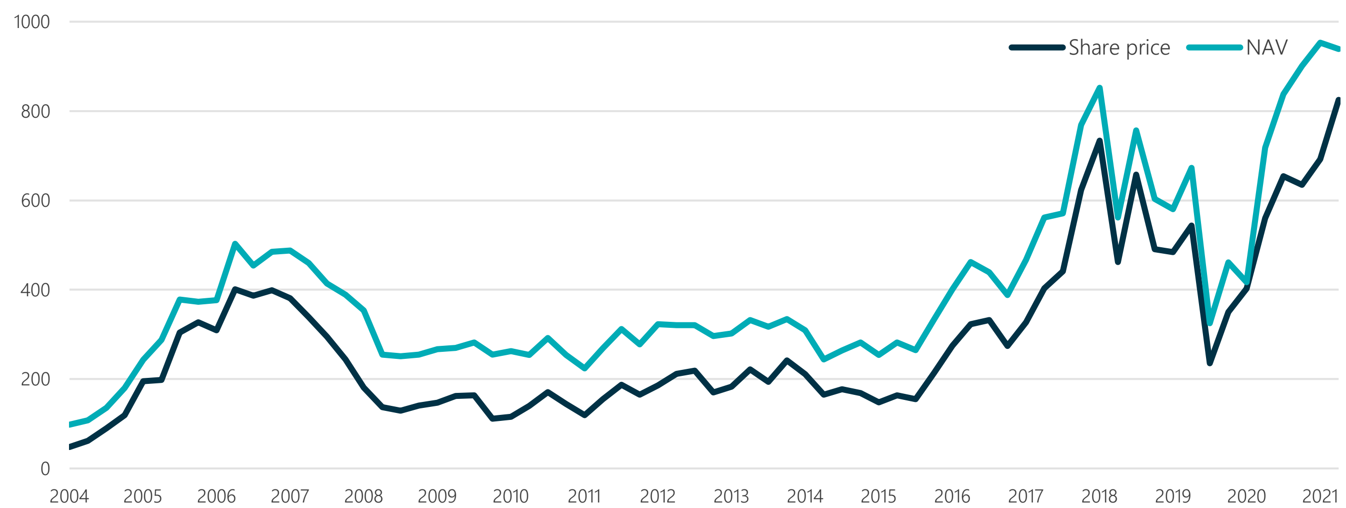
Information on how to participate in the AGM and vote online, as well as how to grant a proxy authorisation and issue voting instructions, may be found in the AGM notice and on the company's website. Procedures for electronic voting and the appointment of proxies with voting instructions are described in the meeting notice and on Aker ASA's website.

The company does not appoint an independent proxy to vote on behalf of shareholders. Aker considers that shareholders' interests are adequately safeguarded by permitting the participation of an appointed proxy or authorisation of the meeting chair/board chairman/other appointed representative to vote according to specific instructions.

2021 share data

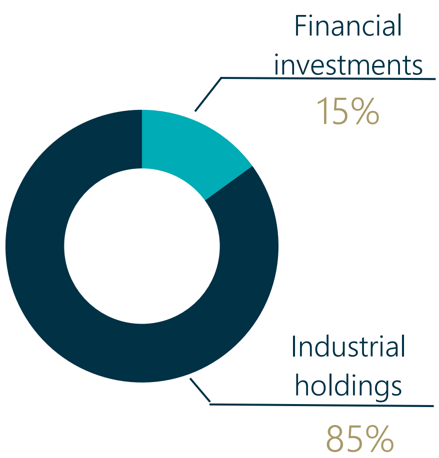
As at 31 December 2021, the company's total market capitalisation was NOK 61.3 billion. During 2021, a total of 22 197 847 Aker ASA shares were traded, corresponding to 30 per cent of the company's total outstanding shares. The Aker ASA share was traded on all of Oslo Stock Exchange's trading days. The share is included in Oslo Stock Exchange's OSEBX index.

NAV and share price development (NOK per share)



Investment overview

In 2021, Aker's portfolio was divided into two, *Industrial holdings* and *Financial investments*, representing 85 per cent and 15 per cent of Aker's assets, respectively. Aker had NOK 80.0 billion as at 31 December 2021, of which 76 per cent were listed shares, 5 per cent cash and 19 per cent unlisted companies and other assets.



Industrial holdings

Aker's *Industrial holdings* represented 85 per cent of Aker's total investments, and comprised the following companies:

- Aker BP
- Aker Energy
- Aker Solutions
- Akastor
- Aker Horizons
- Aker BioMarine
- SalMar Aker Ocean
- Cognite

Read more on page 15

Financial investments

Aker's *Financial investments* represented 15 per cent of Aker's total investments, and comprised:

- Cash
- Real estate
- Listed financial investments
- Interest-bearing receivables
- Other financial investments

Read more on page 25

Industrial holdings and Financial investments by sector as at 31 December 2021:

E&P	47%
Oil services	6%
Maritime assets	1%
Software	9%
Seafood and marine biotechnology	5%
Renewables and green technology	23%
Cash	5%
Real estate investments	1%
Other financial investments	3%

Industrial holdings

Aker's industrial holdings totalled NOK 68.0 billion at the end of 2021. This equates to 85 per cent of the total asset value of Aker ASA and holding companies.

In 2021, the industrial holdings portfolio comprises Aker's investments in Aker BP, Aker Energy, Aker Solutions, Akastor, Aker Horizons, Aker BioMarine, SalMar Aker Ocean, and Cognite. Aize is part of industrial investments from 2022.

Through cooperation with each company's board and management, Aker is actively involved in the development of its industrial portfolio. Every investment is followed-up by Aker's management with the support of a dedicated investment team. Aker also has representatives on the various company boards.

Ownership is exercised primarily in the board rooms of the individual companies. Aker also functions as a knowledge centre, possessing industrial and strategic know-how and cutting-edge expertise in areas such as capital market operations, financing, restructuring, transactions, macroeconomics, communications/IR, sustainability, security, financial reporting, and legal. These resources are available not only in Aker's follow-up of the operational companies, but also to each individual company.

Industrial strategy

Aker combines industrial knowledge, entrepreneurship, financial strength and cooperation with trade unions and employee board representatives. Aker has experience and expertise in implementing acquisitions, divestments, mergers and demergers. Since listing on the Oslo Stock Exchange in September 2004, Aker has completed dozens of transactions which have generated considerable value for Aker and the portfolio companies.

Aker invests in sectors and industrial companies operating in industries in which it has the knowledge and experience needed to generate value through growth and stable upstream cash flow to the parent company. Aker also invests in companies which offer possibilities and scope for Aker to contribute transactional expertise. By exercising active ownership, Aker promotes the independence and robustness of each company in its industrial portfolio.

As an active owner of companies with an attractive value and return potential, Aker's agenda is to contribute to robust returns for all shareholders. The company's focus is on skillful management, appropriate organisational structures, profitable operations, growth, optimal capital structures and financial initiatives through acquisitions, divestments, mergers and demergers.

Developments in 2021

The total market value of Aker's Industrial holdings was NOK 68.0 billion at the end of 2021, compared to NOK 56.8 billion one year earlier.

In 2021, Aker sold its shareholding in Ocean Yield, corresponding to 61.7 per cent of the company, to the US company KKR for NOK 4.5 billion. Aker and BP divested shares in Aker BP. Aker's shareholding was reduced from 40 per cent to 37.1 per cent, releasing NOK 3.2 billion to Aker.

In total, Aker received NOK 1.9 billion in dividends from the industrial portfolio companies in 2021. The table containing key figures for Industrial holdings shows changes and developments in 2021.

For more information, see page 29.

Key figures Industrial holdings

NOK million

		31.12.2020	2021				31.12.2021
	Ownership in % *	Value	Net investments	Received dividend	Value change	Other changes	Value
Aker BP	37.1	31 143	(3 174)	(1 666)	10 025	-	36 329
Aker BioMarine	77.8	8 006	-	-	(4 306)	-	3 700
Ocean Yield	-	2 869	(4 455)	(204)	1 790	-	-
Aker Horizons	76.1	7 591	500	-	6 526	726	15 342
Aker Solutions	33.3	2 699	-	-	1 137	-	3 836
Aker Energy	50.8	957	-	-	-	-	957
Akastor	36.7	712	-	-	(175)	-	537
SalMar Aker Ocean	15.0	-	645	-	-	-	645
Cognite	50.5	2 816	-	-	3 615	254	6 684
Total Industrial holdings		**56 793**	**(6 484)**	**(1 870)**	**18 611**	**979**	**68 030**

** At end of 2021*

Aker BP ASA

Chairman: Øyvind Eriksen
CEO: Karl Johnny Hersvik
Aker's ownership interest: 37.1%

Aker BP is an E&P company on the Norwegian Continental Shelf. Focus is on profitable growth, lowest possible costs and emissions per produced barrel.

At the end of 2021, Aker owned 37.14 per cent and BP 27.85 per cent of the shares in Aker BP. Following the planned acquisition of Lundin Energy's operations on the NCS, which will be settled partially through payment in Aker BP shares, Aker's ownership interest will be reduced to 21.2 per cent, while BP's will decrease to 15.9 per cent. The acquisition is expected to be completed in the second quarter 2022.

The transaction will be settled through a cash consideration of USD 2.22 billion and a share consideration of 271.91 million new shares issued from Aker BP. Aker, BP and Nemesia (the Lundin family's company) have pledged to vote in favour of the merger and have agreed a six-month lock-up period for Aker BP's shares, commencing on the transaction's completion date.

The share price was NOK 271.60 at 31 December 2021, up from NOK 216.20 one year earlier.

Aker's shareholding was valued at NOK 36.3 billion at the end of 2021, corresponding to 45 per cent of Aker's total assets. Øyvind Eriksen and Kjell Inge Røkke represent Aker on the company's board of directors.

Aker's ownership agenda

Aker's aim is to build Aker BP into Europe's leading independent oil company in terms of profitable growth and efficiency.

In its capacity as owner, Aker is encouraging Aker BP to represent 'low cost, low carbon', i.e. the lowest possible production costs per barrel combined with the lowest possible greenhouse gas emissions.

For Aker, it is important that Aker BP pays attractive and predictable dividends to its shareholders. The dividend in 2021 came to USD 1.35 per share, while Aker BP plans to pay a dividend of USD 1.90 per share in 2022.

Aker received a dividend of NOK 1 .7 billion in 2021, compared to 1.6 billion in 2020.

For more information, see page 29 and www.akerbp.com

Share of Aker's total assets

45%

Key figures	2021	2020
Operating income (USD million)	5 669	2 979
EBITDAX (USD million)	4 894	2 302
Profit after tax (USD million)	851	45
Exploration costs (USD million)	353	174
Share price (NOK)	271.60	216.20
Profit per share (USD)	2.37	0.12
Number of employees	1 840	1 747

Aker Energy AS

Chairman: Karl Johnny Hersvik
CEO: Eiliv Gjesdal
Aker's ownership interest: 50.8%

Aker Energy owns 50 per cent of the Deepwater Tano Cape Three Points in Ghana, which contains significant oil reserves.

Aker owns 50.8 per cent of the shares in Aker Energy. Aker's shares in Aker Energy had a book value of almost NOK 1 billion at 31 December 2021, corresponding to 1 per cent of Aker's total assets. Kjell Inge Røkke and Øyvind Eriksen represent Aker on the company's board of directors.

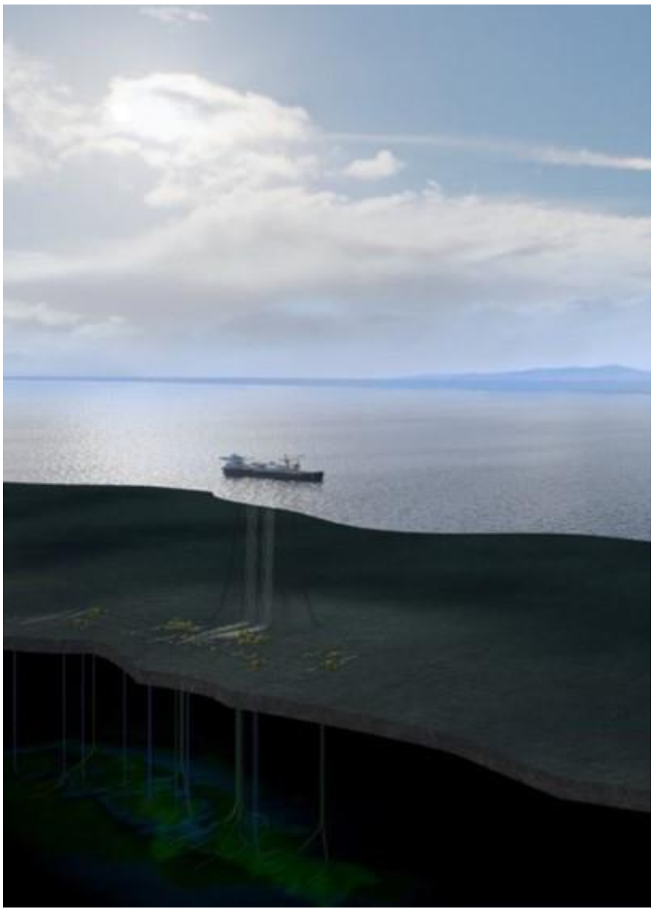
Aker's ownership agenda

At the top of Aker's ownership agenda is to find an efficient development concept and a technical solution that is secure and economically robust. On behalf of the contract partners, Aker energy has exercised the option to acquire the FPSO Dhirubhai-1 for USD 35 million. As part of the financing for the development of the contract area Deepwater Tano Cape Three Points (DWT/CTP), Africa Finance Corporation (AFC) injected a further USD 100 million in December 2021. This brings AFC's bond loan to Aker Energy up to USD 200 million.

Seismic analyses and drilling operations have confirmed conditional resources of 450–550 million barrels of oil equivalents in the DWT/CTP contract area, approx. 100 km off the coast of Ghana. Work is currently underway to draw up a revised Plan for the Development and Operation (PDO) of the Pecan field, which is part of the DWT/CTP. The objective is for Aker Energy to submit the plan to the authorities in the summer of 2022.

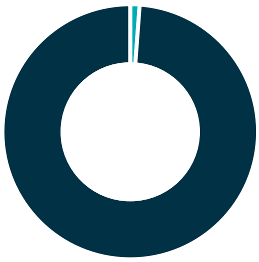
Aker Energy has a constructive dialogue with its contract partners and the authorities in Ghana. With the backing of the government, the national oil company GNPC, which is a contract partner, has taken the initiative for a solution that will safeguard the country's control of the next fields to be developed on the Ghanaian continental shelf. Aker Energy and GNPC are currently negotiating a new ownership model within a financial framework and transaction structure approved by parliament, in which Aker Energy will remain a co-owner and provider of expertise.

See more information, see page 30 and www.akerenergy.com



Share of Aker's total assets

1%



Key figures	2021	2020
Operating income (USD million)	**4**	6
EBITDA (USD million)	**(34)**	(28)
Loss after tax (USD million)	**(42)**	(49)
Number of employees	**48**	45

Aker Solutions ASA

Chairman: Leif-Arne Langøy
CEO: Kjetel Digre
Aker's ownership interest: 33.34%

Aker Solutions is a supplier company. Its main business is deliveries to the oil and gas industry, while renewable energy industry and low-carbon solutions are a growing part of Aker Solutions' business.

Aker owns 33.34 per cent of the shares in Aker Solutions. The share price was NOK 23.38 as at 31 December 2021, compared to NOK 16.45 one year earlier.

The equity investment had a market value of NOK 3.8 billion at the end of 2021, corresponding to 5 per cent of Aker's total assets. Aker is represented on the board by Kjell Inge Røkke and Øyvind Eriksen.

Aker's ownership agenda

Aker Solutions is developing well. In 2021, the supply company won strategically important contracts in the fields of oil service, renewable energy and low-carbon solutions. At the start of 2022, Aker Solutions is involved in tenders worth a combined NOK 81 billion in potential new contracts, compared with NOK 76 billion one year earlier.

Aker supports Aker Solutions' ambition to help accelerate the transition to more sustainable energy production. The company's main focus areas remain engineering services and oil services. Growth will take place within renewable energy, electrification, and as a supplier to aquaculture facilities, carbon capture projects and low-emission solutions. Aker Solutions' goal is for this to account for one third of revenues in 2025, compared to approx. 5 per cent in 2020. At the end of 2021, renewable energy and low-carbon solutions accounted for approx. 30 per cent of the order reserve.

Aker Solutions intends to be at the forefront of the use of technology and industrial software throughout the value chain for engineering services, project management, procurement and fabrication.

Aker's most important ownership agenda is to strengthen Aker Solutions' competitiveness, win new contracts, perform projects more profitably than before and be open to partnerships, alliances and transactions that contribute shareholder value. Emphasis continues to be placed on further developing good relationships with customers and business associates, and on implementing operational improvements.

For more information, see page 31 and www.akersolutions.com

Share of Aker's total assets

5%

Key figures	2021	2020
Operating income (NOK million)	**29 473**	29 396
EBITDA (NOK million)	**1 842**	1 539
EBITDA margin (per cent)	**6.2**	5.2
Order book (NOK million)	**49 168**	37 979
Ordrer intake (NOK million)	**40 466**	34 163
Share price (NOK)	**23.38**	16.45
Profit per share (NOK)	**0.52**	(3.13)
Number of employees	**15 012**	14 494

Akastor ASA

Chairman: Kristian Røkke
CEO: Karl Erik Kjelstad
Aker's ownership interest: 36.7%

Akastor is an investment company which focuses on the oil service sector through a portfolio of industrial and financial investments.

Aker owns 36.7 per cent of the shares in Akastor. The share price was NOK 5.34 as at 31 December 2021, compared to NOK 7.08 one year earlier. The investment had a market value of NOK 0.5 billion at the end of 2021, corresponding to 1 per cent of Aker's total assets. Kristian Røkke and Svein Oskar Stoknes represent Aker on Akastor's board of directors.

Aker's ownership agenda

Akastor has a flexible mandate for active ownership and long-term value creation. At the top of the ownership agenda are operational improvements, winning new contracts and completing transactions. Aker is encouraging Akastor to play an active role in the transactional market, both to release capital and to seize opportunities to generate value.

The drilling technology company HMH and AKOFS Offshore are the two largest industrial companies in the portfolio. Akastor and Baker Hughes each have a 50 per cent stake in HMH after the formerly wholly owned subsidiary MHWirth merged with Baker Hughes Subsea Drilling Systems. The transaction was completed on 1 October 2021, after which the company adopted the name HMH. The aim is to list HMH on the stock exchange as an independent company when the time is right.

AKOFS Offshore, in which Akastor and Mitsui each have a 50 per cent stake, owns three specialised offshore vessels – all of which have been chartered out.

Since Akastor was spun out of Aker Solutions as a non-core operation in 2014, it has released more than NOK 6 billion through divestments. The completed transactions demonstrate that Akastor's portfolio companies often offer added value which can be realised in larger, more effective units in industrial constellations.

For more information, see page 31 and www.akastor.com

AKASTOR

Share of Aker's total assets

1%

Key figures	2021	2020 Restated
Operating income (NOK million)	**953**	819
EBITDA (NOK million)	-	(71)
EBITDA margin (per cent)	-	(8.7)
Share price (NOK)	**5.34**	7.08
Profit per share (NOK)	**3.38**	(2.14)
Number of employees	**225**	1 769

Aker Horizons ASA

Chairman: Øyvind Eriksen
CEO: Kristian Røkke
Aker's ownership interest: 76.15%

Aker Horizons exercises active ownership in investments within renewable energy and green technologies.

Aker owns 76.15 per cent of the shares in Aker Horizons. Prior to the company's listing on Euronext Growth on 1 February 2021, a private placement was undertaken at a price of NOK 35 per share. Since 21 May 2021, Aker Horizons has been listed on the Oslo Stock Exchange's main index. As at 31 December 2021, the share was priced at NOK 33.05. Aker's holding had a market value of NOK 15.3 billion at the end of 2021, corresponding to 19 per cent of total assets. Aker is represented on the board by Øyvind Eriksen and Kjell Inge Røkke.

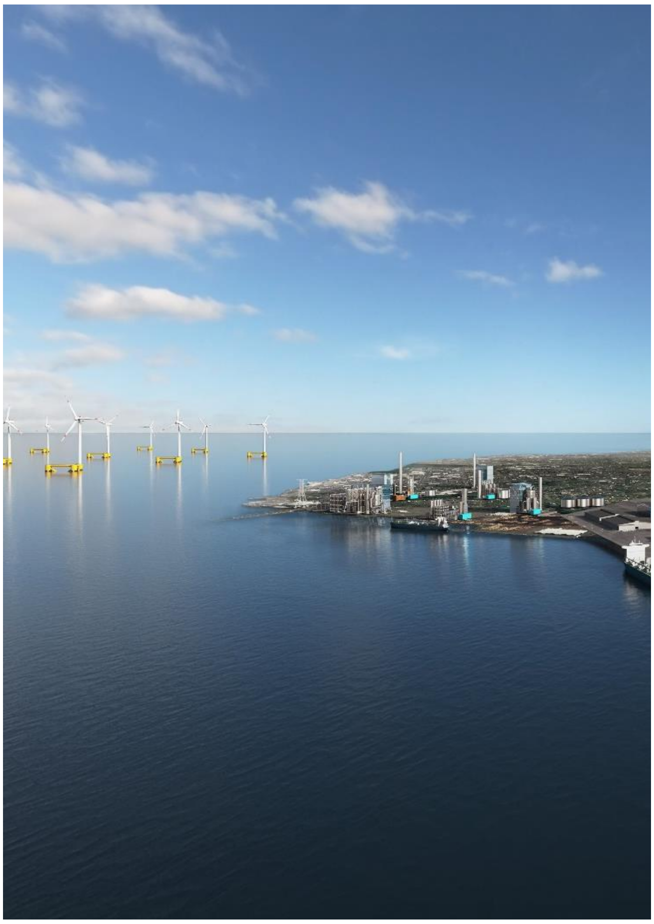
Aker's ownership agenda

Aker Horizons is an Aker-controlled investment company that exercises active ownership through start-ups, mergers, acquisitions and the development of companies in the fields of renewable energy and green technologies. Its ambition is to be a driving force for decarbonisation and environmental improvements through companies that develop and deliver industrial solutions. The goal is to build a platform for long-term value creation, where Aker Horizons can benefit from technologies, industrial expertise and industrial software in Aker-owned companies.

At the end of 2021, Aker Horizons' portfolio of companies comprised Mainstream Renewable Power (75 per cent shareholding), Aker Carbon Capture (42.3 per cent), Aker Offshore Wind (51 per cent) and Aker Clean Hydrogen (77.2 per cent). In addition, Aker Horizons acquired the hydropower technology company Rainpower (100 per cent shareholding).

Aker Horizons sets the strategic direction and has the financial strength, capital market competence and capacity to achieve its goals. Each of the companies in Aker Horizons' portfolio will strive to create value in cooperation with Aker, Aker-owned companies and other elements in the supply chain.

For more information, see page 32 and www.akerhorizons.com



Share of Aker's total assets

19%

Key figures	2021	2020
Revenue (NOK million)	**1 411**	19
EBITDA (NOK million)	**(1 325)**	(162)
Loss after tax (NOK million)	**(2 428)**	(180)
Share price (NOK)	**33.05**	N/A
Number of employees	**895**	53

Aker BioMarine ASA

Chairman: Ola Snøve
CEO: Matts Johansen
Aker's ownership interest: 77.8%

Aker BioMarine is a biotechnology and krill harvesting company that develops, markets and sells krill-based products.

Aker owns 77.8 per cent of the shares in Aker BioMarine. The company was listed on the Oslo Stock Exchange on 13 April 2021. The share price was NOK 54.30 as at 31 December 2021, compared to NOK 117.50 one year earlier.

The investment had a market value of NOK 3.7 billion at the end of 2021, corresponding to 5 per cent of Aker's total assets. Kjell Inge Røkke and Øyvind Eriksen represent Aker on the company's board of directors.

Aker's ownership agenda

Aker believes that Aker BioMarine has the opportunity to establish a strong position in niches driven by global health trends and the demand for omega-3 ingredients. The ambition is to create a larger and more robust company with a focus on good operations and an efficient value chain.

Aker BioMarine is an international leader in sustainable harvesting and develops, markets and sells krill-based ingredients and products. The company sells its own brands of omega-3 supplements to consumers and feed ingredients to the aquaculture and dog-food industries. In addition, Aker BioMarine has several start-ups projects.

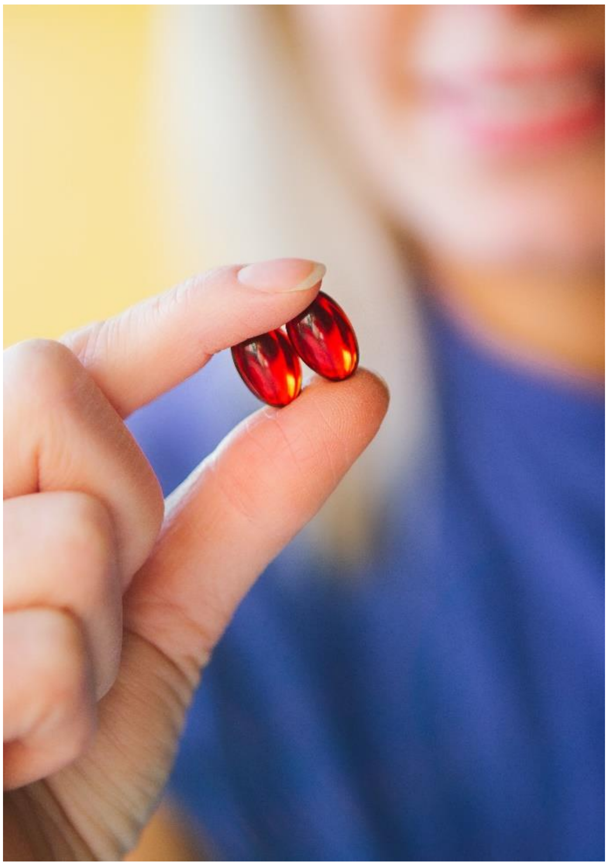
Share price developments in 2021 reflect weaker than expected results. The volume of the krill catch was somewhat lower than in 2020 and sales of Superba™ Krill Oil were significantly lower, particularly in South Korea, as a result of regulatory issues. Sales of Qrill Aqua was good.

Aker BioMarine's main agenda is to win back the capital market's confidence through operational improvements; enhanced profitability; increased sales through product innovation, new channels and expansion in geographic markets, and continued investment for long-term growth.

In its capacity as owner, Aker is encouraging Aker BioMarine to continue leading the way for sustainable fishing with the lowest possible carbon footprint. The company has long-term partnerships with brand-name companies, environmental organisations and scientists.

For more information, see page 33 and www.akerbiomarine.com

AKER BIOMARINE



Share of Aker's total assets

5%

Key figures	2021	2020
Operating income (USD million)	**262**	289
EBITDA (USD million)	**43**	57
EBITDA margin (per cent)	**16.5**	19.6
Loss after tax (USD million)	**(8)**	(5)
Share price (NOK)	**54.30**	117.50
Profit per share (NOK)	**(0.09)**	(0.07)
Number of employees	**436**	530

SalMar Aker Ocean AS

SalMarAkerOcean

Chairman: Atle Eide
CEO: Roy Reite
Aker's ownership interest: 15% (33.4% voting share)

SalMar Aker Ocean will engage in offshore aquaculture, both far out to sea and in coastal areas exposed to harsh weather conditions.

The company was formally incorporated in November 2021, SalMar ASA owning 66.6 per cent of the shares and Aker owning 33.4 per cent. SalMar's existing interests in offshore aquaculture are included in SalMar Aker Ocean. Aker will invest a total of NOK 1.65 billion in the company, to be paid in three tranches. The first tranche, in the amount of NOK 0.65 billion, is the book value of Aker's investment as at 31 December 2021 and corresponds to just under 1 per cent of Aker's total assets. Kjell Inge Røkke and Øyvind Eriksen represent Aker on the company's board of directors.

Aker's ownership agenda

By combining SalMar and Aker's unmatched expertise in the fields of salmon farming, the design and construction of offshore installations, industrial software and environmental technology, the ambition is to build a globally leading enterprise. By the end of 2030, SalMar Aker Ocean aims to sustainably produce 150 000 tonnes of salmon per year at fish farms far out to sea.

SalMar Aker Ocean has completed two successful production cycles at the pioneering Ocean Farm 1 installation, located off the coast of Trøndelag, Norway. The experienced thus gained will be incorporated into the new and larger Ocean Farm 2, which is under development. The company has applied for permission to site the world's first purely offshore fish farm, called the Smart Fish Farm, approx. 50 nautical miles west of Frøya in Central Norway.

Achievement of its production targets in 2030 will make SalMar Aker Ocean one of the world's largest producers of farmed salmon. Along the way, huge opportunities will be opened up for a Norwegian supply industry in transition. SalMar Aker Ocean has documented ripple effects in the form of thousands of industrial and engineering jobs in Norway, and will be at the forefront of ensuring sustainable growth on the salmon's terms.

Such offshore aquaculture will require a new regulatory framework. SalMar Aker Ocean will work with the Norwegian authorities, the aquaculture industry and other stakeholders to establish such framework conditions. In the longer term, the company will grow in international markets on the basis of the knowledge and experience it has obtained in Norway.

For more information, see page 33 and www.salmarakerocean.com

Share of Aker's total assets

1%

Cognite AS

Chairman: Øyvind Eriksen
CEO: John Markus Lervik
Aker's ownership interest: 50.5%

Cognite is an industrial software company that gathers, processes and manages enormous volumes of data for its industrial customers.

Aker owns 50.5 per cent of the shares in Cognite. The shareholding is valued at NOK 6.7 billion in Aker's NAV, corresponding to 8 per cent of total assets. The valuation is based on the price paid by TCV in connection with a private placement undertaken in the second quarter 2021. This well-reputed US company, which invests in technology companies, injected USD 150 million in equity and thereby acquired a 9.4 per cent shareholding. On a 100 per cent basis, this prices Cognite at USD 1.6 billion.

Øyvind Eriksen and Kjell Inge Røkke represent Aker on Cognite's board of directors.

Aker's ownership agenda

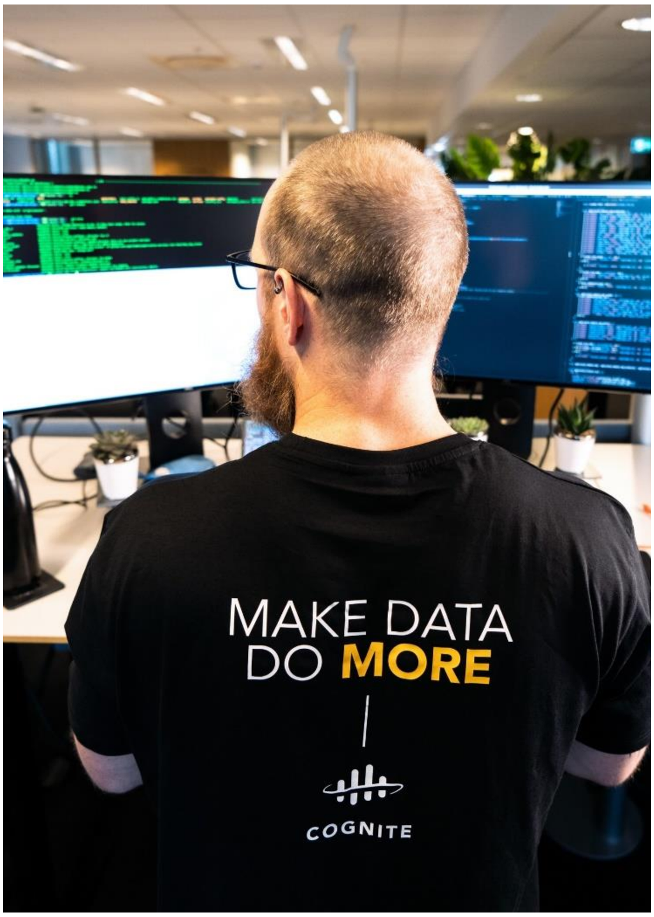
As the main shareholder, Aker is driving forward an aggressive expansion into the fast-growing market for industrial software. The company's main product, Cognite Data Fusion, gathers and processes enormous volumes of data for industrial customers. The key to scalable industrial digitalisation is that data can be shared in real time in order to optimise production, reduce energy consumption, monitor production processes, warn of irregularities, and plan maintenance in an efficient manner.

Cognite has established strategic partnerships with Accel and TCV, two of the world's leading venture companies in technology and software. Both are co-owners and partners that contribute to Cognite's development. In the first quarter 2022, the world's largest oil producer, Saudi Aramco, became a shareholder after purchasing Aker BP's 7.4 per cent shareholding.

On the market side, Cognite has a global partnership with leading technology companies such as Microsoft and Accenture. In Saudi Arabia, Saudi Aramco (51 per cent) and Cognite (49 per cent) are establishing a joint venture.

Cognite has a good starting point for further international expansion, continued recruitment of talent from around the world, further development of good customer relationships and partners, and continued growth.

For more information, see page 33 and www.cognite.com



Share of Aker's total assets

8%

Key figures	2021	2020
Operating income (NOK million)	**639**	532
EBITDA (NOK million)	**(402)**	(157)
Loss after tax (NOK million)	**(393)**	(197)
Number of employees	**613**	402

Aize AS

Chairman: Karl Johnny Hervik
CEO: Jarle Skrebergene
Aker's ownership interest: 73%

Aize develops software that accelerates industry's digital transition.

Aize was established in 2020 and is part of Aker's industrial portfolio from 2022. At the end of 2021, Aker owned 77.6 per cent of the company. This was reduced to 73 per cent in January 2022. Aker BP owns 9.4 per cent, while the other shareholders are Aize employees, a tranche of treasury shares and one external board member. Together, the investment in shares and loan to Aize from Aker had a book value of NOK 262 million as at 31 December 2021. Kjell Inge Røkke is Aker's representative on the company's board of directors.

Aize's main product is a digital interface that integrates and visualises the customer's internal and third-party data in a digital twin of major installations. This improves work processes and interaction both with respect project execution and day-to-day operations.

Aize is growing rapidly and had 168 employees at the end of 2021. The aim is to recruit a further 80 employees in 2022.

Aker's ownership agenda

Industrial software is a focus area for Aker. Inspired by its success with Cognite, the aim is to take a leading position in several fields by focusing the company's competence and investments through specialised companies. Aize will focus on creating a unique user experience for industrial workers in order to improve work processes and interaction.

In terms of functionality, Aize's products target two key areas: the EPC market and efficient operation of large plants and facilities, initially within the oil and gas sector. The main objective is to increase the efficiency of all types of cost-intensive projects and operations, such as wind parks, carbon capture and storage facilities, hydrogen production plants and similar renewable solutions. The Electron partnership with Aker Horizons is a key element in this development.

Product development takes place in close collaboration with development partners and customers. Within the EPC area, the goal is to achieve significant savings in the coming Noaka development on the Norwegian continental shelf in partnership with Aker Solutions, Aker BP, Cognite and licence partners.

For more information, see page 34 and www.aize.com

Share of Aker's total assets

0.3%

Key figures	2021	2020
Operating income (NOK million)	352	59
EBITDA (NOK million)	44	(11)
Loss after tax (NOK million)	(14)	(17)
Profit per share (NOK)	-	-
Number of employees	168	88

Financial investments

The value of Aker's financial investments totalled NOK 12.0 billion at the end of 2021, including NOK 4.0 billion in cash. This equates to 15 per cent of the total asset value of Aker ASA and holding companies.

The financial investments segment encompasses cash, equity investments in listed companies such as American Shipping Company, Philly Shipyard and Solstad Offshore, as well as the real estate development company Aker Property Group.

At year-end 2021, Aker had cash holdings of NOK 4.0 billion. The company's liquidity reserve, including undrawn credit facilities, totalled NOK 7.0 billion as at 31 December 2021.

The value of Aker's financial investments in the listed companies American Shipping Company, Philly Shipyard and Solstad Offshore totalled NOK 0.9 billion at the end of 2021. Aker's 57.6 per cent stake in Philly Shipyard was worth NOK 0.4 billion, the 19.1 per cent stake in American Shipping Company NOK 0.4 billion and the 24.9 per cent stake in Solstad Offshore NOK 0.1 billion.

Other financial investments mainly consist of the real estate development company Aker Property Group, internal and external receivables and other assets.

In total, Aker received NOK 140 million in dividends from the companies in its financial investment portfolio in 2021.

For more information, see page 34.

Key figures Financial investments

NOK million

	31.12.2021	31.12.2020
Cash	4 025	1 303
Listed financial investments	873	2 377
Real estate	908	508
Interest bearing receivables	4 211	1 837
Other financial investments	1 981	1 127
Total financial investments	**11 999**	**7 153**

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: operating profit before depreciation, amartisation, and impairment charges.
- EBITDA-margin: EBITDA divided by revenue.
- EBITDAX operating profit before depreciation, amortisation, impairment charges and exploration expenses.
- Equity ratio: total equity divided by total assets.
- Gross asset value: 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: thousand barrels of oil equivalents per day.
- Net asset value (NAV): gross asset value less liabilities.
- NAV per share: NAV divided by the total number of outstanding Aker ASA shares.
- Net interest-bearing receiables/debt: cash, cash equivalents and interest-bearing receivables (current and non-current), less interestbearing debt (current and non-current).
- Ordrer intake: new signed contracts in the period and expansion of existing contracts. The estimated value of potential options and change orders is not included.
- Ordrer backlog: estimated value of remaining work under signed contracts.
- Value-adjusted equity ratio: NAV divided by gross asset value.

Board of Directors' report

> 2021 was a year of acceleration following the restructuring that took place in 2020

Aker ASA* (Aker) can look back on 2021 as another eventful and highly successful year. At the end of 2021, Aker** had a net asset value of NOK 69.8 billion, compared to NOK 53.4 billion one year earlier. In addition, dividends totalling NOK 1.75 billion were paid out in 2021. The shareholder return, measured in terms of share price development and dividends, came to 52 per cent. By comparison, the main index on the Oslo Stock Exchange (OSEBX) increased by 23 per cent.

Aker is in transition. At a time of uncertainty caused by the Covid-19 pandemic, changes have been made in the portfolio that will impact Aker for many years to come. In many ways, 2021 was a year of acceleration following the restructuring that took place in 2020. That process resulted in a sound industrial and financial foundation for investments in renewable energy and green technologies, as well as knowledge enterprises.

It has been an extraordinary period, both because of the global pandemic and because Aker has maintained and developed its portfolio of industrial businesses at considerable speed. Since the start of the pandemic, the emphasis has been to turn uncertainty into opportunity

The importance of robust financial foundations and competent organisations, and the benefits of good relationships with customers and business associates, help to make a difference. As a result, Aker and its industrial portfolio companies are changing their focus in order to become more future-oriented, despite external challenges.

Aker's portfolio of industrial companies forms the crux of the group's industrial and financial development. Together, Aker ASA and its portfolio companies manage opportunities and partnerships that develop technologies, projects, organisations and business models which contribute to improvement and advancement. Aker creates shareholder value through active industrial ownership and transactions. In 2021, the industrial portfolio contributed a total of NOK 18.6 billion in value creation and dividends. Aker BP, Aker Horizons, Cognite, Ocean Yield and Aker Solutions all made a positive contribution, while Aker BioMarine experienced a financial setback.

** Aker ASA refers to the parent company.*

*** Aker refers to Aker ASA and holding companies, as specified in Note 1 to the annual accounts of Aker ASA and holding companies, page 127.*

Aker Group refers to Aker ASA and subsidiaries consolidated into the Group accounts, as specified in Note 9 to the annual accounts of the Aker Group, page 68.

In 2021, Aker released NOK 7.7 billion through the sale of shares. This has further strengthened its investment capacity and given it room to invest in new and existing businesses. Aker sold its 61.7 per cent controlling interest in Ocean Yield to the US company KKR for NOK 4.5 billion. Aker and BP both sold shares in Aker BP. Aker reduced its ownership interest from 40 per cent to 37.1 per cent, releasing NOK 3.2 billion to the group. Aker and BP continue their excellent partnership in Aker BP and in other areas, such as offshore wind generation.

On 21 December 2021, Aker BP announced a transaction agreement with Lundin Energy for the takeover of latter's oil and gas business. Consideration for the transaction comprises USD 2.22 billion in cash and 271.91 million new shares issued by Aker BP. The transaction is conditional on approval being granted by the respective companies' general meetings and the relevant authorities. Aker, BP and Nemesia (the Lundin family's company) have irrevocably pledged to vote in favour of the merger and have agreed a six-month lock-up period for their respective shares in Aker BP, commencing on the transaction's completion date. Completion is expected to take place in the second quarter of 2022, after which Aker's shareholding in Aker BP will decrease to 21.2 per cent, while BP's shareholding will decrease to 15.9 per cent.

Aker is currently building up active asset management as a new business area, on an equal footing with the company's existing industrial portfolio. Yngve Slyngstad took up the position of CEO and senior partner of Aker Asset Management (AAM) on 1 March 2022. Slyngstad has previously worked at Norges Bank Investment Management (NBIM), where he had been employed since its establishment in 1998 and where he was responsible for building up the organisation's equity management capability. He was CEO and responsible for the Norwegian Government Pension Fund Global (GPFG) from 1 January 2008 until he stepped down on 1 September 2020. AAM's activities will encompass investment fund management. Infrastructure investments with third-party capital will be an important asset class. In addition, AAM will have asset classes in entities that Aker established in 2021: Private Equity (OrbeNovo), Venture Capital (Clara Venture Labs and Axis) and start-ups (RunwayFBU). AAM will be organised as an independent company, with Aker as its majority shareholder and with key personnel as co-owners.

In 2021, Aker received NOK 2.0 billion in dividend payments from portfolio companies, compared to NOK 2.3 billion in 2020. The decrease is attributable to lower dividends from Ocean Yield and Aker Property Group.

1. Key developments in 2021

Aker's portfolio of companies has become more diversified throughout 2021. The oil and gas sector remains Aker's largest business area, accounting for 53 per cent of asset value at the end of 2021, compared to 56 per cent one year earlier and 75 per cent at the end of 2019. Renewable energy and green technologies accounted for 23 per cent, compared to 16 per cent at the end of 2020 and zero per cent the year before. Industrial software had grown to 9 per cent of asset value at the end of 2021, up from 5 per cent one year earlier. Cash accounted for 5 per cent, as did seafood and marine biotechnology. Following the divestment of Ocean Yield, maritime assets and other investments accounted for 5 per cent.

In 2021, the value of Aker's ownership interest in Aker BioMarine was halved on the Oslo Stock Exchange. At the same time, however, engagement in the seafood and marine biotechnology segment increased with an investment in SalMar Aker Ocean. Aker has initially invested NOK 0.65 billion in this company. The plan is to inject a further NOK 1 billion and secure a 33.4 per cent shareholding. Seafood and marine biotechnology is a focus area for Aker.

Aker is exposed to developments in oil prices and activity levels within the oil service sector. The price of oil started 2021 at USD 51.70 per barrel and ended the year at USD 79.04 per barrel. Prices maintained an overall rising trend through the year, though with some fluctuations – as in previous years.

The Covid-19 pandemic, the US-China trade war, fears of recession and geopolitical uncertainty continued in 2021. The financial markets nevertheless made headway, particularly the stock markets. There is underlying inflationary pressure in the Norwegian and international economy. Energy prices have risen sharply both in Norway and abroad. Interest rates remain low, but are starting to rise.

In 2021, Aker and its industrial portfolio companies further boosted their competence with respect to Environmental, Social and Governance (ESG). This area is an integral part of Aker's business operations and a strategic factor in its development. In the capital market, interest in so-called green companies cooled somewhat in 2021, compared to the previous year's surge. Aker Horizons, which is Aker's portfolio company for renewable energy and green technologies, strengthened its position through 2021. At year-end, Aker Horizons is Aker's second most valuable investment, after Aker BP and before Cognite. The three companies Aker BP, Aker Horizons and Cognite accounted for 77 per cent of Aker's total asset value.

Measured in terms of percentage value growth and returns on investment, 2021 is one of the best years in Aker's history. Neither net asset value (NAV) nor the share price have ever been higher than they were at the end of 2021. NAV totalled NOK 69.8 billion, compared to NOK 53.4 billion at the end of 2020. NAV therefore increased from NOK 718 per share to NOK 939 per share over the course of 2021. In addition, a dividend of NOK 23.50 per share was paid out. At year-end, the share price stood at

NOK 825, up from NOK 560 per share at the end of 2020.

Aker's shareholders thus achieved an annual return of 52 per cent in 2021, including share price development and dividends. Aker's NAV increased by 34 per cent including dividends. By comparison, the OSEBX rose by 23 per cent and the price of oil by 53 per cent.

The board of directors is proposing an ordinary dividend of NOK 14.50 per share for the 2021 fiscal year. Furthermore, the board proposes that the AGM authorise the board to approve an additional dividend payout in 2022 based on the annual accounts for 2021. If the board, based on such an authorisation, should decide to pay an extraordinary dividend equal to the ordinary dividend, the total dividend paid out in 2022 will be NOK 29 per share. This will correspond to 3.1 per cent of NAV at the end of 2021, which is within the range of Aker's dividend policy of paying out 2–4 per cent of NAV.

2. Business operations and location

Aker is an industrial investment company with traditions dating back to 1841. The company is registered in Norway, with its headquarters at Fornebu, outside of Oslo.

As an active owner and equity investor, Aker uses its financial strength and industrial expertise to further develop the operating companies in the portfolio in a sustainable direction. Through participation on the boards of the portfolio companies, Aker is a driving force for strategic development, operational improvements and restructuring, and a facilitator for transactions. Aker strives to secure profitable growth and forward-looking companies, and to build robust organisational cultures in all its portfolio companies. The goal is to ensure sustainable value creation for all shareholders and contribute to the positive development of society.

Aker's investments are divided into two portfolios: *Industrial holdings* and *Financial investments*. With effect from 2022, AAM will constitute a new business area. As at March 2022, Aker is largest shareholder in 11 companies listed on the Oslo Stock Exchange, Euronext Expand Oslo and Euronext Growth Oslo.

At year-end 2021, Aker's gross asset value totalled NOK 80.0 billion, of which the industrial portfolio accounted for 85 per cent. One year earlier, gross assets were valued at NOK 63.9 billion, of which the industrial portfolio accounted for 89 per cent.

Industrial holdings

Aker's industrial holdings are the company's long-term investments and consists of nine companies, of which five are listed. The portfolio consists of the exploration and production company Aker BP, the oil company Aker Energy, the oil service company Aker Solutions, the oil service investment company Akastor, the renewable energy investment company Aker Horizons, the krill and biotechnology company Aker BioMarine, the aquaculture company SalMar Aker Ocean, and the two industrial software companies Cognite and Aize. SalMar Aker Ocean was formally established in the fourth quarter 2021. For accounting purposes, Aize will be incorporated into the industrial investment portfolio with effect from 2022.

The value of Aker's industrial holdings totalled NOK 68.0 billion as at 31 December 2021. This represents 85 per cent of Aker's gross asset value, up from NOK 56.8 billion at year-end 2020. The increase is attributable to a NOK 18.6 billion net positive change in value, of which NOK 1.9 billion comprised dividend payments to Aker, as well as net investments and divestments corresponding to a reduction of NOK 5.5 billion.

The net positive change in value, including dividend, breaks down as follows: NOK 10.0 billion for Aker BP, NOK 6.5 billion for Aker Horizons, NOK 3.6 billion for Cognite following the transaction with TCV, NOK 1.8 billion for Ocean Yield and NOK 1.1 billion for Aker Solutions. The value of the investment in Aker BioMarine shares decreased by NOK 4.3 billion. The change resulting from net investments and divestments relates primarily to the sale of Aker's entire shareholding in Ocean Yield through the autumn of 2021, for which it received NOK 4.5 billion, as well as the sale of shares in Aker BP corresponding to 2.9 per cent of its total shareholding. The sale of shares released a total of NOK 7.7 billion. In addition, Aker invested NOK 0.5 billion in a private placement prior to Aker Horizons' listing on the stock exchange in February 2021. It also transferred shares in REC Silicon worth NOK 0.7 billion to Aker Horizons. Aker has invested NOK 0.65 billion in SalMar Aker Ocean and increased its holding of Cognite shares through the exercise of a convertible loan worth NOK 254 million.

Aker BP

Aker BP is an oil and gas exploration and production (E&P) company operating on the Norwegian continental shelf. As at 31 December 2021, Aker owned 37.1 per cent of the company's shares, with a market value of NOK 36.3 billion. This represented 45 per cent of Aker's gross asset value at year-end 2021.

In 2021, Aker BP's CO_2 emissions came to 4.8 kg per barrel of oil equivalents produced, compared to 4.5 kg the year before. Despite the slight increase in 2021, this is 70 per cent lower than the average for global oil and gas production, according to Rystad Energy. Production costs per barrel produced came to USD 9.2 in 2021, compared to USD 8.3 per barrel in 2020. The goal is to reduce costs below USD 7 per barrel.

In 2021, the company produced on average 209 400 barrels of oil equivalents per day, compared to 210 700 barrels the year before. Revenues and earnings reflect rising oil prices. From the start of 2021, oil prices rose by 53 per cent. The overall trend from quarter to quarter was upward, though prices remained volatile. Operating revenues totalled USD 5.7 billion in 2021, compared to NOK 3.0 billion in 2020. EBITDAX totalled USD 4.9 billion, compared to USD 2.3 billion the year before.

Aker BP's five field centres performed well in 2021. Collaborative models and alliances with drilling, technology and oil service companies continued to contribute to lower costs and higher efficiency related to exploration, drilling, operation, maintenance, modifications and field development. Digitalisation is contributing to safer and more cost-effective operations. Ærfugl Phase 2 in the Norwegian Sea, where Aker BP is the operator, went into production in the fourth quarter 2021. Production from Ærfugl lengthens the lifespan of the production vessel (FPSO) on the Skarv field by five years and helps cut CO_2 emissions per barrel produced in the Skarv field by 30–40 per cent.

At the end of 2021, Aker BP had conditional reserves amounting to 1 022 million barrels of oil equivalents, compared to 895 million barrels of oil equivalents one year earlier.

In 2021, Aker BP submitted a Plan for Development and Operation (PDO) to the Norwegian Ministry of Petroleum and Energy for the fields Kobra East & Gekko (KEG) and Frosk, both situated in the Alvheim area of the North Sea. Development of KEG involves a marathon race under the seabed, with the drilling of around 42 km from a total of four multibranch wells in the reservoir. The Frosk development will reuse existing infrastructure. Production from both fields will contribute to further output growth and reduced unit costs in the Alvheim field. It will also extend the lifespan of the Alvheim production vessel (FPSO) to 2040. An investment decision was also taken with regard to the development of the Hanz find in the North Sea. Hanz is an oil and gas find that can be linked to the Ivar Aasen platform some 12 km further south.

NOAKA is the next major development on the Norwegian continental shelf, with an estimated reserve of 600 million barrels of oil equivalents. The development concept was approved by the partners in the autumn of 2021. Aker BP and its partners plan to submit a PDO by the end of 2022.

Aker BP has long-term growth ambitions for its existing portfolio, both through value-creating transactions and organic growth. Aker BP is a driver for smarter and more effective solutions through business partnership models. Digitalisation is crucial for Aker BP's improvement programme and plays an important role in change processes.

An important milestone for Aker BP in 2022 will be the planned takeover of Lundin Energy's oil and gas business. The post-merger company will be the second largest on the Norwegian continental shelf and will have a 31.6 per cent ownership interest in the Johan Sverdrup field. The transaction is expected to be completed in the second quarter 2022.

Aker wants to help make the Norwegian continental shelf an international benchmark for offshore petroleum operations that are safe, profitable and as sustainable as possible. Aker BP is among the oil and gas producers with the lowest carbon intensity, and works purposefully to reduce emissions, improve safety and increase efficiency throughout the value chain. In order to finance future growth, it is important that Aker BP maintains its 'Investment Grade' rating from leading credit rating agencies. At the same time, it is important that Aker BP maintains an attractive and predictable dividend policy. The company increased its dividend payout from USD 425 million in 2020 to USD 487.5 million in 2021. Aker BP has issued guidance of its intention to increase the dividend to be paid in 2022 from USD 1.35 per share to USD 1.90 per share. For Aker, this would mean the receipt of USD 254 million in dividends from Aker BP.

As at 31 December 2021, Aker BP's shares were priced at USD 271.60, compared to USD 216.20 per share at the end of 2020. In addition, Aker received a total of NOK 1 666 million in dividends from Aker BP in 2021 (NOK 11.56 per share).

Aker Energy

Aker Energy owns 50 per cent of the Deepwater Tano Cape Three Points (DWT/CTP) oil field in Ghana. Aker owned 50.8 per cent of the company's shares as at 31 December 2021, while The Resource Group TRG AS (TRG) owned 49.2 per cent. Aker's investment is recognised at the book value of NOK 957 million. This corresponded to just over 1 per cent of Aker's gross asset value at year-end 2021.

Seismic analyses and drilling operations have confirmed conditional reserves of 450–550 million barrels of oil equivalents in the DWT/CTP contract area, approx. 100 km off the coast of Ghana. Aker Energy is working on a revised PDO for the Pecan field, which lies inside the contract area. The company aims to submit the plan to the authorities in the summer of 2022. This includes an effective development concept and technical solutions that are secure and financially robust.

On behalf of the contract partners, Aker Energy has exercised the option to purchase the FPSO Dhirubhai-1 for USD 35 million. As part of the financing for the DWT/CTP contract area, Africa Finance Corporation (AFC) injected a further USD 100 million in December 2021. This brings AFC's bond loan to Aker Energy up to USD 200 million.

The company is engaged in a constructive dialogue with the contract partners and public authorities in Ghana. With the backing of the government, the national oil company GNPC, which is a contract partner, has taken the initiative for a solution that will safeguard national control of the next fields to be developed on the Ghanaian continental shelf. Aker Energy and GNPC are negotiating a future ownership model within a financial framework and transaction structure approved by Ghana's parliament, in which Aker Energy will remain a co-owner and provider of expertise.

Aker Solutions

Aker Solutions is a global supplier to the oil industry, renewable energy sector and low-carbon solutions. Aker owned 33.4 per cent of the company's shares, with a market value of NOK 3.8 billion, as at 31 December 2021. This represented 5 per cent of Aker's gross asset value at year-end 2021.

Aker Solutions is developing well. In 2021, the supply company won strategically important contracts in the fields of oil service, renewable energy and low-carbon solutions. Engineering services and oil service currently constitute the company's centre of gravity. However, the goal is to help accelerate the transition to more sustainable energy production. The company is growing in the areas of renewable energy and electrification, and as a supplier to aquaculture facilities, carbon capture and storage (CCS) plants and low-emission solutions. At year-end 2021, renewable energy and low-emission solutions accounted for approx. 30 per cent of the order reserve.

The temporary changes to the petroleum tax regime that were passed by the Norwegian parliament (Storting) in the summer of 2020 have made a positive contribution to transition and jobs growth at Aker Solutions. This was an important package of measures for retaining competence and capacity within the Norwegian supply industry, and the arrangement made it possible to skew operations towards new and forward-looking business segments.

In 2021, Aker Solutions received orders worth a total of NOK 40.5 billion, compared to NOK 34.2 billion in 2020. The company's order reserve at 31 December 2021 totalled NOK 49.2 billion, compared to NOK 38.0 billion one year earlier.

Aker Solutions had operating revenues of NOK 29.5 billion in 2021, compared to NOK 29.4 billion in 2020. EBITDA came to NOK 1.8 billion, compared to NOK 1.5 billion in 2020. At year-end 2021, the company had available liquidity of NOK 9.6 billion.

The tender situation remains buoyant for Aker Solutions and the company considers the outlook for 2022 to be bright. At the start 2022, Aker Solutions was involved in tenders worth a total of NOK 81 billion in potential new contracts, compared with NOK 76 billion one year before. Investments on the Norwegian continental shelf are growing as a result of the government's rescue package. Going forward, offshore wind production will be an important market, which opens interesting opportunities for Aker Solutions. Low-emission solutions include CCS, subsea gas compression, solutions for hydrogen production, and the electrification of onshore and offshore infrastructure within oil and gas. At a time of considerable tender activity and rising inflation, it is important to have realistic and robust performance plans to keep control of costs and stay on schedule.

Going forward, it will also be important to win contracts within all of Aker Solutions' business areas and perform projects and contracts with satisfactory margins. To succeed, the company must further develop first-class customer relationships, focus on further operational improvements and strengthen its capital base.

As at 31 December 2021, Aker Solutions' share was priced at NOK 23.38, compared to NOK 16.45 per share at the end of 2020. The company has recorded a positive cash flow in 2021 and has a solid financial position. For the 2021 fiscal year, a dividend payout of NOK 0.2 per share is proposed. For Aker, this would mean a total dividend receipt of NOK 33 million.

Akastor

Akastor is an oil services investment company with a portfolio of industrial holdings and financial investments. HMH and AKOFS Offshore are the two most important companies in its portfolio. As at 31 December 2021, Aker owned 36.7 per cent of Akastor's shares, with a market value of NOK 537. This corresponded to 0.7 per cent of Aker's gross asset value at year-end 2021.

The drilling technology company HMH is Akastor's most valuable investment. Akastor owns 50 per cent of HMH following the merger of the previously wholly owned MHWirth with Baker Hughes Subsea Drilling Systems. Baker Hughes owns the other 50 per cent of the company. The transaction was completed on 1 October 2021, after which the company adopted the name HMH. The aim is to list HMH on the stock exchange as an independent company. When HMH was established in 2021, Akastor refinanced its existing bank facility. As part of this refinancing process, Aker granted Akastor a subordinated credit facility in the amount of NOK 250 million. As at the end of 2021, no amounts had been drawn on this facility.

AKOFS Offshore, in which Akastor has a 50 per cent ownership interest, operates three specialised offshore vessels. AKOFS Seafarer is under contract with Equinor until the second half of 2025. AKOFS Wayfarer is under contract with Petrobras in Brazil until the end of December 2022. Skandi Santos has been utilised on short-term charters since the end of its 10-year contract with Petrobras in March 2020. However, a new three-year contract with a Petrobras-owned company in Brazil was signed in the fourth quarter 2021. The new contract is due to start in the fourth quarter 2022.

Excluding MHWirth, Akastor's operating revenues totalled NOK 953 million in 2021, compared to NOK 819 million the year before. EBITDA was NOK 0 million, compared with NOK -71 million in 2020.

At the end of 2021, Akastor had a liquidity reserve of NOK 642 million, including an unused credit facility from Aker in the amount of NOK 250 million.

Aker's priority as an active owner is for Akastor to develop and realise the value of its investments. Transactions that have been completed show that Akastor's portfolio companies often have an added value, which becomes visible through industrial constellations in larger and more powerful units.

Akastor's share price at year-end 2021 was NOK 5.34, down from NOK 7.08 per share at the end of 2020. No dividend is proposed for the 2021 fiscal year.

Aker Horizons

Aker Horizons is an investment company that exercises active ownership through start-ups, mergers, acquisitions and the development of companies in the fields of renewable energy and green technologies. As at 31 December 2021, Aker owned 76.1 per cent of the company's shares, with a market value of NOK 15.3 billion. This corresponds to 19 per cent of Aker's gross asset value.

Aker Horizons is a driving force for decarbonisation and environmental improvements through shareholdings in companies that develop and deliver industrial solutions. The goal is to build a platform for long-term value creation, where Aker Horizons can benefit from technologies, industrial expertise and industrial software in Aker-owned companies. In the period up to and including 2025, the ambition is to invest NOK 100 billion in renewable energy and green technology and generate 10 GW of renewable energy and contribute to an annual 25 million tonne reduction in CO_2 emissions.

Through 2021, Aker Horizons and its portfolio companies have created a sound financial foundation for long-term industrial development. Together, Aker Horizons and its portfolio companies have raised NOK 8.95 billion in equity and NOK 4.0 billion in the bond market.

Aker Horizons sets the strategic direction, and has financial strength, capital market expertise and capacity to deliver. Each of the portfolio companies in Aker Horizons will strive to create value in collaboration with Aker, Aker-owned companies, and other players in the value chain. At the end of 2021, the portfolio comprised Mainstream Renewable Power (75 per cent shareholding), Aker Carbon Capture (42.3 per cent), Aker Offshore Wind (51 per cent) and Aker Clean Hydrogen (77.2 per cent). In addition, Aker Horizons acquired the hydropower technology company Rainpower (100 per cent) in 2021. Aker Horizons owns 49.9 per cent of SuperNode, a technology company that develops solutions for friction-free electricity transmission, which can offer substantial improvements in power grid capacity and thereby contribute to the green transition.

Aker Horizons seeks to develop hybrid projects combining different technologies and energy sources, and actively promotes collaboration between portfolio companies to achieve synergies and created added value.

The acquisition of 75 per cent of the shares in Mainstream Renewable Power was completed in the second quarter 2021. The company has an international position in the fields of onshore and offshore wind power and solar power, and operates in 11 countries. Mainstream Renewable Power is an experienced developer of wind and solar power projects, and has ownership interests in currently operating wind and solar power farms. The company has developed and financed projects with a total capacity of 6.5 GW.

Aker Carbon Capture (ACC) is in the process of delivering a carbon capture and storage (CCS) facility to Norcem Heidelberg Cement in Brevik, Norway. This is the world's first such facility in the cement industry. Carbon capture is due to commence in 2024. In the Netherlands, ACC is in the process of delivering a CCS facility to Twence, which is expected to go into operation towards the end of 2023. In addition, to providing the company's patented technology as turnkey facilities, ACC has launched CCS as a service. Under this arrangement, companies with emissions do not buy their own CCS infrastructure but subscribe to services provided by ACC and its partners, which handles all aspects of carbon capture, transport and storage, in return for a payment per tonne of CO_2 stored. This innovation has been introduced to lower the threshold for companies wishing to make use of CCS.

Aker Offshore Wind (AOW) develops wind farms and solutions for floating offshore wind installations. The company builds on decades of expertise and experience from offshore oil, gas and energy projects, and is the largest owner of the international wind technology company Principle Power. AOW and its consortium partner Ocean Winds have signed an agreement with the city of Ulsan in South Korea to develop three offshore areas for the production of up to 1.2 GW. The floating offshore wind farms in South Korea are expected to be among the first in the world on a commercial scale. In 2021, AOW signed a partnership agreement with Statkraft and Ocean Winds for the development of floating wind power installations, and will seek permits for their construction in the offshore area Utsira Nord. Statkraft, BP and AOW are jointly applying for a licence to construct fixed-foundation wind power turbines in the area Sørlige Nordsjø II. Internationally, the company collaborates with Ocean Winds on projects in South Korea and the USA.

Aker Clean Hydrogen (ACH) raised NOK 3 billion in equity in the first quarter 2021, ahead of its listing on Euronext Growth. Work is underway on several hydrogen projects.

Aker Horizons has launched a strategically important project to establish green supply chains for power-intensive industry in Narvik, in Northern Norway. Together with the local community and Narvik municipal council, the company aims to develop a sustainable export industry and green jobs. The region offers numerous benefits, such as a green cluster for activities in Northern Norway, access to attractive renewable energy, good transport connections, including road, rail and ports, and a local community that is demonstrably keen to generate new green solutions.

At year-end 2021, Aker Horizons' share was priced at NOK 33.05. The share was priced at NOK 35 in connection with the share issue ahead of its listing on Euronext Growth on 1 February 2021. Net asset value rose from NOK 12.8 billion on 1 February to NOK 16.9 billion at 31 December 2021. The company's shares were listed on the Oslo Stock Exchange's main index on 21 May 2021. No dividend payout is proposed for the 2021 fiscal year.

Aker BioMarine

Aker BioMarine is an integrated biotechnology company that harvests krill in the Antarctic Ocean and develops, manufactures, markets and sells krill-based ingredients and products to the consumer health, animal nutrition and aquaculture markets. As at 31 December 2021, Aker owned 77.8 per cent of the company's shares, which had a market value of NOK 3.7 billion. This corresponds to 5 per cent of Aker's gross asset value.

Aker BioMarine's core products are Superba™ Krill Oil, a phospholipid-based omega-3 dietary supplement for the consumer market, QRILL™ Aqua, a high-value ingredient for the aquaculture industry, and QRILL™ Pet, an omega-3 ingredient for pet food. In the USA, Aker BioMarine owns the company Lang Pharma Nutrition, which produces private label products for the dietary supplement industry. The company has also developed its own brand of omega-3 supplements, Kori™, for consumers in the USA. In addition, Aker BioMarine has three projects in the start-up phase: krill protein products from INVI™Protein, the product Lysoveta ™ aimed at eye and brain health, and the company Aion, which offers circular solutions for plastic waste in the global market.

2021 was a challenging year for Aker BioMarine. The volume of the krill harvest was 3 per cent lower than in 2020, due to reduced access to krill in the company's operating areas. In addition, sales of Superba™ Krill Oil were substantially lower than in 2020, largely due to the loss of sales volumes in South Korea caused by regulatory issues. Sales of QRILL™ Aqua have been good.

Aker BioMarine's operating revenues totalled USD 262 million in 2021, compared to USD 289 million the year before. EBITDA was USD 43 million, compared to USD 57 million in 2020.

Despite the challenges in 2021, Aker BioMarine is well positioned to achieve global expansion and increase sales in the higher price segments, with its complete value chain, innovative products and stable, long-term partnerships. The objective is to create a larger and more robust company, with profitable growth and a focus on efficient operations and effective supply chains in the business sectors it supplies. For Aker, it is important that Aker BioMarine re-establish confidence in the capital markets. This will require operational improvements; enhanced profitability; increased sales through product innovation, new channels and expansion in geographic markets; the realisation of synergies and continued investment in long-term growth.

At year-end 2021, Aker BioMarine's share was priced at NOK 54.30, down from NOK 117.50 per share at the end of 2020. The company was listed on the Oslo Stock Exchange's main index on 13 April 2021. No dividend payout is proposed for 2021.

SalMar Aker Ocean

SalMar Aker Ocean will engage in offshore aquaculture, both far out to sea and in coastal areas subject to harsh weather conditions. Aker owned 15 per cent of the company as at 31 December 2021, and had a voting share of 33.4 per cent. Aker's investment is recognised at the book value of NOK 0.65 billion. This corresponds to approx. 1 per cent of Aker's gross asset value.

SalMar's existing interests in offshore aquaculture are included in the newly established seafood company. The plan is for Aker to invest a further NOK 1 billion in two tranches, which will give it a 33.4 per cent shareholding in SalMar Aker Ocean. Roy Reite has been appointed as the company's CEO.

Cognite

Cognite is a fast-growing industrial software company that enables companies in the energy sector and other capital-intensive industries to improve operations through efficient data collection and sharing. As at 31 December 2021, Aker owned 50.5 per cent of the company's shares, valued at NOK 6.7 billion. This corresponds to just over 8 per cent of Aker's gross asset value.

This valuation is based on the price paid by TCV in connection with a private placement undertaken in the second quarter 2021. This well-reputed US company, which invests in technology companies, injected USD 150 million in equity and thereby acquired a 9.4 per cent shareholding. On a 100 per cent basis, this prices Cognite at USD 1.6 billion. In 2020, Accel became a co-owner, at which time Cognite was valued at USD 550 million after the share issue. This means that Aker is working with two of the world's most well-reputed technology investors, Accel and TCV, to further develop Cognite.

The two partners' competence and experience will help in the further scaling up and commercialisation of the company's products. On the market side, Cognite collaborates globally with leading technology companies such as Microsoft and Accenture and has partnerships with Chiyoda and Mitsubishi with respect to digital platforms. In Saudi Arabia, Saudi Aramco (51 per cent) and Cognite (49 per cent) have established a joint venture which will contribute to digitalisation projects in Saudi Arabia, elsewhere in the Middle East and North Africa. In February 2022, Saudi Aramco also became a shareholder in Cognite after purchasing Aker BP's 7.4 per cent ownership interest. The shares were priced at the same value as when TCV became a co-owner.

The company's core product, Cognite Data Fusion, continuously collects, processes and makes vast amounts of data available for industrial customers. The key to scalable industrial digitalisation is that data can be shared in real time to, among other things, optimise production, reduce energy consumption, monitor production processes, report irregularities and plan maintenance in an efficient manner. A significant part of Cognite's revenue comes from licensing and subscriptions.

Cognite's customer base grew through 2021. The company is now working for several of the world's leading industrial companies in a variety of fields. Cognite has further strengthened its position within oil and gas, energy and electricity distribution, renewable energy, green technology, processing and manufacturing. This is a good starting point for further international expansion, continued recruitment of talented staff from around the world and ever better relationships with customers and business partners. It also constitutes a firm foundation for the creation and further development of new business at Cognite.

Cognite continues to attract highly qualified staff from around the globe. As at 31 December 2021, the company had 613 employees, compared to 402 employees one year earlier.

The company had operating revenues of NOK 639 million in 2021, compared to NOK 532 million in 2020. EBITDA was NOK -402 million, compared to NOK -157 million in 2020. The company's performance continues to be characterised by rapid growth, substantial investments in technology and the establishment of a competent organisation.

As Cognite's largest shareholder, Aker is keen to seize opportunities in the growing industrial software market. Cognite and Cognite Data Fusion help to renew existing industries and create new business opportunities, making industries more profitable and sustainable through lower energy consumption and lower emissions. These are important drivers for Aker's active ownership in Cognite's development.

Aize

Aize develops software with an ambition to accelerate the industrial sector's digital transition. At year-end 2021, Aker owned 77.6 per cent of the company's shares. This was reduced to 73 per cent in January 2022. As at 31 December 2021, Aker's investment was recognised at the book value of NOK 262 million, including shares and loans. This corresponds to 0.3 per cent of Aker's gross asset value.

Aize was established in 2020 and will be reported under industrial investments with effect from 2022. Aize's main product is a digital interface that integrates and visualises the customer's internal and third-party data in a digital twin of major installations. This improves work processes and interaction both with respect to project execution and day-to-day operations.

Industrial software is a focus area for Aker. Inspired by its success with Cognite, the aim is to take a leading position in several fields by focusing the company's competence and investments through specialised companies. Where Cognite has succeeded with its main product Cognite Data Fusion, which collects, processes and presents huge volumes of data, Aize will focus on creating a unique user experience for industrial workers in order to improve work processes and interaction based on available information.

In terms of functionality, Aize's products target two key areas: the EPC market and efficient operation of large plants and facilities, initially within the oil and gas sector, by achieving greater efficiency and lower costs in the areas engineering services, procurement and fabrication.

Product development takes place in close collaboration with development partners and customers. Within the EPC area, the goal is to achieve significant savings in the coming NOAKA development on the Norwegian continental shelf, in partnership with Aker Solutions, Aker BP, Cognite and licence partners.

In the company's first full year of operation, it had operating revenues of NOK 352 million. EBITDA was NOK 44 million. This result is in line with the strategy of rapid growth, substantial investments in technology and the establishment of a competent organisation. At the end of 2021, Aize had 168 employees.

Financial investments

Financial investments comprise all Aker assets not defined as industrial holdings, including cash, other listed investments, real estate, interest-bearing receivables, and other investments. Aker's financial investments were valued at NOK 12 billion at 31 December 2021, corresponding to 15 per cent of Aker's gross asset value.

Aker's cash holdings increased to NOK 4.0 billion in 2021, up from NOK 1.3 billion the year before. The increase is attributable to the release of capital from the sale of shares in Ocean Yield and Aker BP, in total NOK 7.7 billion, and NOK 2 billion in dividends received. On the other hand, loans to portfolio companies in 2021 NOK 2.1 billion, which reduced the cash holding. Aker paid a total of NOK 1.75 billion in dividends to its shareholders and made a net repayment of interest-bearing debt of NOK 0.4 billion. In addition, NOK 2.1 billion invested in shares. Aker Horizons NOK 0.5 billion in connection with a share issue prior to the company's stock exchange listing in 2021 and NOK 0.65 billion in SalMar Aker Ocean and NOK 0.5 billion in Seetee.

Operating and financial expenses totalled NOK 0.7 billion. Aker has a conservative approach to the management of its cash portfolio, spreading deposits between several banks with high credit ratings.

The value of other listed investments totalled NOK 0.9 billion at year-end 2021, compared to NOK 2.4 billion in 2020. This is largely attributable to the fact that REC Silicon ceased to be a financial investment and became part of Aker Horizons at the time of this company's establishment. The listed investments were American Shipping Company, Philly Shipyard and Solstad Offshore. At year-end 2021, the value of these three investments was on a par with the year before.

Aker's investment in the property development company Aker Property Group was recognised at the book value of NOK 908 million as at 31 December 2021.

Other financial investments consist of equity investments, internal and external receivables, and other assets. As at 31 December 2021, other financial investments were valued at NOK 6.2 billion, compared to NOK 3.0 billion at the end of 2020. The increase is due to NOK 2.0 billion interest-bearing receivable to Aker Horizons and the investment of NOK 0.5 billion in Seetee and investments in companies such as Abelee, Just Technologies, Clara Venture Labs, RunwayFBU and OrbeNovo.

3. Presentation of annual accounts

Aker ASA's annual accounts consist of the consolidated financial statements, the separate financial statement of the parent company, and the combined financial statements for Aker ASA and holding companies. It is the latter financial statements that are highlighted in Aker's internal and external reporting. The combined accounts show the aggregate financial position of the holding companies, including total available liquidity and net debt relative to the investments in the underlying operating companies. The NAV for Aker ASA and holding companies forms the basis for Aker's dividend policy.

The EU Sustainable Finance package of regulations is relevant for Aker. The EU Taxonomy Regulation is a regulation defining what can be classified as green economic activity. This is relevant for Aker as Aker continue to transition and expand its green investment activities. The regulation is interesting for Aker's green investment arm, Aker Horizons, but also for several other of Aker's investment activities as more zero emission solutions and green investments alternatives are developed. While the regulation is not in force in Norway, Aker has started the process of preparing portfolio companies for the requirement. During the ESG data collection process for the year end of 2021 Aker companies were asked to report on the EU taxonomy indicators. While certain Aker companies is reporting on the taxonomy indicators for 2021, others need one more year to prepare insight of the taxonomy regulations and its disclosure requirements. Aker will therefore continue to build competence throughout the Group on the reporting requirements and expects to report on the Group's green share of Revenue, Capital Expenditure and Operational Expenditure as part of the annual accounts year end 2022 onwards.

The Sustainable Finance Disclosure Regulation and its Principal Adverse Impact Indicators are not applicable to Aker ASA. Nevertheless, Aker chooses to report on its core indicators, as a matter of good practice, as they are relevant to many of Aker's shareholders. Aker's reporting on these indicators can be found in The Aker Sustainability Report for 2021.

Pursuant to section 3-3a of the Norwegian Accounting Act, it is confirmed that the accounts have been prepared on the assumption that Aker is a going concern and the board confirms that this assumption continues to apply.

a. Combined accounts for Aker ASA and holding companies

Combined income statement

The combined income statement for Aker ASA and holding companies (Aker) shows a pre-tax profit of NOK 12.4 billion for 2021, compared to a profit of NOK 5.2 billion in 2020. The increase from 2020 is attributable mainly to the gain on the divestment of Ocean Yield ASA, corresponding to NOK 1.5 billion, and the sale of shares in Aker BP corresponding to NOK 2.5 billion. The increase may further be explained by the reversal of a previous write-down of the investment in Aker Solutions, amounting to NOK 0.9 billion, and a total increase of NOK 6.4 billion in the value of the investment in Aker Horizons AS. The increase is partially offset by a NOK 1.3 billion write-down of the investment in Aker BioMarine ASA. A total of NOK 2.0 billion in dividends was received from portfolio companies in 2021, compared to NOK 2.3 billion in 2020. Aker received NOK 1.7 billion in dividends from Aker BP, NOK 204 million from Ocean Yield and NOK 110 million from American Shipping Company in 2021. Operating costs totalled NOK 369 million in 2021, compared to NOK 270 million in 2020. The increase reflects non-recurring costs resulting from a high activity level through the year. Net interest expenses and other financial items gave total costs of NOK 107 million.

Combined balance sheet

The combined balance sheet for Aker ASA and holding companies shows a total book value for assets of NOK 39.1 billion as at 31 December 2021, including long-term equity investments of NOK 29.9 billion, and cash holdings of NOK 4.0 billion. Gross asset value totalled NOK 80.0 billion as at 31

December 2021. The corresponding figure for 2020 was NOK 63.9 billion.

As at 31 December 2021, Aker's industrial holdings were worth NOK 68.0 billion, compared to NOK 56.8 billion at year-end 2020. The change is mainly attributable to Aker Horizons AS, which contributed to a value increase for Aker of NOK 6.5 billion, as well as an increase in the value of the investment in Aker BP of NOK 8.4 billion. In addition, the value of Cognite was further visualised in June 2021 through the transaction with TCV. The value of Cognite was increased by NOK 3.6 billion to reflect this new reference point for fair value. The positive value changes were partially offset by negative value changes on other investments, primarily a NOK 4.3 billion decrease in the value of Aker's investment in Aker BioMarine.

Aker's financial investments were worth NOK 12.0 billion at year-end 2021, compared to NOK 7.2 billion as at 31 December 2020. Cash holdings increased from NOK 1.3 billion to NOK 4.0 billion in 2021. These changes are explained in the section above headed *Financial investments*.

Gross interest-bearing debt totalled NOK 10.1 billion as at 31 December 2021, compared to NOK 10.4 billion one year earlier. Net interest-bearing debt totalled NOK 1.6 billion at year-end 2021, down from 7.2 billion at the end of 2020.

In 2021, the AKER15 bond was increased by NOK 500 million, and USD 100 million of bank loans was repaid. As at 31 December 2021, the total outstanding bond debt amounted to NOK 5.0 billion. Bank debt totalled NOK 5.1 billion. Total undrawn credit facilities amounted to NOK 3.0 billion as at 31 December 2021.

Aker's NAV at 31 December 2021 totalled NOK 69.8 billion, compared to NOK 53.4 billion at year-end 2020.

b. Group accounts

The main companies included in Aker's consolidated accounts are Aker Horizons, Ocean Yield, Aker BioMarine, Aker Energy, Aker Property Group, SalMar Aker Ocean, Aize, Cognite and Philly Shipyard. Aker BP, Aker Solutions, and Akastor are accounted for as associates. Aker Solutions and Akastor are accounted for as associates from December 2020 as consequence of the dissolution of the common ownership with the Norwegian State through Aker Kvaerner Holding AS. In November 2021, Aker sold its 61.7 per cent controlling interest in Ocean Yield and the company is included as part of discontinued operations in the income statement for 2021, comparable figures have been restated correspondingly. The divestment of shares in Ocean Yield and Aker Horizons acquisition of the company Mainstream Renewable Power (Mainstream), explains many of the changes to the consolidated balance sheet from 2020.

Income statement

The Aker Group had operating revenues of NOK 9.2 billion in 2021, compared to NOK 4.4 billion the previous year. Total operating expenses came in at NOK 9.1 billion in 2021, compared to 4.7 billion the previous year. The increase in operating revenues and operating expenses are explained by increased activity in Aker Horizons through the acquisition of Mainstream, in addition to increased activity in Philly Shipyard. Gain from the sale of 2.9 per cent in Aker BP is also recognised as part of operating revenues.

In 2021, depreciation and amortisation amounted to NOK 832 million, against NOK 665 million the previous year. Impairment charges in 2021 totalled NOK 4 million, against NOK 225 million in 2020.

Net financial expenses were NOK 1.0 billion in 2021, compared to NOK 0.8 billion in 2020. The share of profit from equity accounted companies was NOK 2.3 billion in 2021, compared with NOK 0.2 billion in 2020. The increase can mainly be attributed to an increased share of profit from Aker BP.

Pre-tax profit from continued operations showed a profit of NOK 0.5 billion in 2021, compared with a loss of NOK 1.8 billion in 2020. In 2021, the group had a net tax income of NOK 25 million, resulting in a net profit from continued operations of NOK 481 million in 2021. In 2020, the tax expense was NOK 242 million, with a net negative result from continuing operations of NOK 1.6 billion. Profit from discontinued operations was NOK 2.8 billion for 2021, compared with a profit from discontinued operations of NOK 0.5 billion in 2020.

Balance sheet

The Aker Group's total assets amounted to NOK 77.9 billion as of December 31, 2021, compared to NOK 58.3 billion at year-end 2020. Total non-current assets were NOK 53.7 billion at December 31, 2021, compared to NOK 48.1 billion at year-end 2020. The Group's total intangible assets totalled NOK 10.8 billion as of December 31, 2021, up from NOK 3.3 billion the previous year. Of this, goodwill amounted to NOK 3.5 billion at year-end 2021, up from NOK 0.8 billion the previous year. Current assets were NOK 23.0 billion as of December 31, 2020, up from NOK 9.7 billion a year prior. The large changes to book value of assets since 2020 are mainly explained by the acquisition of Mainstream in Aker Horizons, partly offset by the sale of Ocean Yield.

Current liabilities amounted to NOK 10.4 billion while non-current liabilities totalled NOK 31.5 billion at year-end 2021. The corresponding figures for 2020 were NOK 7.9 billion and NOK 26.7 billion, respectively. The Group's interest-bearing debt amounted to NOK 31.0 billion at 31 December 2021, compared with NOK 29.9 billion at the end of 2020. The increase to the liabilities side are also explained mainly by the acquisition of Mainstream in Aker Horizons, partly offset by the sale of Ocean Yield.

The Group's equity ratio was 46 per cent at the end of 2021, compared with 41 per cent at the end of 2020.

Cash flow statement

The Group's cash balance was NOK 14.8 billion as of December 31, 2021, up from NOK 4.8 billion at year-end 2020.

The Group's net cash flow from operations amounted to NOK 1.8 billion in 2021, compared to NOK 2.8 billion in 2020. The change is mainly due to increased operating expenses, partly offset by effects of discontinued operations and changes in net operating assets and liabilities. The difference of NOK 1.7 billion between operating profit before depreciation and amortisation and net cash flow from operations in 2021 is primarily attributable to positive change in working capital and dividend received from Aker BP, partly offset by paid interests and tax.

Net cash flow from investment activities totalled negative NOK 6.3 billion in 2021, against negative NOK 2.8 billion in 2020. The cash flow for 2021 is mainly explained by the acquisition of the company Mainstream in addition to investments in property, plant and equipment in mainly Aker Horizons, Aker Property Group and Aker BioMarine.

Net cash flow from financing activities amounted to positive NOK 14.5 billion in 2021, compared to negative NOK 7.1 billion in 2020. Cash flow for the year from financing activities is primarily attributable to net increase of debt and lease liabilities of NOK 5.4 billion and by increased equity in subsidiaries of NOK 10.0 billion in total. This was partly offset by a total of NOK 2.0 billion in dividends paid. Dividends paid are split with NOK 1.75 billion to shareholders in Aker ASA and NOK 0.2 billion to minority shareholders in the subsidiaries.

c. Aker ASA accounts

The parent company Aker ASA made a profit for the year of NOK 3 473 million, compared to NOK 4 803 million in 2020. The decrease may be explained primarily by the capital gain that arose when ownership of Aker BioMarine AS in 2020 was transferred to Aker Capital AS at fair value based on a third-party valuation, partly offset by dividend recognised in 2021.

As at 31 December 2021, assets totalled NOK 32.5 billion, compared to NOK 29.1 billion at year-end 2020. Equity amounted to NOK 24.0 billion at the end of 2021, compared to NOK 22.5 billion one year earlier. This gave an equity ratio of 74 per cent at 31 December 2021.

Information on salary and other remuneration to executive management, as well as compensation guidelines, is presented in Note 34 to the consolidated financial statements.

Research and development

The parent company had no research and development activities in 2021. The R&D activities of the group are presented in the annual reports of the respective operational portfolio companies.

Allocation of profit and dividend in Aker ASA

The board has proposed that the Annual General Meeting (AGM) approve an ordinary cash dividend of NOK 14.50 per share for the 2021 fiscal year. The proposal reflects anticipated cash flows, financing requirements and the need for financial flexibility. Transfers to other equity amount to NOK 2.4 billion, corresponding to the net profit for the year, NOK 3 473 million, less the proposed ordinary dividend of NOK 1 077 million.

The board further proposes that the AGM authorise it to disburse an additional dividend in 2022, based on the 2021 annual accounts. If the board, based on such authorisation, should decide to pay an additional dividend equal to the ordinary dividend for 2021 of NOK 14.50 per share, the total dividend paid in 2022 will total NOK 29 per share. This corresponds to 3.1 per cent of NAV at the end of 2021, which is within the range of Aker's dividend policy of annually paying out 2–4 per cent of NAV.

4. Management model, corporate governance, control and compliance

Aker is a public limited liability company organised under Norwegian law and with a governance structure based on Norwegian corporate law and other regulatory requirements. The company's corporate governance model is designed to provide a foundation for long-term value creation and to ensure good control.

Aker's principal owner and Chairman of the Board, Kjell Inge Røkke, is actively involved in Aker's development.

Aker has seven board members, none of whom are members of the company's management. Three members of the board are employee representatives. The majority of board members are independent of company management and significant business partners. The Chairman and Deputy Chairman of the Board are elected by the general meeting of shareholders.

Aker's board of directors establishes the overall principles for governance and control of Aker ASA through the adoption of various governing documents. For issues of importance and with portfolio-wide relevance, Aker ensures that relevant governing documents are implemented in the portfolio companies, within the framework of Aker's own governing documents. For example, Aker's Code of Conduct also expresses Aker's expectations of the portfolio companies' Code of Conduct. The same is true for areas such as anti-corruption, supplier conduct and sustainability (including ESG).

Aker follows the Norwegian Code of Practice for Corporate Governance. The company's practice is largely in accordance with these recommendations. Reference is made to the Corporate Governance Report, which has been approved by the board of directors. See page 139.

The directors and officers of Aker ASA are covered under an Aker group Director & Officer's Liability Insurance (D&O). The insurance covers personal legal liabilities including defence- and legal costs. The officers and directors of the parent company and all subsidiaries globally (owned more than 50 per cent) are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation.

5. Board of Directors' activities

The board prepares an annual plan for its work, which includes recurring key topics, such as strategy review, investment planning, risk and compliance oversight, financial reporting, and budget review.

The board annually evaluates its own performance and collective expertise.

Aker's board of directors held 10 meetings in 2021. The attendance of the board members averaged 91 per cent. In addition, six telephone conferences were held to update the board on operational matters, with attendance averaging 83 per cent. Aker's audit committee held nine meetings in 2021.

Further information on the Board of Directors' and the Audit Committee's mandate and work can be found in Aker's Corporate Governance Report. The board members' shareholdings and renumerations are presented in Note 34 to the consolidated accounts.

6. Business and society

ESG stands for Environmental, Social and Governance. ESG is about how Aker handles risk related to climate change and environmental challenges, how the company deals with people and social conditions, and how Aker practises corporate governance. Aker's board of directors has adopted an ESG policy, and this is an important premise for Aker's business strategy, investment decisions and how it exercises its ownership interests. As an owner, Aker is concerned with the portfolio companies having processes, solutions and products that contribute to sustainable development and thereby provide long-term value creation for shareholders.

Since 2020 there has been a strategic shift with a targeted investment in renewable energy, low-carbon solutions and green technology. These are both important solutions for environmental and climate challenges, and well-known industrial areas for Aker. For generations, Aker has built new businesses and companies on the shoulders of existing business. Fueled by a capital market keen to invest in green companies and technologies, there have been rapid changes in the portfolio's composition. In 2021, Aker Horizons was listed on the Oslo Stock Exchange, while Aker Clean Hydrogen was listed on Euronext Growth.

How Aker ASA's businesses affect people, society and the environment is presented in a separate ESG report, which has been approved by the board. The report is available at www.akerasa.com.

Aker aims to be an attractive employer and a preferred business partner, as well as a respected corporate citizen. Aker's most important contribution to society is to create value and develop future-oriented companies that are run in a sustainable, ethical and socially responsible manner. Profitability is a prerequisite for achieving these goals.

Since its establishment in 1841, Aker's industrial core competence has been linked to the ocean. Going forward, Aker's core businesses will also relate to the sea. These will include maritime operations, fisheries and marine biotechnology, offshore oil and gas extraction, offshore wind power and technologies that reduce CO_2 emissions. Together with the World Economic Forum (WEF), Aker has taken the initiative to establish a global technology centre, called HUB Ocean (formerly C4IR Ocean). The goal is to use new technology to preserve the world's oceans and reduce industry's environmental footprint. Through public-private partnerships, the centre will develop solutions for a sustainable and profitable marine economy. HUB Ocean's flagship project is the Ocean Data Platform, which is intended to be the world's largest and most all-encompassing digital infrastructure for accessing marine data. In this way, it will help to safeguard a healthy and productive ocean. The platform is built on Cognite's technology.

HUB Ocean is part of the WEF's global network for the fourth industrial revolution. Aker's portfolio companies, Aker BP, Aker BioMarine, Aker Solutions and Cognite are also partners, as is Kjell Inge Røkke's company REV Ocean. The first projects to be implemented aim to reduce greenhouse gas emissions, contribute to more sustainable fisheries and a greener shipping industry. Kimberly Mathisen took up the position as head of HUB Ocean on 1 January 2022. She was previously CEO of Microsoft Norway.

The operating portfolio companies each publish separate accounts of how they are working in the areas of sustainability and ESG, and how they impact the external environment. Aker ASA's ESG report also describes how the industrial companies in its portfolio integrate sustainability.

7. Our employees

As at 31 December 2021, Aker ASA had 45 employees – 24 men and 21 women. Management consists of CEO Øyvind Eriksen and CFO Svein Oskar Stoknes.

Aker is endeavouring to recruit more women to both managerial and other roles in both Aker ASA and the portfolio companies. In recruitment processes, the company focuses on the candidates' qualifications for the position, regardless of ethnic origin, religion, sexual orientation, political opinions, citizenship or other criteria that are considered irrelevant to their work.

The company provides flexible working conditions. Employment with Aker ASA provides opportunities for a good work-life balance. Varied and challenging work assignments and good opportunities for career development, combined with job security and competitive pay, are also important factors in making Aker ASA an attractive employer.

As of 31 December 2021, 31 079 people, including contract staff, were employed in companies where Aker, directly or indirectly, is the main shareholder. About 17 810 of these worked in Norway. For Aker, as the portfolio companies' owner, it is important to obtain diversity with respect to competence and highly qualified board members and managers who act as role models in their companies. Women are well represented on the boards of listed companies but are underrepresented in leadership roles. Aker has worked for several years to cultivate more female leaders, and several of the portfolio companies have made progress in this area. The CEOs of three of Aker Horizons' six operating companies are women. Aker ASA has taken the initiative to create the leadership development programme CXO for potential senior managers at Aker and Aker-owned companies. The programme, which extends over one year with in-person conferences and digital arenas, will get underway in 2022. Its first cohort is made up of equal numbers of men and women with different backgrounds and experience.

Women account for about 19 per cent of the employees working for companies where Aker is, directly or indirectly, the main shareholder. Several of the companies where Aker has large shareholdings are cornerstones of their local communities and recruit locally. Aker has signed an international framework agreement with the Norwegian United Federation of Trade Unions (Fellesforbundet), IndustriALL Global Union, NITO and Tekna. This agreement establishes fundamental labour rights and refers to standards relating to health, safety, and the environment (HSE) work, pay, working hours and employment conditions. The agreement is applicable to Aker and companies in which Aker has a controlling influence. Under its terms, these companies commit to respecting and supporting fundamental human rights and union rights in the countries in which they operate. These principles are set out in the United Nation's Universal Human Rights Declaration, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work.

For generations, Aker has worked closely with employees' organisations. Employee representatives participate in key decision-making processes, for example through board representation. Aker has entered into agreements with its employees in relevant operating companies to establish a Global Works Council. In addition, the company's Norwegian trade unions hold annual union representative conferences and have working environment committees in the industrial portfolio companies Aker BP, Aker Solutions, Akastor and Aker BioMarine.

Constructive cooperation with union representatives and their organisations is a prerequisite for successful market adjustments and restructuring. Aker has a long tradition of involving and including union representatives in processes that may entail major changes for businesses and local communities. In times when the market situation has been challenging, employees have contributed through a willingness and ability to adapt.

The rate of healthiness in Aker ASA was 98.7 per cent (corresponding to a sickness absence rate of 1.3 per cent) in 2021, compared to a rate of healthiness of 99.2 per cent the year before. The corresponding figure for the Aker Group was 96.9 per cent in 2021, compared with 96.8 per cent in 2020.

In dealing with the Covid-19 pandemic, Aker has worked closely with its portfolio companies. This has taken place through the CEO Forum, consisting of Aker's CEO and top leaders in the industrial portfolio companies, and through established functional networks for HR, HSE and communication. In Norway, a COVID-19 medical telephone service and mental health phone line were opened for employees. A dedicated team of medical experts and other resources closely monitor developments in the pandemic and provide advice on measures to the CEO and the CEO Forum.

As in 2020, no work-related fatalities were registered in the Aker Group in 2021. There were 17 reported lost-time injuries, compared to 11 in 2020. The incidents are described in more detail in the operating companies' annual reports.

8. Risks and risk management

Aker has a long-standing track-record of industrial and financial risk-handling. The company has evolved in line with the economic cycles and its strategy has adapted to changes in the underlying markets and company-specific issues in its portfolio. As presented in the respective notes to the financial statements, Aker ASA, the Aker Group, and Aker ASA and holding companies are exposed to financial risk, oil price fluctuations, currency and interest rate risk, liquidity risk, market risk, credit risk, climate risk, political risk, counterparty risk, project risk and operational risk in the underlying companies.

Aker has established a model for risk management based on the identification, assessment, and monitoring of 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.

Aker's risk management is based on the principle that risk assessment is an integral part of all business operations. Consequently, management of operational risk lies primarily with the underlying operating companies. Nevertheless, Aker actively monitors risk management through its participation on the boards of the various companies.

Aker's main strategy for mitigating risk associated with short-term value fluctuations is to maintain a solid financial position and strong creditworthiness. Aker has established financial guidelines that regulate the monitoring and follow-up of financial risk factors. Key governance parameters have been identified and are closely monitored. A finance committee has been appointed to focus specifically on issues and decisions related to financial investments, debt financing and foreign exchange.

Financial market exposures, including currency, interest, and liquidity risks, are discussed in greater detail in Note 6 to the consolidated financial statements. See also Note 2 regarding description of estimate uncertainty and risk in revenue recognition of projects and customer contracts.

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, 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, which is also further emphasised by the increased attention being paid to ESG issues. Aker and its 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 climate-related and environmental regulations. Climate-related risk factors also present business opportunities for Aker and portfolio companies. Aker has established the investment company Aker Horizons to exercise active ownership within renewable energy and green technologies, which exposes Aker 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 climate change, laws and regulations, geopolitical risk, 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. The invasion of Ukraine is an example of a geopolitical risk that has an indirect impact on Aker. A historical shift like this also has numerous consequences for global interaction, supply chains, security policy, and global and regional energy policies. Throughout the pandemic, Aker experienced positive cross-functional network impacts in the various Aker companies. A similar network has now been established to ensure a common understanding of the situation and possible outcomes of the biggest geopolitical crisis in decades.

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.

For further information on Aker's risk management, see the report on Corporate Governance on page 139.

9. Outlook

Geopolitical tensions and nervous capital markets have characterised the start of 2022. The situation escalated with Russia's invasion of Ukraine on 24 February. This is a serious setback for the world's democratic and economic development. A historical shift like this naturally brings substantial uncertainty with respect to the global economy, energy prices and share prices on the world's stock markets, and is also likely to lead to permanent changes in international relations. The war seems to have made Europe stronger and more united; it took the EU just a few weeks to revise its energy policy, for example. The war, and its aftermath, will in all probability be long-lasting, both regionally and globally.

Investments in listed shares accounted for 76 per cent of Aker's gross asset value as at 31 December 2021. 53 per cent of Aker's assets were associated with the oil and gas sector through Aker BP, Aker Energy, Aker Solutions and Akastor. Renewable energy and green technology, mainly through Aker Horizons, accounted for 23 per cent at the end of 2021. Industrial software, primarily through Cognite and Aize, accounted for 9 per cent. Seafood and marine biotechnology accounted for 5 per cent of assets, with Aker BioMarine and SalMar Aker Ocean as the largest investments. In addition, cash holdings accounted for 5 per cent and other investments for 5 per cent. Following the divestment of Ocean Yield, maritime investments are limited to American Shipping Company, which is now included under 'other assets'.

The largest change in direction for the portfolio in 2021 was the greater emphasis on renewable energy and green technology under the Aker Horizons umbrella, as well as the growth in industrial software with Cognite and the newly established Aize. Together, renewable energy and green technology, combined with industrial software, represented 32 per cent of Aker's gross asset value at the end of 2021. These areas are growing fast in terms of demand and therefore in investment.

In its report "Net Zero by 2050", the International Energy Agency (IEA) concludes that the world's demand for energy must turn towards renewable energy if internationally agreed climate goals are to be achieved. According to the IEA, global investments in the renewable energy sector must rise from USD 2.3 trillion per year to USD 5 trillion per year by 2030. Solar and wind power will, in this context, be leading sources for the production of electricity, and will account for approx. 70 per cent of global power generation by 2030, according to the IEA. To reach the world's climate goals, significant growth will be required in the use of hydrogen as an energy carrier and in the utilisation of carbon capture and storage (CCS).

Aker will contribute to resolving the world's climate-related and environmental challenges. Aker Horizons has the competence, capital, technologies and resources which specifically address business opportunities that help achieve the energy transition. The company constitutes a growth platform for technology and knowledge-based companies with a positive environmental impact, and it benefits from Aker's industrial competence, experience and network. Aker Horizons' investments are placed within growth areas such as CCS, offshore and onshore wind power, hydrogen and solar power. The company has expanded rapidly in a short space of time. To realise future projects and opportunities, Aker Horizons is keen to create robust business entities and establish good models for partnerships and alliances.

The supplier company Aker Solutions aims to help accelerate the transition to more sustainable energy production. In 2020, renewable energy and low-carbon solutions accounted for approx. 5 per cent of Aker Solutions' operating revenues. At the end of 2021, this area accounted for 30 per cent of the company's order backlog.

With the establishment of Aker Asset Management (AAM) as a new business area, Aker aims to play an active role through investments that can help resolve climate-related challenges. In its provisional plans, AAM has designated three investment areas: green energy, green industry and green cities. This venture is underpinned by the industrial competence possessed by Aker and its portfolio companies. By linking financial capital more closely to industrial competence, the aim is to establish funds that can contribute to profitable and value-creating climate solutions. In addition, three autonomous entities have so far been established under AAM: one focusing on early phase investment in start-ups, one on venture capital and one on private equity.

The world needs a huge increase in renewable energy projects if it is to reach its climate goals. Policies adopted in the USA, EU and China are expected to support growth in the renewables sector for many years to come. As a result of the war in Ukraine, it looks as though the EU will make itself independent of Russian gas in the next few years. This will in likelihood mean even faster growth in renewable energy production, and a more important role for Norwegian natural gas both in Europe's energy mix and as part of the EU's security policy in the present decade. Aker's diversified portfolio of companies in the energy sector – within renewable energy as well as oil and gas – will be affected not only by market and price developments, but by regulatory factors, framework conditions and renewable energy tariffs.

Aker still believes in the value of investing in the oil and gas sector, and will continue to contribute to create an even more robust company with a stable dividend policy, even with volatile oil prices. On 21 December 2021, Aker BP announced a transaction agreement with Lundin Energy for the takeover of the company's oil and gas business. The transaction is scheduled for completion in the second quarter 2022. Aker's ownership interest in the 'new' Aker BP will decrease from 37.1 per cent to 21.2 per cent. Aker and BP will continue their excellent partnership in Aker BP and in other areas, such as wind power.

The price of oil and Aker BP's market value will remain the most important factors in the development of Aker's NAV. Volatile oil prices are also expected going forward, but Aker BP is well positioned to take advantage of this through its low gearing ratio and plentiful access to liquidity.

Global growth in demand for oil looks set to continue in the emerging markets, primarily driven by megatrends such as population growth, a expanding middle class and urbanisation. At the same time, growth in oil production is expected to be weak, due to OPEC's production policy, low investment and higher capital and regulatory costs for the global oil industry. Increased capital costs for oil and gas companies are, moreover, expected to increase balance prices for the marginal barrel of oil, which will result in higher long-term oil prices.

Greater focus on ESG could, in the future, lead to weaker growth in oil production than in the demand for oil. Such a situation would contribute to high oil prices. Inflationary pressures deriving from expansive finance policies, both to save jobs during the Covid-19 pandemic and to stimulate the growth of renewable energy, would also keep oil prices up. Supply chain disturbances and rising wages are also making oil production more expensive. At the same time, the construction of new renewable energy sources requires increased use of machinery that generally still runs on diesel or other petroleum products.

After the oil price shock of 2014–2016, global investment in the sector fell sharply. This led to lower earnings in a supplier industry that was already characterised by overcapacity. In the period 2017–2019, oil investments gradually started to rise, before slumping back in 2020–2021. The Norwegian continental shelf, which is the most important market for Aker's oil-related portfolio companies, has benefited from the temporary changes in Norway's petroleum tax regime. The Norwegian Petroleum Directorate expects a reduction in non-exploration-related investments on the Norwegian continental shelf from 2021 to 2022, followed by annual growth in the next three years – from NOK 131 billion in 2022 to NOK 165 billion in 2025. The directorate has increased its growth estimate by 10 per cent compared to one year ago.

Aker's oil field service companies will continue their efforts to boost their competitiveness through higher productivity, operational improvements, efficiency, standardisation and technological improvements. They will also explore opportunities for strategic partnerships and alliances.

Aker BioMarine is working to gradually diversify its market exposure, with respect to both business sectors and geographical areas. The company's main markets are the aquaculture sector, particularly ingredients in farmed salmon feed, and the dietary supplement sector in Asia, Europe, North America and Australia. The salmon market has been developing well for many years. Certain markets for dietary supplements destined for human consumption fell back in 2021, though the company considers underlying growth in the omega-3 market to be positive.

In the fourth quarter 2021, the seafood and marine biotechnology investment segment was boosted by the establishment of SalMar Aker Ocean, whose owners have ambitious plans for this offshore aquaculture company. Production at the first offshore fish farm is scheduled to get underway in the first half of 2023, at which time preparations will be made for two more such facilities. The goal is for SalMar Aker Ocean to sustainably produce 150 000 tonnes of salmon per year at offshore fish farms by 2030.

The industrial software market continues to expand rapidly. Here, Aker is well positioned with its portfolio companies Cognite and Aize. With Accel, TCV and Saudi Aramco as partners and minority owners in Cognite, efforts continue to scale up, grow and commercialise its main product Cognite Data Fusion. The newly established Aize has already made great strides with its industrial applications. Its largest and most important project is its collaboration with Aker Solutions, Aker BP, Cognite and licence partners on the forthcoming Noaka development on the Norwegian continental shelf.

Aker's strong balance sheet enables the company to meet any unforeseen operational challenges in portfolio companies and short-term fluctuations in markets, which can also provide opportunities for value-creating investment opportunities. As an industrial investment company, Aker will primarily use its resources and expertise to support and promote the development of the companies included in its portfolio, and assess new investment opportunities.

Fornebu, 24 March 2022
Aker ASA

Kjell Inge Røkke (sign) Chairman	Frank O. Reite (sign) Deputy Chairman	Kristin Krohn Devold (sign) Director	Karen Simon (sign) Director
Atle Tranøy (sign) Director	Sofie Valdersnes (sign) Director	Arnfinn Stensø (sign) Director	Øyvind Eriksen (sign) President and CEO

Annual accounts

Aker Group

Consolidated Income statement and total comprehensive income

INCOME STATEMENT

Amounts in NOK million	Note	2021	2020 Restated*
Continued operations			
Operating revenue	*9,10*	**9 168**	4 377
Cost of goods and changes in inventory		**(3 298)**	(941)
Wages and other personnel expenses	*11*	**(2 688)**	(1 473)
Other operating expenses	*11*	**(3 131)**	(2 278)
Operating profit before depreciation and amortisation	*9*	**51**	(315)
Depreciation and amortisation	*12*	**(832)**	(665)
Impairment charges	*12*	**(4)**	(225)
Operating profit	*9*	**(785)**	(1 205)
Financial income	*13*	**428**	387
Financial expenses	*13*	**(1 415)**	(1 207)
Share of profit of equity accounted companies	*17*	**2 278**	210
Profit before tax	*9*	**506**	(1 815)
Income tax expense	*14*	**(25)**	242
Profit for the year continued operations	*9*	**481**	(1 573)
Discontinued operations			
Profit for the period from discontinued operations net of tax	*8*	**2 763**	511
Result for the year		**3 244**	(1 062)
Attributable to:			
Equity holders of the parent	*9*	**4 275**	1 427
Minority interests	*24*	**(1 031)**	(2 489)
Result for the year		**3 244**	(1 062)
Weighted average number of outstanding shares	*23*	**74 282 879**	74 269 501
Earnings per share[1)]	*23*		
Earnings per share continued operations		**19.42**	(18.55)
Earnings per share discontinued operations		**38.14**	37.77
Earnings per share		**57.56**	19.22

1) Profit attributable to equity holders of the parent/weighted average number of outstanding shares
**) See Note 8*

TOTAL COMPREHENSIVE INCOME

Amounts in NOK million	*Note*	**2021**	2020
Result for the year		**3 244**	(1 062)
Other comprehensive income, net of income tax			
Items that will not be reclassified to income statement:			
Defined benefit plan actuarial gains (losses)	*27*	**7**	(77)
Equity investments at FVOCI - net change in fair value		**47**	(95)
Items that will not be reclassified to income statement		**54**	(172)
Items that subsequently may be reclassified to income statement:			
Changes in fair value of cash flow hedges		**(52)**	2
Reclassified to profit or loss: debt investments at FVOCI, translation and cash flow hedges		**(1 572)**	(488)
Currency translation differences		**600**	(306)
Changes in other comprehensive income associates and joint ventures	*17*	**467**	(429)
Items that subsequently may be reclassified to income statement		**(557)**	(1 221)
Change in other comprehensive income, net of tax	*13,14,25*	**(503)**	(1 393)
Total comprehensive income for the year		**2 741**	(2 455)
Attributable to:			
Equity holders of the parent		**3 509**	410
Minority interests		**(768)**	(2 865)
Total comprehensive income for the year		**2 741**	(2 455)

Consolidated Balance sheet at 31 December

Amounts in NOK million	Note	2021	2020
ASSETS			
Property, plant and equipment	*15*	**18 603**	8 918
Intangible assets	*16*	**10 794**	3 295
Right-of-use assets	*19*	**1 368**	762
Deferred tax assets	*14*	**123**	90
Investments in equity accounted companies	*17*	**21 248**	21 633
Interest-bearing non-current receivables	*6,18*	**701**	552
Non-current finance lease receivables	*19*	**-**	12 195
Other shares and non-current assets	*20*	**844**	675
Total non-current assets		**53 681**	48 120
Inventories	*21*	**2 051**	1 131
Trade receivables and other interest-free receivables	*22*	**3 151**	1 959
Calculated tax receivable	*14*	**120**	128
Derivatives	*31*	**111**	2
Interest-bearing current receivables and restricted cash	*6,18*	**2 785**	89
Current finance lease receivables	*19*	**-**	1 625
Cash and cash equivalents	*6,9*	**14 787**	4 808
Total current assets		**23 005**	9 742
Assets classified as held for sale	*8*	**1 202**	460
Total assets	*9*	**77 888**	58 322

Amounts in NOK million	Note	2021	2020
EQUITY AND LIABILITIES			
Paid-in capital	*23*	**2 328**	2 324
Translation and other reserves	*25*	**1 825**	2 591
Retained earnings		**24 425**	12 508
Total equity attributable to equity holders of the parent		**28 578**	17 424
Minority interests	*24*	**7 335**	6 290
Total equity		**35 913**	23 714
Interest-bearing non-current liabilities	*6,26*	**28 792**	24 738
Non-current lease liabilities	*19*	**1 070**	564
Deferred tax liabilities	*14*	**1 213**	96
Pension liabilities	*27*	**48**	54
Other interest-free non-current liabilities	*28*	**325**	495
Non-current provisions	*29*	**98**	729
Total non-current liabilities		**31 546**	26 676
Interest-bearing current liabilities	*6,26*	**2 171**	5 173
Current lease liabilities	*19*	**198**	162
Trade and other payables	*30*	**7 210**	2 419
Income tax payable	*14*	**41**	15
Derivatives	*31*	**4**	122
Current provisions	*29*	**805**	22
Total current liabilities		**10 429**	7 913
Total liabilities		**41 975**	34 589
Liabilities classified as held for sale	*8*	**-**	19
Total equity and liabilities	*9*	**77 888**	58 322

Fornebu, 24 March 2022
Aker ASA

Kjell Inge Røkke (sign)
Chairman

Frank O. Reite (sign)
Deputy Chairman

Kristin Krohn Devold (sign)
Director

Karen Simon (sign)
Director

Atle Tranøy (sign)
Director

Sofie Valdersnes (sign)
Director

Arnfinn Stensø (sign)
Director

Øyvind Eriksen (sign)
President and CEO

Consolidated statement of changes in equity

Amounts in NOK million	Note	Total paid-in capital	Translation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total equity of equity holders of the parent	Minority interests	Total equity
Balance at 31 December 2019	*23-25*	2 331	4 009	(105)	(48)	3 855	12 653	**18 839**	20 414	**39 253**
Correction previous year		-	-	-	-	-	9	**9**	18	**27**
Balance at 1 January 2020		2 331	4 009	(105)	(48)	3 855	12 662	**18 848**	20 432	**39 280**
Profit for the year 2020		-				-	1 427	**1 427**	(2 489)	**(1 062)**
Other comprehensive income	*25*	-	(835)	(69)	(83)	(987)	(30)	**(1 017)**	(377)	**(1 393)**
Total comprehensive income		-	(835)	(69)	(83)	(987)	1 397	**410**	(2 866)	**(2 455)**
Dividends		-				-	(1 745)	**(1 745)**	(343)	**(2 088)**
Own shares and share-based payment transactions		(7)				-	-	**(7)**	-	**(7)**
Total contributions and distributions		(7)	-	-	-	-	(1 745)	**(1 752)**	(343)	**(2 095)**
Acquisition and sale of minority	*7,24*	-				-	(28)	**(28)**	(414)	**(442)**
Issuance of shares in subsidiaries	*24*	-				-	(46)	**(46)**	2 777	**2 731**
Total changes in ownership without change of control		-	-	-	-	-	(74)	**(74)**	2 363	**2 289**
Issuance of shares in associated company		-				-	(8)	**(8)**	-	**(8)**
Loss of control in subsidiaries	*8,24*	-	(477)	68	131	(277)	276	**-**	(13 296)	**(13 297**
Balance at 31 December 2020	*23-25*	2 324	2 697	(106)	-	2 591	12 508	**17 424**	6 290	**23 714**
Correction previous year		-	-	-	-	-	2 440	**2 440**	(2 445)	**(5)**
Balance at 1 January 2021		2 324	2 697	(106)	-	2 591	14 948	**19 864**	3 845	**23 709**
Profit for the year 2021		-				-	4 275	**4 275**	(1 031)	**3 244**
Other comprehensive income	*25*	-	(749)	21	(38)	(766)	-	**(766)**	263	**(503)**
Total comprehensive income		-	(749)	21	(38)	(766)	4 275	**3 509**	(768)	**2 741**
Dividends		-				-	(1 746)	**(1 746)**	(221)	**(1 967)**
Own shares and share-based payment transactions		4				-	3	**7**	-	**7**
Total contributions and distributions		4	-	-	-	-	(1 743)	**(1 739)**	(221)	**(1 960)**
Acquisition and sale of minority, including gain and loss	*7,24*	-				-	7 174	**7 174**	(3 451)	**3 723**
Issuance of shares in subsidiaries	*24*	-				-	(147)	**(147)**	10 227	**10 080**
Total changes in ownership without change of control		-	-	-	-	-	7 027	**7 027**	6 776	**13 803**
Own shares and issuance of shares in associated company		-				-	(84)	**(84)**	-	**(84)**
Equity-settled share-based payment in subsidiaries		-				-	2	**2**	2	**4**
Loss of control in subsidiaries	*8,24*	-				-	-	**-**	(2 299)	**(2 299)**
Balance at 31 December 2021	*23-25*	2 328	1 948	(85)	(38)	1 825	24 425	**28 578**	7 335	**35 913**

Consolidated cash flow statement

Amounts in NOK million	Note	2021	2020 Restated
Profit before tax		**506**	(1 815)
Net interest expenses	*13*	**803**	611
Sales losses/gains (-) and write-downs		**(1 896)**	206
Unrealised foreign exchange gain/loss and other non-cash items		**265**	448
Depreciation and amortisation	*12*	**832**	665
Share of earnings in associates and joint ventures	*17*	**(2 278)**	(210)
Dividend received from associates and joint ventures	*17*	**1 817**	2 004
Changes due to discontinued operations and other net operating assets and liabilities		**2 717**	3 108
Cash flow from operating activities before interest and tax		**2 767**	5 016
Interest paid		**(1 090)**	(2 104)
Interest received		**40**	216
Taxes received/paid		**79**	(321)
Net cash flow from operating activities		**1 796**	2 807
Proceeds from sales of property, plant, equipment and intangible assets	*15,16*	**9**	2 109
Proceeds from sales of shares and other equity investments		**3 194**	200
Disposals of subsidiaries, net of cash disposed	*8*	**3 290**	(3 446)
Acquisitions of subsidiaries, net of cash acquired	*7*	**(4 852)**	27
Acquisitions of property, plant, equipment and intangible assets	*15,16*	**(5 852)**	(1 346)
Acquisitions of shares and equity investments in other companies		**(951)**	(752)
Net acquisition and disposals of vessels accounted for as finance lease	*19*	**(23)**	(206)
Net cash flow from other investments	*18*	**(1 151)**	571
Net cash flow from investing activities		**(6 336)**	(2 843)
Proceeds from issue of interest-bearing debt	*26*	**18 115**	4 994
Repayment of interest-bearing debt	*26*	**(12 506)**	(11 605)
Repayment of lease liabilities	*19*	**(195)**	(905)
Net repayment and issue of interest-bearing debt		**5 414**	(7 516)
New equity	*24*	**9 992**	2 731
Own shares		**2**	(7)
Dividends paid	*23,24*	**(1 966)**	(2 088)
Acquisitions and sale of minority interests		**1 029**	(245)
Net cash flow from transactions with owners		**9 057**	391
Net cash flow from financing activities		**14 471**	(7 125)
Net change in cash and cash equivalents		**9 931**	(7 161)
Effects of changes in exchange rates on cash		**47**	(49)
Cash and cash equivalents at 1 January		**4 808**	12 018
Cash and cash equivalents at 31 December	*9*	**14 787**	4 808

Notes to the financial statements

Note 1 | Corporate information

Aker ASA is a company domiciled in Norway, with headquarters at Fornebu outside Oslo, and listed on the Oslo Stock Exchange with the ticker "AKER". Aker's 2021 consolidated financial statements include the financial statements of the parent company, Aker ASA, its subsidiaries, and interests in associated companies and jointly controlled entities.

Note 2 | Basis for preparation and estimates and assumptions

2.1 STATEMENT OF COMPLIANCE

Aker has prepared its consolidated financial statements in accordance with IFRS and associated interpretations as determined by the EU as at 31 December 2021 and Norwegian disclosure requirements pursuant to the Norwegian accounting act as at 31 December 2021. The consolidated financial statements have been prepared on a historical cost basis, with a few exceptions described in section 2.5.

The 2021 consolidated financial statements were approved by the Board of directors on 24 March 2022. The annual accounts will be submitted to Aker's annual general meeting on 22 April 2022 for final approval.

2.2 FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The consolidated financial statements are presented in million Norwegian kroner. The Norwegian krone (NOK) is the functional currency of the parent company. As a result of rounding differences, amounts and percentages may not add up to the total.

2.3 USE OF ESTIMATES AND ASSUMPTIONS

The preparation of annual financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Actual results may differ from amounts arrived at based on these assumptions. Estimates and underlying assumptions are reviewed and assessed on an on-going basis, and are based on historical experience, consultations with experts, trends and other methods which management considers reasonable under the circumstances. Changes to accounting estimates are recognised in the period in which the estimates are revised and in future periods if affected.

Areas in which, in applying the group's accounting principles, there tends to be uncertainties as to material estimations and critical assumptions and assessments, are described in the following paragraphs and in relevant notes to the accounts. The group's operational companies operate in different markets and are thus affected differently by the uncertainties that characterise the different markets.

(a) Consolidation

IFRS 10 contains a definition of control that is to be used when assessing whether investments are to be consolidated in the consolidated financial statements. Assessment of control involves the use of facts and judgment.

For 2020, this was relevant in connection with the dissolution of the joint ownership between Aker and the Norwegian state ("the State") in Aker Kvaerner Holding AS ("AKH") in December 2020. AKH's holdings in Aker Solutions and Akastor were reduced due to the State directly taking over its share of AKH's assets in exchange for the redemption of its shares in the company, and AKH became a wholly owned subsidiary of Aker ASA.

Aker's holdings in Aker Solutions and Akastor were 33.34% and 36.7%, respectively, at the end of 2020. Based on an overall assessment, where all relevant factors have been considered, the conclusion was that the investments do not represent control in accordance with IFRS 10. The companies have therefore been deconsolidated from the time of the State's exit from AKH and will continue to be accounted for as associated companies. See more about this in Note 9 and Note 17.

(b) Revenue recognition

Revenue from construction contracts and other contracts with customers where the performance obligations are satisfied over time, are recognised according to progress. This method requires estimates of the final revenue and costs of the contract, as well as costs incurred to date.

For contract revenue, there are uncertainties related to recoverable amounts from variation orders and incentive payments. These are recognised when it is deemed to be highly probable that a significant revenue reversal will not occur. Contract revenue is adjusted by management's evaluation of liquidated damages to be imposed by customers typically relating to contractual delivery terms.

The project costs depend on productivity factors and the cost of inputs. Weather conditions, the performance of subcontractors and others with an impact on schedules, commodity prices and currency rates can all affect cost estimates. Although experience, use of the established project execution model and high competence reduce the risk, there will always be uncertainty related to such assessments. See Note 9 and 10.

(c) Warranty provisions

At the completion of a project, a provision is made for expected warranty expenditures. Both the general provision and the evaluation of project specific circumstances are based on experience from earlier projects. Factors that could affect the estimated warranty cost include the group's quality initiatives. Provisions are presented in Note 29.

(d) Impairment testing of goodwill and intangible assets with indefinite useful lives

In accordance with applicable accounting principles, the group performs annual impairment tests to determine whether goodwill and intangible assets recorded in the balance sheet have suffered any impairment. The estimated recoverable amount for cash-generating units are determined based on the present value of budgeted cash flows or estimated sales value less cost to sell if higher. See Note 12 and Note 16.

(e) Tax

The group is subject to income taxes in numerous jurisdictions. Significant judgment is required to determine provisions for income taxes worldwide. Aker incurs an income-tax payable and/or earns a considerable tax receivable. The group also recognises changes in deferred tax or deferred tax benefits. These figures are based on management's interpretation of applicable laws and regulations, and relevant court decisions. The quality of these estimates is largely dependent on management's ability to apply complex set of rules, its ability to identify changes to existing rules and, in the case of deferred tax benefits, its ability to project future earnings from which a loss carry-forward may be deducted for tax purposes. See Note 14.

(f) Financial instruments

The group is exposed to various risks resulting from its use of financial instruments. This includes credit risk, liquidity risk and market risk (including currency- and interest rate risk). Note 6 and Note 31 present information about the group's exposure to each of these risks, the group's objectives, the principles and processes for measuring and managing risk, and the group's capital management.

(g) Contingent assets and liabilities

As a result of their extensive worldwide operations, group companies sometimes become involved in legal disputes. Provisions have been made to cover the expected outcomes of the disputes where negative outcomes are likely and reliable estimates can be prepared. However, the final outcome of these cases will always be subject to uncertainties and resulting liabilities may deviate from booked provisions. See Note 32.

(h) Acquisition costs – exploration

The accounting policy of Aker's subsidiary Aker Energy is to temporarily recognise expenses relating to the drilling of exploration wells in the balance sheet as capitalised exploration expenditures, pending an evaluation of potential oil and gas discoveries. If resources are not discovered, or if recovery of the resources is considered technically or commercially unviable, the costs of exploration wells are expensed. Decisions as to whether this expenditure should remain capitalised or be expensed during the period, may materially affect the operating result for the period.

2.4 FAIR VALUE MEASUREMENT

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair values are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described below, based on the lowest level of input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined asset and liability classes based on their nature, characteristics and associated risks, and the applicable level within the fair value hierarchy. See Note 31.

2.5 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis, with except for the following items:

- Derivative financial instruments are measured at fair value
- Non-derivative financial instruments at fair value through profit and loss are measured at fair value
- Debt instruments at fair value through profit and loss are measured at fair value
- Contingent consideration assumed in business combinations are measured at fair value
- Net defined benefit asset or liability is recognised at fair value of plan assets less the present value of the defined benefit obligation

Note 3 | Changes in accounting policies

Some amendments to standards and interpretations are effective from 1 January 2021, but they do not have a material effect on the Group's financial statements.

Note 4 | New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the year ending 31 December 2021. The group has chosen not to early adopt any new or amended standards in preparing the consolidated financial statements for 2021. None of these standards are expected to have a material impact on the consolidated accounts at implementation.

Note 5 | Accounting principles

The accounting principles presented below have been applied consistently for all periods and companies that are presented in the consolidated financial statements. In the event of material changes to the accounting principles, comparative figures are restated in accordance with the new principles.

5.1 GROUP ACCOUNTING AND CONSOLIDATION PRINCIPLES

5.1.1 Subsidiaries

Subsidiaries are companies controlled by Aker. Control requires three elements:

a. ownership interests that give the investor power to direct the relevant activities of the investee,
b. that the investor is exposed to variable returns from the investee, and that
c. decision-making power allows the investor to affect its variable returns from the investee.

Subsidiaries are included in the consolidated accounts from the day control is achieved and until control ceases.

Acquisitions of companies that meet the definition of a business combination are recognised using the acquisition method. See further description in section 5.9 Intangible assets. Acquisitions of companies, which are not defined as business combinations, are recorded as asset acquisitions. The cost of such purchases is allocated between the individual identifiable assets and liabilities acquired based on their fair values on the acquisition date. Goodwill is not recognised in connection with such acquisitions, nor is deferred tax recognised in connection with differences arising in the recognition of such assets.

Minority interests have been disclosed separately from the parent company owners' equity and liabilities in the balance sheet and are recorded as a separate item in the consolidated profit and loss account.

5.1.2 Investments in associates

An associate is defined as a company over which the group has significant influence, but which is not a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, without having control or joint control of those policies. The group's investments in associates are accounted for using the equity method and are initially recognised at cost. Received dividends are recognised as a reduction of the book value of the investment and are presented as part of net cash flow from operating activities in the cash flow statement.

Investments include goodwill upon acquisition less any accumulated impairment losses. The consolidated financial statements reflect the group's share of the associate's profits or losses and equity changes, after restatement to comply with the group's accounting principles, from the time significant influence is established until such influence ceases. If the group's share of accumulated losses exceeds its interest in the entity, the group does not recognise further losses unless it has incurred or guaranteed obligations with respect to the associate. If control is achieved in stages, goodwill is measured on the date control is obtained, and any changes in the value of previously held equity interests are recognised as profits or losses.

5.1.3 Interests in joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint arrangement is either a joint venture or a joint operation. The classification of a joint arrangement as a joint venture or a joint operation depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Joint ventures are accounted for using the equity method and are initially recognised at cost. Received dividends are recognised as a reduction of the book value of the investment and are presented as part of net cash flow from operating activities in the cash flow statement.

The subsidiary Aker Energy has a 50 per cent ownership interest in a license offshore Ghana, which is classified as joint operations under IFRS 11. The group recognises the investment by reporting its share of related revenues, expenses, assets, liabilities and cash flows under the respective items in the financial statements.

5.1.4 Elimination of transactions upon consolidation

Intragroup balances and transactions, and any unrealised gains and losses or revenues and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee.

5.2 FOREIGN CURRENCY TRANSLATIONS AND TRANSACTIONS

Items are initially recorded in the financial statements of each subsidiary in the subsidiary's functional currency, i.e. the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary. Foreign currency transactions are translated into the functional currency of the respective subsidiary using the exchange rates prevailing on the date of each transaction. Receivables and liabilities in foreign currencies are translated into the functional currency using the exchange rates on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

The consolidated financial statements are presented in Norwegian kroner. Financial statements of subsidiaries whose functional currencies are different from the presentation currency (NOK) are translated into NOK in the following way:

- Balance sheet items are translated using the exchange rates on the balance sheet date
- Profit or loss items are translated using the average exchange rates for the period (if the average exchange rates for the period do not provide a fair estimate of the transaction rate, the actual transaction rate is used).

Translation differences arising from the translation of net investments in foreign operations and from related hedging objects are specified as translation differences in other comprehensive income and are specified under shareholders' equity. When a foreign entity is sold, translation differences are recognised in the profit and loss account as part of the gain or loss on the sale. Foreign exchange gains or losses on receivables from and liabilities payable to a foreign entity are recognised in the profit and loss, except when settlement is neither planned nor likely to occur in the foreseeable future. Such foreign exchange gains and losses are considered to form part of the net investment in the foreign activity and are recognised in other comprehensive income as translation differences.

5.3 DISCONTINUED OPERATIONS

A discontinued operation is a component of the group's business operations that represents a separate, major line of business or a geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

Profits or losses from discontinued operations (after tax), are reclassified and presented as a separate line item in the financial statements. The comparatives are restated accordingly.

5.4 REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

5.4.1 Revenue from contracts with customers

IFRS 15 Revenue from Contracts with customers establishes a five-step method that applies to all customer contracts. Under the standard, only approved customer contracts with a firm commitment are basis for revenue recognition. The deliveries in the contracts are reviewed to identify distinct performance obligations, and revenue is recognised in line with how the entity satisfies these performance obligations – either over time or at a point in time. This assessment may involve significant judgement. For contracts with customers for which the performance obligations are satisfied over time, revenue is recognised over time using a cost progress method or as time and material are delivered to the customer. For contracts with customers for which the performance obligations are satisfied at a point in time, revenue is recognised at the point in time when the customer obtains control of the product or the service. Details of the accounting policies and the nature of performance obligations for each of the major types of customer contracts are set out below.

Construction contracts

Under construction contracts, specialised products are built according to a customer's specifications and the assets have no alternative use to the group. If a construction contract is terminated by the customer, the group has an enforceable right to payment for the work completed to date. The contracts usually establish a milestone payment schedule.

The group has assessed that performance obligations are satisfied over time and revenue from construction performance obligations is recognised according to progress. The progress is measured using an input method that best depicts the group's performance. The input method used to measure progress is determined by reference to the costs incurred to date relative to the total estimated contract costs.

Variable considerations, such as incentive payments, are included in construction revenue when it is highly probable that a significant revenue reversal will not occur. Expected liquidated damages (LD) are recognised as a reduction of the transaction price unless it is highly probable that LDs will not be incurred. The transaction price of performance obligations is adjusted for significant financing components to reflect the time value of money. Financing components may exist when the expected time period between the transfer of the promised goods and services and the payment is more than twelve months. This assessment is performed at the contract inception. When the final outcome of a performance obligation cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. The full loss is recognised immediately when identified on loss-making contracts. Contract costs are expensed as incurred. The full loss is recognised immediately when loss-making contracts are identified. The loss is determined based on revenue less direct cost (i.e.labour, subcontractor and material cost) and an allocation of overhead that relate directly to the contract or activities required to fulfil the contract.

Services revenue

Service revenue is recognised over time as the services are provided. The revenue is recognised according to progress or using the invoiced amounts for the period when these directly correspond with the value of the services that are transferred to the customers in the period. Progress is normally measured using an input method, by reference of costs incurred to date relative to the total estimated costs.

Sale of standard products

This revenue type involves sale of products or equipment that are of a standard nature, not made according to the customer's specifications. Customers usually obtain control of these products when the goods are delivered to the customers in accordance with the contract terms. The group has assessed that the performance obligations for such products are satisfied at a point in time, and revenue from these performance obligations is recognised at that point in time.

5.4.2 Revenue from power generation contracts

Revenue from power generation contracts relates to revenue on the generation and subsequent sale of electricity from generation assets such as solar PV and Wind parks. The revenues from power generation bear the characteristic of delivering power at a certain price. The performance obligation is to deliver a series of distinct goods (power) and the transaction price is the consideration expected to be received, at either spot price, regulated price or contract price. The performance obligation is satisfied over time which entails that revenue should be recognised for each unit delivered at the transaction price. The group applies a practical expedient under IFRS 15 whereby the revenue from power contracts is recognised at the amount of which the entity has a right to invoice. The right to invoice power arises when power is produced and delivered and the right to invoice the consideration will normally correspond directly with the value to the customer.

5.4.3 Other income

Gains and losses resulting from acquisition and disposal of businesses which do not represent discontinued operations are included in Other income within operating profit. In case of acquisitions in stages, such gains may come from the remeasurement of previously held interests in the acquired entity.

5.5 PENSION BENEFITS AND SHARE-BASED PAYMENTS

5.5.1 Pension benefits

For defined benefit plans, the liability recognised is the defined benefit obligation as at the balance sheet date, minus the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries and is measured as the present value of estimated future cash outflows. The pension cost is allocated to profit and loss over the employees' estimated time of service. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions, and amendments to pension plans are recognised in other comprehensive income ("OCI"). The net interest expense for the period is calculated by applying the discount rate to the net defined benefit liability, thus comprises both interest on the liability and the return on the pension plan assets. The difference between the actual return on the pension plan assets and the recognised return is recognised against the OCI on an ongoing basis.

For defined contribution plans, contributions are paid into pension insurance plans. Contributions to defined contribution plans are charged to the profit and loss account in the period to which the contributions relate.

5.5.2 Share-based payments
Share-based payment expense is measured at fair value over the service period. All changes in fair value are recognised in the income statement.

5.6 EXPENSES
5.6.1 Finance expenses
Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs not directly attributable to the acquisition or production of a qualifying asset are recognised in profit or loss using the effective-interest method. Foreign currency gains and losses are reported on a net basis.

5.6.2 Income tax
Income tax comprises current and deferred tax. An income tax expense is recognised in the profit and loss account unless it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted as at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred tax is calculated based on the temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

Deferred tax is not recognised for the following temporary differences:

- initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- differences relating to investments in joint ventures, if it is probable that they will not reverse in the foreseeable future.
- tax-increasing temporary differences upon initial recognition of goodwill.

Deferred tax assets and liabilities are offset if:

- there is a legally enforceable right to offset current tax liabilities and assets
- they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities that intend to settle current tax liabilities and assets on a net basis, or to realise their tax assets and liabilities simultaneously.

A deferred tax asset will be recognised if it is probable that future taxable profits will be available against which the temporary difference can be utilised. The item is revaluated on the balance sheet day and is reversed if it is no longer probable that the deferred tax asset can be utilised.

5.7 LEASES IN WHICH THE GROUP IS A LESSEE
IFRS 16 Leases, which was implemented by the group effective from 1 January 2019, introduced a single, on-balance sheet accounting model for lessees, with optional exemptions for short-term leases and leases of low value items. The group assesses whether a contract is or contains a lease based on whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. For contracts that is or contains a lease, a right-of-use asset is recognised representing its right to use the underlying assets and a lease liability representing its obligation to make lease payments.

5.7.1 Right-of-use assets
A right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The cost of right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and the lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is generally depreciated on a straight-line-basis over the shorter of its estimated useful life and the lease term, and is subject to impairment assessment of non-financial assets.

5.7.2 Lease liabilities
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate. The lease payments include fixed payments and variable lease payments that depend on an index or rate. The variable lease payment that does not depend on an index or rate is recognised as expense in the period in which it is incurred.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amounts expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

5.7.3 Lease term
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any period covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of low-value assets (e.g. IT equipment). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.7.4 Vacant properties and subleases
When a separable part of a leased property has been vacated by the group is prepared for sublease, the right-of-use asset is reclassified as investment property and assessed for impairment. The investment property is measured using the cost model, meaning that the book value and depreciation of the lease term from the ROU asset is the basis for measuring also the investment property. When testing the investment property for impairment, the expected future sub-lease income is discounted to present value and compared to the value of the investment property. The cost model together with impairment assessments is also an estimate of fair value of the right-of-use asset classified as investment property.

Income from operational sub-leases on investment property is recognised as other income. Sub-leases covering the major part of the lease term in the head-lease are classified as financial sub-leases. The portion of the right-of-use asset or investment property subject to financial sub-lease is de-recognised and a sub-lease receivable is recognised in the balance sheet when the sub-lease commences.

5.8 INVENTORY

Inventory is stated at the lower of cost or net realisable value. Cost is determined by the first-in first-out (FIFO) method, or the weighted average cost formula depending on the nature of the inventory. The cost of finished goods and work in progress comprises raw materials, direct labour and other direct costs, and related production overhead (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

5.9 PROPERTY, PLANT, AND EQUIPMENT

5.9.1 Recognition and measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the assets will flow to the group, and its cost can be reliably measured. Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures directly attributable to the asset's acquisition and if material the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs associated with loans to finance the construction of property, plant and equipment are capitalised over the period necessary to complete an asset and make it ready for its intended use. Other borrowing costs are expensed. When significant parts of an item of property, plant, and equipment have different useful lives, major components are accounted for as separate items of property, plant, and equipment.

A gain or loss on the disposal of an item of property, plant and equipment is determined by comparing the disposal proceeds with the carrying amount of that item; any loss is included in impairment charges.

5.9.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits associated with the asset will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day maintenance of property, plant and equipment are recognised in profit and loss as incurred.

5.9.3 Depreciation

Depreciation is recognised in profit and loss on a straight-line basis over the estimated useful life of each major component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or the asset's useful life, unless it is highly probable that the group will acquire ownership at the end of the lease term. Land is not depreciated. Depreciation methods, useful lives, and residual values are reviewed at each balance sheet date.

5.10 INTANGIBLE ASSETS

5.10.1 Goodwill

All business combinations in the group are recognised using the acquisition method. Goodwill represents values arising from the acquisitions of subsidiaries, associates, and joint ventures. Goodwill is allocated to cash-generating units and is tested annually for impairment. For associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment in the associates. Negative goodwill arising on an acquisition is recognised directly in the profit and loss account. Minority interests are measured at the net value of identifiable assets and liabilities in the acquired company or at fair-value including a goodwill element. The method of measurement is decided individually for each acquisition.

Goodwill is measured as a residual at the acquisition date and constitutes the sum of total consideration transferred in connection with the business combination, the carrying amount of the minority interests and the fair value of the previous ownership interest in the acquired company at the time of acquisition, less the net recognised amount (normally fair value) of the identifiable assets acquired and liabilities assumed.

Acquisitions of minority interests are accounted for as transactions with equity holders in their capacity as equity holders, and therefore no goodwill is recognised as a result of such transactions. In subsequent measurements, goodwill is valued at acquisition cost, less accumulated impairment losses.

5.10.2 Research and development

Expenditures on research activities undertaken to gain new scientific or technical knowledge and understanding are recognised in profit and loss in the period incurred.

Development expenditure that applies research findings to a plan or design for the production of a new or substantially improved product or process is capitalised if the product or process is technically and commercially feasible and the group has sufficient resources to complete development. The capitalised amount includes the cost of materials, direct labour expenses and an appropriate proportion of overhead expenses. Other development expenditure is recognised in the profit and loss account as an expense in the period in which it occurs. Capitalised development expenditures are recognised at cost less accumulated amortisation and impairment losses.

5.10.3 Other intangible assets

Expenditures on internally generated goodwill and brand names are recognised in profit and loss in the period in which they are incurred. Other acquired intangible assets (patents, trademarks and other rights) are recognised in the balance sheet at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets are amortised from the date they are available for use.

Long term investments in cryptocurrency are accounted for as part of Other intangible assets. The investments are recognised in the balance sheet at cost less accumulated amortisation and impairment losses.

5.11 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is also estimated annually at the balance sheet date irrespective of any impairment indicators. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). Goodwill acquired in a business combination is allocated to the groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (or group of units), on a pro rata basis.

An impairment loss in respect of goodwill and intangible assets that have indefinite useful lives is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed as at each reporting date as to any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

5.12 ASSETS HELD FOR SALE OR DISTRIBUTION

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. This condition is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale or distribution in its present condition.

Non-current assets and disposal groups classified as held for sale or distribution are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale or distribution are not depreciated or amortised but are considered in the overall impairment testing of the disposal group.

Non-current asset classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from other assets in the statement of financial position. Liabilities of a disposal group classified as held for sale shall be presented separately from other liabilities in the statement of financial position. The balance sheet for prior periods is not reclassified to reflect the classification in the balance sheet for the latest period presented.

5.13 FINANCIAL INSTRUMENTS

5.13.1 Classification of financial assets

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition unless the group changes its business model for managing financial assets.

5.13.2 *Recognition and derecognition of financial assets*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

5.13.3 Measurement of financial assets

At initial recognition, the group measures a financial asset (unless it is a trade receivable without a significant financing component) at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Trade receivables without a significant financing component are initially measured at the transaction price.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, impairments, and any gain or loss arising on derecognition are recognised in profit and loss.
- FVOCI: Assets that are held both for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. Net gains and losses, including any interest, are recognised in profit or loss. However, see section below regarding derivatives designated as hedging instruments.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group has irrevocably elected (an election that is made on an investment -by-investment basis) to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Dividends from such investments continue to be recognised in profit or loss when the group's right to receive payments is established.

5.13.4 Impairment of financial assets
The group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

There are mainly financial receivables (including trade receivables), contract assets and financial lease receivables that are subject to the expected credit loss model (ECL) in IFRS 9. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

5.13.5 Financial liabilities – initial recognition, classification, subsequent measurement, gains and losses and derecognition
A financial liability is initially measured at fair value and, for a financial liability not at FVPL, net of transaction costs that are directly attributable to its issue. Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified at FVPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. See section below regarding derivatives designated as hedging instruments.

The group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The group also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

5.13.6 Offsetting of financial assets and liabilities
Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

5.13.7 Derivative financial instruments and hedge accounting
The group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially recognised at fair value, and attributable transaction costs are recognised in profit or loss as incurred.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and the following criteria are met: i) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host, ii) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and iii) the hybrid contract is not measured at fair value with changes in fair value recognised in profit or loss.

Derivatives not being part of hedge accounting are measured at fair value and all changes in value are recognised in profit and loss. The group may designate certain derivatives as hedging instruments to hedge the fair value of recognised assets or liabilities (fair value hedges), the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates (cash flow hedges), and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation (net investment hedges). At inception of designated hedging relationships, the group documents the risk management objective and strategy for undertaking the hedge. The group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges
When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve within equity. The amount recognised in other comprehensive income is removed and included in profit or loss in the same period as the hedged cash flows affect profit or loss under the same line item in the income statement as the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects profit or loss. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases, the amount recognised in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss.

Fair value hedges
Changes in the fair value of derivatives designated as fair value hedges are recognised in profit or loss. The hedged object is valued at fair value with respect to the risk that is hedged. Gains or losses attributable to the hedged risk are recognised in profit or loss and the hedged object's carried amount is adjusted.

Net investment hedges
Foreign currency differences arising from the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective and are presented within equity in the translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

5.14 SHARE CAPITAL, TREASURY SHARES AND EQUITY RESERVES
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. When share capital is

repurchased, the amount of the consideration paid including directly attributable costs and net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued, the amount received is recognised as an increase in equity, and the surplus or deficit resulting from the transaction is transferred to/from retained earnings.

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the group's net investment in a foreign operation.

The fair value reserve comprises the cumulative net change in the fair value of financial assets at FVOCI.

The hedging reserve applies to cash flow hedges entered into in order to hedge against changes in income and expenses that may arise from exchange rate fluctuations. The profit or loss effect of such transactions is included in the profit and loss account upon recognition of the hedged cash flow. The hedging reserve represents the value of such hedging instruments that is not yet recognised in the income statement.

5.15 PROVISIONS

A provision is recognised when the group has a present legal or constructive obligation as a result of a past event, it is probable that payments or other outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are determined as the present value of expected future cash flows, discounted by a market based pre-tax discount rate.

Warranty provisions are made for expected future expenses related to delivered products and services. The provisions are based on historic data and a weighting of all possible outcomes against their associated probabilities.

A provision for restructuring is recognised when an approved, detailed and formal restructuring plan exists, and the restructuring either has begun or has been announced to the affected parties.

Provisions for contract losses are recognised when the expected revenues from a contract are lower than the cost of meeting the contractual obligations. Before provisions are made, all impairment losses on assets associated with the contract are recognised.

5.16 EARNINGS PER SHARE

The calculation of ordinary earnings per share is based on the profit attributable to ordinary shares using the weighted average number of shares outstanding during the reporting period, after deduction of the average number of treasury shares held over the period. The calculation of diluted earnings per share is consistent with the calculation of ordinary earnings per share, and gives effect to all ordinary shares with dilutive potential that were outstanding during the period.

5.17 SEGMENT REPORTING

Aker defines operating segments based on the group's internal management and reporting structure. The group's chief operating decision maker, responsible for the allocation of resources and assessment of the performance in the different operating segments, is defined as the board of directors, the group president and CEO and the CFO. Aker's investment portfolio comprises two segments: Industrial holdings and Financial investments. The recognition and measurement applied in segment reporting is consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted on market terms and conditions. Comparative segment information is usually re-presented for changes in reporting segments. See Note 9 Operating segments and significant subsidiaries.

Note 6 | Financial risk and exposure

FINANCIAL RISK

The Aker Group consists of various operations and companies that are exposed to different types of financial risks, including credit-, liquidity- and market risk (e.g. oil price-, currency- and interest risk) and climate risk. The purpose of risk management is to measure and manage financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on Aker's financial results. The Group uses different financial instruments to manage its financial exposure actively.

CAPITAL MANAGEMENT

The overall objectives of Aker's capital management policy are to maintain a strong capital base to retain investor, creditor and market confidence, to ensure financial flexibility for the seizure of opportunities as they arise, and to maintain a capital structure that minimises the company's cost of capital. For its surplus liquidity, Aker pursues a conservative placement strategy with minimal risk. The placements need to be flexible in terms of liquidity.

The target rate of return for the Industrial holdings is 12 per cent. The target return for the Financial investments portfolio depends on the composition of the portfolio, including the size of cash deposits and the risk profile of the receivables. In addition, Aker has defined financial target indicators (FTIs) that regulate the relationship between cash and interest-bearing debt, as well as the capital structure. The ratios work as guidelines for investment activities and capital allocation.

The governing principle of Aker's dividend policy is that the company at all times should have a solid balance sheet and liquidity reserves sufficient to deal with future liabilities. The policy of the company is to pay annual dividends corresponding to 2-4 per cent of net asset value (value-adjusted). The market prices of listed companies are used in calculating net asset value, most recent transaction value is used if an unlisted investment has been subject to a material transaction with an unrelated party, while book values are used for other assets.

CREDIT RISK

The group's financial assets are bank deposits, trade and other receivables, derivatives, and investments in shares. The group's exposure to credit risk is mainly related to external receivables. The group actively monitors its credit exposure to each counterparty. In addition, the group reviews the creditworthiness of subcontractors, customers or other stakeholders and partners when entering into significant or long-term contracts.

Trade receivables presented in the balance sheet are net of provisions for bad debts, which are estimated based on prior experience as well as specific assessments for some of the receivables.

Transactions involving derivative financial instruments are with counterparties with sound credit ratings and with whom the group has signed a netting agreement.

The exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet. Information about the exposure to credit risk at the balance sheet date is found in the tables that follow.

		2021 Carrying amount - exposure to credit risk				
Amounts in NOK million	*Note*	Fair value through profit and loss	Fair value through other comprehensive income (FVOCI)	Receivables at amortised cost	Derivatives qualified for hedge accounting at FVOCI	**Total**
Financial interest-bearing non-current assets	*18,19*	-	-	2 772	-	**2 772**
Other non-current assets including long-term derivatives	*20*	-	-	154	243	**397**
Trade receivables, other interest-free short-term receivables	*22*	-	-	2 156	-	**2 156**
Current derivatives	*31*	1	-	-	110	**111**
Interest-bearing short-term receivables	*18,19*	-	-	2 785	-	**2 785**
Cash and cash equivalents	*9*	-	-	14 787	-	**14 787**
Total		1	-	22 654	353	**23 009**

Interest-bearing receivables were impaired with NOK 247 million in 2021.

		2020 Carrying amount - exposure to credit risk				
Amounts in NOK million	*Note*	Fair value through profit and loss	Fair value through other comprehensive income (FVOCI)	Receivables at amortised cost	Derivatives qualified for hedge accounting at FVOCI	**Total**
Financial interest-bearing non-current assets	*18,19*	-	-	12 747	-	**12 747**
Other non-current assets including long-term	*20*	-	-	160	66	**226**
Trade receivables, other interest-free short-term receivables	*22*	-	-	1 151	-	**1 151**
Current derivatives	*31*	2	-	-	-	**2**
Interest-bearing short-term receivables	*18,19*	-	-	1 714	-	**1 714**
Cash and cash equivalents	*9*	-	-	4 808	-	**4 808**
Total		2	-	20 580	66	**20 648**

Interest-bearing receivables were impaired with NOK 116 million in 2020.

Aging trade receivables and contract assets

Amounts in NOK million	Gross trade receivables and contract assets 2021	Gross trade receivables and contract assets 2020
Not past due	937	628
Past due 0-30 days	262	74
Past due 31-120 days	212	32
Past due 121-365 days	37	5
Past due more than one year	6	81
Total	1 455	820

Movements in allocation to loss on trade receivables and contract assets

Amounts in NOK million	
Balance at 1 January 2021	(89)
Impairment loss (write-off) included in operating profit	(6)
Amounts derecognised due to discontinued operations	82
Other changes	2
Allocation to loss on trade receivable and contract assets at 31 December 2021	**(12)**

LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to fulfil its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure that it always has sufficient liquidity to pay its liabilities as they fall due.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified by category of liabilities:

		Contractual cash flows including estimated interest payments					
Amounts in NOK million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	16 811	(19 541)	(460)	(535)	(2 909)	(6 499)	(9 138)
Unsecured bank loans	3 613	(4 685)	(93)	(63)	(104)	(4 425)	
Unsecured bond issues	7 453	(7 778)	(93)	(1 075)	(2 061)	(4 549)	
Convertible loan	1 955	(2 870)				(2 870)	
Other liabilities	951	(996)	(242)	(94)	(401)	(253)	(6)
Credit facilities	180	(180)	(149)	(31)	-	-	-
Total cash flows for interest-bearing liabilities	30 963	(36 050)	(1 036)	(1 798)	(5 475)	(18 595)	(9 145)
Finance lease liabilities	1 268	(1 627)	(129)	(94)	(215)	(431)	(757)
Short-term derivative financial liabilities	3	(2)	-	-	(1)	-	-
Long term derivative financial liabilities	169	(170)	(49)	(21)	(38)	(38)	(24)
Total cash flows for interest-bearing liabilities and derivatives	**32 403**	**(37 848)**	**(1 214)**	**(1 914)**	**(5 729)**	**(19 065)**	**(9 926)**
Trade and other payables	8 057						
Long-term interest-free liabilities	1 515						
Total liabilities	**41 975**						

Overview of contractual maturities per segment:

		Contractual cash flows including estimated interest payments					
Amounts in NOK million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Industrial holdings	20 347	(25 105)	(987)	(606)	(1 250)	(12 405)	(9 857)
Financial investments	1 951	(2 069)	(50)	(167)	(1 321)	(462)	(69)
Aker ASA and holding companies	10 105	(10 675)	(177)	(1 141)	(3 158)	(6 198)	-
Total cash flows for interest-bearing liabilities and derivatives	**32 403**	**(37 848)**	**(1 214)**	**(1 914)**	**(5 729)**	**(19 065)**	**(9 926)**

Long-term interest-free liabilities include NOK 1 213 million in deferred tax liabilities.

The Group's liquidity requirements are expected to be met through the balances of liquid assets and cash flow from operating activities. As at 31 December 2021, the group had cash and cash equivalents of NOK 14 787 million. In addition, the group has interest-bearing assets of NOK 3 486 million (see Note 18), and other investments of NOK 442 million (see Note 20).

OIL PRICE RISK

The equity accounted investment in Aker BP represents a substantial part of the group's assets. Since Aker BP's revenues are derived from the sale of petroleum products, the value of the investment and the group's share of profit or loss are therefore exposed to oil and gas price fluctuations. With the current unstable macro environment, Aker BP is continuously evaluating and assessing opportunities for hedging as part of a prudent financial risk management process.

Although Aker's subsidiary Aker Energy does not currently have any production of hydrocarbons, the company is exposed to the oil markets in several aspects. Market conditions will influence banks and investors' appetite to lend to, or invest in, Aker Energy. The war in Ukraine and resulting sanctions may affect the Russian oil company Lukoil, which has a 38 per cent interest in the DWT/CTP license in Ghana and make the financing of the Pecan development more difficult. Furthermore, Aker Energy is exposed to the cost levels in the supplier industry that is a function of the capacity and activity levels in the sector.

CURRENCY RISK

Aker's operation in the international market results in various types of currency exposure for the group. Currency risks arise through ordinary, future business transactions, capitalised assets and liabilities, and when such transactions involve payment in a currency other than the functional currency of the respective company. In addition, currency risk arises from investments in foreign subsidiaries. The group's main exposures are against USD, GBP, and EUR. The group is also exposed to several other currencies.

In Aker's consolidated accounts, the following exchange rates have been applied in translating the accounts of foreign subsidiaries and associated companies:

Country	Currency	Average rate 2021	Rate at 31 Dec. 2021	Average rate 2020	Rate at 31 Dec. 2020
USA	USD	8.60	8.82	9.40	8.53
Great Britain	GBP	11.83	11.89	12.05	11.65
The European Union	EUR	10.16	9.99	10.72	10.47
Brazil	BRL	1.60	1.58	1.84	1.64

The average rate and rate as at 31 December have been applied when translating the income statement and balance sheet items, respectively. If the average exchange rate for the period does not provide a fair estimate of the transaction rate, the actual transaction rate is used.

Aker is prepared for the fact that the large fluctuations in oil and gas prices as a result of the war in Ukraine could also lead to large fluctuations in the value of the Norwegian krone. The table below illustrates the Group's sensitivity to foreign currency rate fluctuations. If the Norwegian krone had been 10 per cent weaker against USD in 2021, the effects on the consolidated financial statements would have been as shown below. The sensitivity analysis does not take into account other effects of a stronger currency, such as competitiveness, change in the value of derivatives etc.

Amounts in NOK million	Operating revenue	Profit before tax	Equity
USD	4 867	1 810	2 899
Other currencies	825	(783)	6 948
NOK	3 475	(522)	26 065
Total	9 168	506	35 913
Change if NOK 10% weaker against USD	487	181	290
When NOK 10% weaker against USD	9 654	687	36 202

Aker ASA and the operational companies in the group have prepared guidelines on the management of currency risks, including hedging of expected future cash flows and value of assets and liabilities in foreign currencies. The group uses currency forward contracts and currency option contracts to reduce currency exposure. The net value of the group's currency contracts was NOK -2 million as at 31 December 2021.

INTEREST RATE RISK

The group's interest rate risk arises from long-term borrowings and receivables. Borrowings and receivables issued at variable rates expose the group to cash flow interest rate risk. Securities issued at fixed rates expose the group to fair value interest rate risk. The figures for 2021 includes lease liabilities of NOK 1 268 million (NOK 726 million for 2020).

The interest rate profile of the group's interest-bearing financial instruments was as follows:

Amounts in NOK million	2021	2020
Fixed rate instruments:		
Financial assets	**81**	1 101
Financial liabilities	**(1 012)**	(1 764)
Net fixed rate instruments	**(931)**	(663)
Variable rate instruments:		
Financial assets	**18 193**	18 168
Financial liabilities	**(31 219)**	(28 872)
Net variable rate instruments	**(13 027)**	(10 704)
Net interest-bearing debt (-) / assets (+) including finance lease receivables and lease liabilities	**(13 958)**	(11 367)

Fair value sensitivity analysis for fixed-rate instruments

The Group does not recognise any fixed rate financial assets and liabilities at fair value through profit or loss and at year-end. At 31 December 2021, the fair value of interest rate swaps designated as hedges for parts of debt was NOK 90 million. A change in interest rates as at the reporting date would not affect profit or loss but would appear as a change in the fair value of the cash flow hedge in the Group's comprehensive income. Other interest rate derivatives are not designated as hedges, and hence a change in the interest rate would affect profit or loss with respect to these instruments. In 2021, the Aker Group has a gain of NOK 38 million related to interest rate derivatives included in profit from discontinued operations.

CLIMATE RISK

Climate-related financial risks can be defined as physical risks, including extreme weather and natural disasters resulting from changes in the climate, as well as transition risks, including emerging policies and legislation, technological innovation and market and reputation risk. Both types of risks are relevant to Aker, however the main climate-related risks in Aker predominantly exist within Aker's industrial investments, not with its operations.

Over the last couple of years Aker has significantly diversified its portfolio and taken important steps to reduce its climate related financial risk and grasp opportunities. Aker has set up Aker Horizons as a green investment arm, with a strong investment mandate for renewable energy and climate solutions. Further Aker has set a clear emissions reduction and climate ambition in its revised sustainability policy. In addition, Aker will work systematically to ensure all portfolio companies set forward looking climate targets.

Industrial portfolio companies are responsible for identifying, assessing and managing environmental and climate-related risks effectively. Aker is actively engaging companies with the aim of protecting, preserving and restoring the environment and climate.

The Taskforce on Climate-related Financial Disclosures (TCFD) has developed a framework to help companies and other organizations more effectively analyze and disclose climate-related risks and opportunities. Please refer to Aker's TCFD report in the appendix of the Sustainability Report to learn more about the approach to governance, strategy and management of climate-related risks, including metrics and targets.

Note 7 | Acquisition of subsidiaries and transactions with minority interests

ACQUISITION OF SUBSIDIARIES IN 2021

Mainstream Renewable Power Ltd (Mainstream)

On 11 May 2021, Aker Horizons acquired 75 per cent of the shares in Mainstream, equal to 75 per cent of the voting shares. Mainstream is a leading independent renewable energy player with a global footprint. The most developed projects are currently in Chile and in different African countries. The company is positioned for growth in a global market that requires accelerated development of renewable energy sources. By the acquisition of Mainstream, Aker Horizons wants to facilitate this high growth and develop Mainstream into a Renewable Energy Major.

For the period between the date of acquisition and 31 December 2021, Mainstream contributed NOK 589 million revenues and negative NOK 786 million to net loss. If the business combinations had taken place at the beginning of the year, Aker Group's revenues would have been NOK 9.4 billion and profit for the year continued operations would have been NOK 0.2 billion. The net loss prior to the acquisition includes one-offs transaction costs of approximately NOK 400 million relating to the acquisition by Aker Horizons.

Consideration transferred

The cash consideration for the 75 per cent stake in Mainstream was EUR 640 million. In addition, EUR 109 million was transferred to Mainstream as a capital increase in the company. The following table summarises at the acquisition date, fair value of consideration transferred.

Amounts in NOK million	
Total consideration	6 541
Less contingent consideration	125
Cash consideration	**6 416**
Less cash and cash equivalents acquired	1 659
Acquisition, net of cash acquired	**4 757**

Contingent consideration

In addition to the consideration payable on closing, the share purchase agreement contains a contingent consideration payable to selling shareholders based on Mainstream being awarded MWs in certain auctions. The earn-out payment is calculated based on MWs awarded as an amount per MW and capped at EUR 100 million. If successful, Aker Horizons would pay according to its ownership percentage, currently at 75 per cent. The contingent consideration payable by Aker Horizons was valued to EUR 12 million at the time of the acquisition. The deferred consideration was derecognised as of 31 December 2021 as a result of Mainstream not being awarded in auctions referred to in the agreement. The amount is reflected in Other income.

Acquisition-related costs

Transaction costs related to the Mainstream transactions of NOK 205 million have been recognised as operating expenses, of which NOK 92 million is stamp-duty.

Identifiable assets acquired and liabilities assumed

Amounts in NOK million	
Intangible assets	4 147
Property, plant and equipment	8 053
Right of use asset	502
Equity accounted investees	1 361
Other non-current assets	218
Accounts receivables and other assets	1 358
Restricted cash	1 935
Cash and cash equivalents	1 659
Deferred tax liability	(1 028)
Borrowings	(8 793)
Other non-current liabilities	(530)
Accounts payables and other payables	(2 200)
Net identifiable assets	**6 682**

A significant part of identified assets and liabilities relates to the Andes Renovables platform in Chile, which consists of three project portfolios (Condor, Huemul and Copihue) which all had reached Financial Investment Decision (FID) at the transaction date. These three portfolios were the most advanced within Mainstream's consolidated portfolio of projects and each of the three portfolios have been identified as standalone cash-generating units (CGUs).

Measurement of fair values

Contractual assets have been identified as the main intangible assets assumed in the business combination and relate to portfolios of contracts necessary to operate the projects which have reached Financial Investment Decision (FID) in the Mainstream portfolio. Such projects are all located in Chile, the Andes Renovables platform. Other assets identified are shareholdings in two joint ventures in Chile and Africa respectively, that owns or are in construction of power producing assets.

The valuation technique used for measuring the fair value of material assets acquired, is the income approach. The underlying premise of this approach is that the value of an asset can be measured by the present worth of the net economic benefit (cash receipts less cash outlays) to be received over the life of the asset.

The trade receivables comprise gross contractual amounts due of NOK 471 million, of which nil was expected to be uncollectible at the date of acquisition.

Fair values are measured on a provisional basis. The figures will be revised if new information is obtained within one year of the date of the acquisition concerning facts and circumstances, or additional provisions, that existed on the date of acquisition.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Amounts in NOK million	
Total consideration paid on acquisition	6 541
Minority interest [1), 2)]	2 580
Net identifiable assets	(6 682)
Goodwill	**2 439**

1) Minority interest is included based on their proportionate interest in the recognized amounts of the assets and liabilities of Mainstream, including goodwill.
2) The fair value of minority interest for Mainstream is determined as 25% of the fair value of Mainstream plus 25% of the fair value of the capital increase made by Aker Horizons as part of the transaction.

Goodwill amounting to NOK 1.4 billion resulting from the acquisitions is mainly attributable to Mainstream's development pipeline combined with its global organization. There is also an expectation that Mainstream will have synergies, collaboration and development projects with several other companies in the Aker Horizons portfolio.

Remaining goodwill, NOK 1 billion, is related to the Andes Renovables platform in Chile and results from to the requirement in IFRS to recognize deferred tax for the difference between the assigned fair values and the related tax base ("technical goodwill").

None of the goodwill recognised is expected to be deductible for tax purposes.

Rainpower Holding AS (Rainpower)
Rainpower was acquired 26 March 2021. Rainpower offers proprietary technologies for integrated products and services to the hydropower industry worldwide.

A consideration of NOK 8.5 million was paid for the common shares. In addition, the transaction entailed a recapitalization where Aker Horizons injected NOK 100 million in Rainpower in exchange for preference shares. Furthermore, existing debt in Rainpower was refinanced and replaced with a subordinated perpetual equity linked loan agreement, assessed as hybrid capital with fair value NOK 16 million.

Rainpower contributed by NOK 257 million to Aker Horizons' revenues and negative NOK 103 million to net loss. If the business combinations had taken place at the beginning of the year, Aker Horizons's revenues would have been NOK 1 326 million and net loss for the group would have been negative NOK 2 411 million. Transaction costs related to the Rainpower acquisition of NOK 9 million have been recognised as operating expenses.

Identifiable assets acquired and liabilities assumed

Amounts in NOK million	
Intabible assets	81
Property, plant and equipment	5
Right-of-use assets	72
Non-current asesets	2
Accounts receivables and other assets	171
Cash and cash equivalents	105
Deferred tax liability	(12)
Borrowings	(41)
Other non-current liabilities	(62)
Accounts payables and other payables	(311)
Net identifiable assets	**10**

Measurement of fair values

Customer relationship has been identified as the main intangible assets assumed in the business combination and is valued using a multi-period excess earnings method. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Amounts in NOK million	
Total consideration paid on acquisition	109
Minority interest	16
Net identifiable assets	(10)
Goodwill	**114**

The goodwill resulting from the acquisitions is mainly attributable to expected synergies and value of the assembled workforce.

ACQUISITION OF SUBSIDIARIES IN 2020
There was no material acquisitions of subsidiaries in the group during 2020.

Note 8 | Sale of subsidiaries and discontinued operations

SALE OF SUBSIDIARIES

At the end of November 2021, Aker sold its 61.7 per cent controlling interest in Ocean Yield to the American investment company, Kohlberg Kravis Roberts, in addition to the shares in a Joint Venture owned together with Ocean Yield before the divestment. The company represents a separate major line of business and is presented as discontinued operations in 2021, and the comparative statement of profit and loss has been restated correspondingly. The sale resulted in a gain for the group of NOK 2.3 billion, the gain is included in «Profit from discontinued operations (net after tax)».

DISCONTINUED OPERATIONS IN 2021

A total of NOK 1.2 billion is classified as held for sale in Aker Horizons as of 31 December 2021 including NOK 1.0 billion in shareholdings previously reported as equity accounted investees and NOK 161 million previously reported in property, plant and equipment.

Shareholding in Aela Energia

Mainstream Renewable Power has a 40 per cent shareholding in the joint venture structures; "Aquila Renewable Limited" and "Liguria 1 Limited", which are collectively described as Aela Energía. The investment has been accounted for as an equity accounted investment up until 31 December 2021, since when it has been classified as held for sale at book value NOK 901 million. See Note 35 Subsequent events for more information about the transaction.

Shareholding in REC Silicon ASA (REC)

On 18 November 2021, Aker Horizons announced that it had entered into an agreement with Hanwha Solutions Corporation (Hanwha Solutions), whereby Hanwha Solutions will acquire 21.9 million shares in REC for NOK 20 per share from Aker Horizons. After the transaction completed in January 2022, and the simultaneous private placement, Aker Horizons and Hanwha Solutions both held approximately 16.67 percent of the shares in REC. As a result of the agreement with Hanwha Solutions, part of Aker Horizons shareholdings in REC at a book value NOK 54 million has been reclassified as assets held for sale. Recognition of the share of profit (loss) from this shareholding ceased when the agreement was entered into in November. See Note 35 Subsequent events for more information about the transaction.

Shareholding in Principle Power Inc (PPI)

Following declaration of an option by the JV partner EDPR/Ocean Winds, Aker Offshore Wind will sell a shareholding of 10.9 per cent in PPI. The book value of these shares, NOK 86 million, has been presented as assets held for sale in the balance sheet as of 31 December 2021. Recognition of the share of profit (loss) from this shareholding ceased when the option was declared.

DISCONTINUED OPERATIONS IN 2020

In December 2020, the Norwegian State ("the State") and Aker dissolved the joint ownership of Aker Solutions and Akastor, which has been organized through the company Aker Kvaerner Holding AS ("AKH"). This was done by the State taking over its 30 per cent share of AKH's net assets, including shares in Aker Solutions and Akastor, and Aker remained the 100 per cent owner of an AKH with lower than before ownership interests in the two respective companies. Aker's voting power at Aker Solutions' and Akastor's general meetings is 33.3 per cent and 36.7 per cent, respectively. Based on this, Aker has reassessed its ownership in Aker Solutions and Akastor in relation to the control criteria in IFRS 10. The conclusion of the assessment is that after the State's withdrawal from AKH, Aker no longer has control in Aker Solutions and Akastor. From the time of the State's exit from AKH (31 December 2020 has been applied due to practical reasons) , Aker has therefore deconsolidated its investments in the two companies and accounts for its continued investments as associated companies. Based on the above, Aker has classified its investments in Aker Solutions and Akastor as discontinued operations. The comparative statement of profit and loss has been restated to show the discontinued operations separately from continued operations. Aker has recognized a gain of a total of NOK 4.8 billion at the time of the reclassification to associated companies, and at the same time recognized remaining ownership interests as investments in associated companies with amounts equal to the fair values of the shares at that time. The gain is included in «Profit from discontinued operations (net after tax)».

In addition to the discontinued operations described above, Ocean Yield's FPSO Dhirubhai-1 is also classified as an asset held for sale and discontinued operations from 1 January 2020. FPSO Dhirubhai-1 is marketed for sale and Ocean Yield's FPSO segment, which includes Dhirubhai-1 only, has been presented as a discontinued operation. FPSO Dhirbuhai-1 is in the balance sheet classified on the line «Assets classified as held for sale» while associated liabilities are shown on the line «Liabilities classified as held for sale». Comparative figures in statement of profit and loss have been restated to show the result from discontinued operations separately from continued operations.

RESULTS FROM DISCONTINUED OPERATIONS 2021

Amounts in NOK million	Ocean Yield	OY Holding LR2	Gains sale	Total	Other and eliminations	**Total**
Operating revenues	1 455	46	-	1 502	(5)	**1 496**
Operating expenses	(418)	(1)	-	(419)	-	**(419)**
Financial items	(351)	(35)	-	(386)	-	**(386)**
Profit before tax	**686**	**11**	**-**	**697**	**(5)**	**691**
Tax expense	(22)	(1)	-	(23)	-	**(23)**
Profit for the period	**664**	**10**	**-**	**674**	**(5)**	**669**
Operations within Ocean Yield	(181)	-	-	(181)	-	**(181)**
Gain after tax from discontinued operations	-	-	2 276	2 276	-	**2 276**
Net profit from discontinued operations	**484**	**10**	**2 276**	**2 769**	**(5)**	**2 763**

RESULTS FROM DISCONTINUED OPERATIONS 2020

Amounts in NOK million	Aker Solutions	Akastor	Other and eliminations	Deconsolidation and transition to assoicate	Assets held for sale in Ocean Yield	Ocean Yield	Total
Operating revenues	29 396	4 577	(907)	33 066	3	2 433	**35 502**
Operating expenses	(30 172)	(4 524)	42	(34 654)	(989)	(1 845)	**(37 488)**
Financial items	(538)	(436)		(974)	-	(896)	**(1 870)**
Profit before tax	**(1 314)**	**(383)**	**(865)**	**(2 562)**	**(986)**	**(307)**	**(3 855)**
Tax expense	(206)	(86)	-	(292)	(1)	(31)	**(324)**
Profit for the period	**(1 520)**	**(469)**	**(865)**	**(2 854)**	**(987)**	**(338)**	**(4 179)**
Operations within Akastor	-	(115)	-	(115)	-	-	**(115)**
Gain after tax from discontinued operations	-	-	4 805	4 805	-	-	**4 805**
Net profit from discontinued operations	**(1 520)**	**(584)**	**3 940**	**1 836**	**(987)**	**(338)**	**511**

Earnings per share from discontinued operations was NOK 38.14 for 2021 and NOK 37.77 for 2020.

CASH FLOW FROM DISCONTINUED OPERATIONS

Amounts in NOK million	Ocean Yield	OY Holding LR2	Gains sale	Total	Other and eliminations	Total
Cash flow from discontinued operations 2021						
Net cash flow from operating activities	883	18	-	901	-	**901**
Net cash flow from investing activities	979	(54)	-	925	(300)	**625**
Net cash flow discontinued operations	**1 862**	**(36)**	**-**	**1 826**	**(300)**	**1 526**

Amounts in NOK million	Aker Solutions	Akastor	Other and eliminations	Deconsolidation and transition to assoicate	Assets held for sale in Ocean Yield	Other and eliminations	Total
Cash flow from discontinued operations 2020							
Net cash flow from operating activities	501	211	-	712	(224)	1 420	**1 908**
Net cash flow from investing activities	(371)	(219)	-	(590)	(2)	1 753	**1 161**
Net cash flow discontinued operations	**130**	**(8)**	**-**	**122**	**(226)**	**3 173**	**3 069**

BALANCE DISCONTINUED OPERATIONS 2021

Amounts in NOK million	Ocean Yield	OY Holding LR2	Elimination	Total
Property, plant and equipment	4 743	-	-	**4 743**
Right-of-use assets	6	-	-	**6**
Investment in equity accounted companies	1 622	-	(36)	**1 586**
Interest-bearing assets	12 931	1 071	-	**14 002**
Cash and cash equivalent	1 233	27	-	**1 260**
Interest-bearing liabilities	(14 177)	(1 000)	-	**(15 177)**
Lease liabilities	(7)	-	-	**(7)**
Net tax liabilities(-)/assets	(73)	(26)	-	**(99)**
Other assets and liabilities	(338)	-	-	**(338)**
Equity	5 940	72	(36)	**5 976**
Minority interest	(3 268)	-	-	**(3 268)**
Equity attributable to equity holders of the parent	2 672	72	(36)	**2 708**

Note 9 | Operating segments and significant subsidiaries

Operating segments are identified based on the Group's internal management- and reporting structure. The Group's chief operating decision makers, who are responsible for the allocation of resources and assessment of performance in the different operating segments, are defined as the board of directors, the CEO and the CFO.

Aker's investment portfolio comprises two segments: Industrial holdings and Financial investments. The primary focus for businesses within Industrial holdings is long-term value creation. Businesses within Financial investments are managed as a portfolio with focus on financial and strategic opportunities.

Recognition and measurement applied to segment reporting is consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted on market terms and conditions. Operational revenues and segment assets are based on the geographical location of companies.

AN OVERVIEW OF OPERATING SEGMENTS AND SIGNIFICANT SUBSIDIARIES

Industrial holdings	
Aker BP	Exploration and production (E&P) company on the Norwegian continental shelf. Ownership interest 37.14%. The company is defined as an associated company in the Aker Group and is accounted for using the equity method. The company's business address is at Fornebu, Norway.
Aker Solutions	Supplier of integrated solutions, products and services to the global energy industry. Ownership interest 33.3%. The company is defined as an associated company in the Aker Group and is accounted for using the equity method. The company's business address is at Fornebu, Norway.
Akastor	Akastor is an oil-services investment company with a portfolio of industrial holdings and other investments. Ownership interest 36.7%. The company is defined as an associated company in the Aker Group and is accounted for using the equity method. The company's business address is at Fornebu, Norway.
SalMar Aker Ocean	Will build and operate sea-based salmon farming. Ownership 15.0% and voting right 33.3%. The company is defined as an associated company in the Aker Group and is accounted for using the equity method. The company's business address is at Frøya, Norway.
Aker BioMarine	Biotechnology company. Harvesting of krill and production and sale of krill products. Ownership interest 77.8%. The company's business address is at Fornebu, Norway.
Aker Horizons	Investment company with focus on renewable energy and green technologies. Ownership interest 76.15%. The company's business address is at Fornebu, Norway.
Cognite	Industrial software and digitalisation company. Ownership interest 50.46%. The company's business address is at Fornebu, Norway.
Aker Energy	E&P company. Has a 50% ownership interest in the Deepwater Tano Cape Three Points block that is under development in Ghana. The group's ownership in the company is 50.8%. The company's business address is at Fornebu, Norway.

Financial investments	
Philly Shipyard	Design and construction of vessels. Ownership interest 57.6%. The company's business address is in Oslo, Norway.
Solstad Offshore	Owns and operates platform supply-vessels, anchor handling vessels and construction service-vessels. Ownership interest 24.9%. The company is defined as an associated company in the Aker Group, and is accounted for using the equity method. The company's business address is at Skudeneshavn, Norway.
American Shipping Company	Leases out vessels within the US Jones Act market. Ownership interest 19.1%. Defined as a share investment in the Aker Group. The company's business address is at Fornebu, Norway.
Aize	Software company. Ownership interest 77.6%. The company's business address is at Fornebu, Norway.
Abelee	Algorithm-based trading in financial instruments. Ownership interest 87.3%. The company's business address is in Oslo, Norway.
Aker Property Group	Real estate development company. Ownership interest 100%. The company's business address is at Fornebu, Norway.
Norron Holding	Nordic investment manager. Ownership interest 56.6%. The company's business address is in Stockholm, Sweden.
Clara Ventures Lab	Platform for venture capital in industrial technology. Ownership interest 100%. The company's business address is in Bergen, Norway.
Seetee	Investment in bitcoin and projects and companies throughout the Bitcoin ecosystem. Ownership interest 90.01%. The company's business address is at Fornebu, Norway.

Other and eliminations	
Aker ASA and holding companies	Cash, other financial investments and other assets. Companies included are listed in Note 1 in the annual accounts of Aker ASA and holding companies.
Other	Other companies and eliminations.

Group's ownership in per cent listed above and Group's share of votes in per cent are equal if nothing else is indicated. For further information regarding significant subsidiaries in the listed companies Aker Horizons ASA, Aker BioMarine ASA and Philly Shipyard ASA please refer to the companies' own annual reports.

GEOGRAPHICAL SEGMENTS BASED ON COMPANY LOCATION

	Operating revenue		Selected assets [1]	
Amounts in NOK million	**2021**	2020 Restated	**2021**	2020
Norway	**4 829**	2 345	**29 379**	26 504
EU	**273**	142	**1 400**	4 712
North America	**3 033**	1 799	**1 063**	1 198
South America	**630**	-	**17 851**	2
Asia	**214**	10	**-**	-
Other areas	**188**	80	**2 320**	2 191
Total	**9 168**	4 377	**52 013**	34 607

1) Selected assets consist of property, plant and equipment, intangible assets, right-of-use assets as well as investments in equity accounted investments.

2021 - OPERATING SEGMENTS

Amounts in NOK million	Aker Solutions	Akastor	Aker BP	Aker Horizons	Salmar Aker Ocean	Aker Bio Marine	Aker Energy	Cognite	Elimin-ations and other	**Total industrial holdings**	**Financial investments and eliminations**	**Total**
External operating revenues	-	-	-	1 411	-	2 283	18	581	(19)	**4 275**	**4 893**	**9 168**
Inter-segment revenues	-	-	-	-	-	-	15	58	(20)	**53**	**(53)**	**-**
Operating revenues	**-**	**-**	**-**	**1 411**	**-**	**2 283**	**33**	**639**	**(38)**	**4 328**	**4 839**	**9 168**
EBITDA	**-**	**-**	**-**	**(1 325)**	**-**	**372**	**(294)**	**(402)**	**(34)**	**(1 684)**	**1 735**	**51**
Depreciation and amortisation	-	-	-	(100)	-	(455)	(36)	(46)	17	**(620)**	**(213)**	**(832)**
Impairments	-	-	-	-	-	(34)	31	-	13	**11**	**(15)**	**(4)**
Operating profit	**-**	**-**	**-**	**(1 425)**	**-**	**(118)**	**(298)**	**(448)**	**(4)**	**(2 292)**	**1 507**	**(785)**
Share of profit of equity accounted companies	77	337	2 280	(215)	(2)	-	-	-	(4)	**2 473**	**(195)**	**2 278**
Interest income	-	-	-	29	-	-	-	-	(1)	**29**	**17**	**45**
Interest expense	-	-	-	(489)	-	(118)	(70)	(10)	(2)	**(688)**	**(160)**	**(848)**
Other financial items	-	-	-	(292)	-	171	3	64	-	**(54)**	**(131)**	**(185)**
Profit before tax	**77**	**337**	**2 280**	**(2 392)**	**(2)**	**(64)**	**(365)**	**(393)**	**(11)**	**(533)**	**1 038**	**506**
Tax expense	-	-	-	(36)	-	(5)	-	-	-	**(41)**	**16**	**(25)**
Profit for the year from continuing operations	**77**	**337**	**2 280**	**(2 428)**	**(2)**	**(69)**	**(365)**	**(393)**	**(11)**	**(573)**	**1 054**	**481**
Result from discontinued operations (net of tax)	-	-	-	-	-	-	-	-	484	**484**	**2 280**	**2 763**
Profit for the year	**77**	**337**	**2 280**	**(2 428)**	**(2)**	**(69)**	**(365)**	**(393)**	**473**	**(90)**	**3 334**	**3 244**
Profit for the year to equity holders of the parent	77	337	2 280	(1 546)	(2)	(54)	(185)	(215)	473	**1 166**	**3 110**	**4 275**
Property, plant, and equipment and right-of-use assets	-	-	-	13 024	-	2 991	448	36	-	**16 499**	**3 472**	**19 971**
Intangibles assets	-	-	-	6 768	-	1 513	1 452	240	-	**9 972**	**822**	**10 794**
Investment in equity accounted companies	2 679	871	15 310	1 073	636	-	-	-	-	**20 569**	**679**	**21 248**
Interest-bearing fixed assets	-	-	-	2 799	-	-	-	-	-	**2 799**	**687**	**3 486**
Cash and cash equivalent [1]	-	-	-	5 412	-	98	1 067	1 283	-	**7 859**	**6 927**	**14 787**
Interest-bearing liabilities	-	-	-	(18 211)	-	(2 865)	(2 601)	(68)	-	**(23 744)**	**(8 486)**	**(32 231)**
Net tax liabilities(-)/assets(+)	-	-	-	(1 111)	-	(80)	-	-	-	**(1 191)**	**181**	**(1 010)**
Other assets and liabilities	-	-	-	230	-	1 610	(667)	(72)	-	**1 101**	**(2 233)**	**(1 133)**
Equity	**2 679**	**871**	**15 310**	**9 985**	**636**	**3 266**	**(302)**	**1 420**	**-**	**33 864**	**2 048**	**35 913**
Minority interest	-	-	-	(4 261)	-	-	-	-	-	**(4 261)**	**(3 075)**	**(7 335)**
Total equity attributable to equity holders of the parent	**2 679**	**871**	**15 310**	**5 724**	**636**	**3 266**	**(302)**	**1 420**	**-**	**29 604**	**(1 026)**	**28 578**
Investments [2]	-	-	-	19 393	-	728	302	177	-	**20 600**	**1 578**	**22 178**
Aker ASA and holding companies key figures:												
Dividends received	-	-	1 666	-	-	-	-	-	204	**1 870**	**140**	**2 010**
Gross asset value (GAV) [3]	3 836	537	36 329	15 342	645	3 700	957	6 684	-	**68 030**	**11 999**	**80 030**

1) There exist restrictions on the cash transfers from subsidiaries to Aker ASA and holding companies. Restricted cash at the end of 2021 was NOK 234 million.
2) Investment include acquisitions of property, plant and equipment, right-of-use assets and intangibles (including increases due to business combinations).
3) Listed companies at market value and other companies at book value. For Cognite, the value used reflects the transaction value from the transaction with TCV in Q2 2021. Values are confirmed in the Aker BP/Saudi Aramco transaction at 2 February 2022.

2020 - OPERATING SEGMENTS

Amounts in NOK million	Aker Solutions	Akastor	Aker BP	Aker Horizons	Ocean Yield	Aker Bio Marine	Aker Energy	Cognite	Elimin-ations and other	Total industrial holdings	Financial investments and eliminations	Total
External operating revenues	-	-	-	18	-	2 735	6	460	(2)	3 217	1 160	4 377
Inter-segment revenues	-	-	-	-	-	-	44	72	(72)	45	(45)	-
Operating revenues	-	-	-	18	-	2 735	51	532	(74)	3 261	1 116	4 377
EBITDA	-	-	-	(160)	-	525	(256)	(157)	15	(33)	(282)	(315)
Depreciation and amortisation	-	-	-	(5)	-	(446)	(52)	(11)	(6)	(520)	(145)	(665)
Impairments	-	-	-	-	-	(13)	(69)	-	(8)	(90)	(135)	(225)
Operating profit	-	-	-	(166)	-	66	(376)	(168)	1	(643)	(562)	(1 205)
Share of profit of equity accounted companies	-	-	(464)	(6)	-	-	-	-	-	(470)	680	210
Interest income	-	-	-	1	-	8	2	15	-	27	69	96
Interest expense	-	-	-	(4)	-	(176)	(92)	(7)	(2)	(281)	(426)	(707)
Other financial items	-	-	-	(6)	-	109	(10)	(36)	(1)	55	(264)	(209)
Profit before tax	-	-	(464)	(180)	-	6	(477)	(197)	(2)	(1 313)	(503)	(1 815)
Tax expense	-	-	-	-	-	(58)	-	-	-	(58)	300	242
Profit for the year from continuing operations	-	-	(464)	(180)	-	(51)	(477)	(197)	(2)	(1 371)	(203)	(1 573)
Result from discontinued operations (net of tax)	(1 520)	(584)	-	-	(1 326)	-	-	-	(822)	(4 252)	4 763	511
Profit for the year	(1 520)	(584)	(464)	(180)	(1 326)	(51)	(477)	(197)	(823)	(5 622)	4 560	(1 062)
Profit for the year to equity holders of the parent	(105)	(215)	(464)	(131)	(906)	(61)	(240)	(123)	(848)	(3 093)	4 520	1 427
Property, plant, and equipment and right-of-use assets	-	-	-	41	4 696	2 387	132	5	30	7 290	2 390	9 680
Intangibles assets	-	-	-	4	-	1 541	1 410	112	-	3 067	228	3 295
Investment in equity accounted companies	2 699	712	15 342	364	1 519	-	-	-	-	20 636	997	21 633
Interest-bearing fixed assets	-	-	-	25	11 825	-	-	-	-	11 850	2 611	14 461
Cash and cash equivalent [1]	-	-	-	943	962	91	91	22	-	2 110	2 698	4 808
Interest-bearing liabilities	-	-	-	(1 217)	(13 750)	(2 072)	(1 005)	(238)	(31)	(18 312)	(12 324)	(30 636)
Net tax liabilities(-)/assets(+)	-	-	-	-	(47)	(44)	-	-	-	(91)	242	151
Other assets and liabilities	-	-	-	(97)	237	1 282	(560)	84	-	946	(623)	323
Equity	2 699	712	15 342	63	5 441	3 184	69	(14)	(1)	27 496	(3 782)	23 714
Minority interest	-	-	-	(513)	-	-	-	-	-	(513)	(5 777)	(6 290)
Total equity attributable to equity holders of the parent	2 699	712	15 342	(450)	5 441	3 184	69	(14)	(1)	26 983	(9 559)	17 424
Investments [2]	828	507	-	64	40	251	14	127	-	1 831	600	2 431
Aker ASA and holding companies key figures:												
Dividends received	55	-	1 594	-	347	-	-	-	-	1 996	345	2 341
Gross asset value (GAV) [3]	2 699	712	31 143	7 591	2 869	8 006	957	2 816	-	56 793	7 153	63 945

1) There exist restrictions on the cash transfers from subsidiaries to Aker ASA and holding companies. Restricted cash at the end of 2020 was NOK 62 million.
2) Investment include acquisitions of property, plant and equipment and intangibles (including increases due to business combinations).
3) Listed companies at market value and other companies at book value. For Aker Horizons, book values are used adjusted for fair value of listed investments in the Aker Horizons portfolio. For Cognite, the value used reflects the transaction value from the transaction with Accel in Q4 2020.

Note 10 | Operating revenue

Amounts in NOK million	2021	2020 Restated
Revenue from contracts with customers recognised over time	**3 711**	753
Revenue from contracts with customers recognised at a point in time	**2 223**	2 958
Other income	**3 233**	666
Total	**9 168**	4 377

Revenue from contracts with customers consist of construction contracts, service revenue and sale of standard products recognised over time or at a point in time in accordance with IFRS 15. Different types of customer contracts are described below. Warranty provisions related to on-going projects and onerous customer contracts provision are described in Note 29.

REVENUE FROM CUSTOMER CONTRACTS RECOGNISED OVER TIME

Revenue from contracts with customers in Aker Horizons totaled NOK 1 218 million in 2021 and mainly consists revenue recognised in Mainstream Renewable Power of NOK 588 million, NOK 363 from Aker Carbon Capture and NOK 237 million from Rainpower.

Mainstream Renewable Power is a global renewable energy developer that develops, builds and operates wind and solar power plants. The company recognises revenue from the development and construction of power generation plants such as solar and wind parks, as well as revenue on the generation and subsequent sale of power from owned parks based on long term Power Purchase Agreements or Feed-in-Tariffs. Revenue related to development and construction contracts are recognised over time using a cost progress method or according to delivered time and materials.

Mainstream has entered into several Power Purchase Agreements, all starting in 2021 and 2022 and lasting for 20 years. These agreements are not included in Aker Horizon's order backlog as the performance obligations are decided by the right to invoice at any time, which correspond to the power produced and delivered.

Aker Carbon Capture is a global provider of products, technology and solutions within the field of carbon capture, utilization and storage ("CCUS"). The company recognises revenue from the development and construction of CCUS plants, as well as services related to various services within the CCUS value chain. Revenue from contracts with customers include studies, Front End Engineering and Design (FEED) contracts, as well as full scale Engineering, Procurement and Construction (EPC) contracts related to the full carbon capture value chain. Revenue is recognised over time using a cost progress method or according to delivered time and materials.

The order backlog as at 31 December 2021 for Aker Carbon Capture totals NOK 1.9 billion, and is expected to be recognised over the years 2022-2024.

Rainpower offers proprietary technologies for integrated products and services to the hydropower industry worldwide. Revenue is recognised from contracts primarily comprising product development, engineering services and production of turbines and electro-mechanical system solutions. Revenue is recognised over time using a cost progress method or according to delivered time and materials.

The order backlog as at 31 December 2021 for Rainpower totals NOK 361 million, and is expected to be recognised over the years 2022-2024.

Revenue from contracts with customers in Cognite totaled NOK 579 million in 2021 and includes revenue from the sale of license subscriptions to access the software Cognite Data Fusion (CDF), with ongoing implementation services and professional services. In accordance with IFRS 15, revenue is recognised upon the transfer of promised goods or services to customers in an amount that reflects the consideration expected to be entitled in exchange for the promised goods or services.

CDF Software

Sales of CDF software subscriptions grant customers the right to use functional intellectual property, either on their internal hardware infrastructure or on their own cloud instance, over the contractual term and are sold together with stand-ready implementation services. The services include critical updates, support, and maintenance services required to operate the software and, as such, are necessary for the software to maintain its intended utility over the contractual term. Because of this requirement, software subscriptions and services, which together are referred to as CDF Software, are highly interdependent and interrelated and represent a single distinct performance obligation within the context of the contract. Revenue is generally recognized over the contract term on a ratable basis.

Professional Services

Professional services supports the customers' use of the software and include, as needed, on-demand user support, user-interface configuration, training, and ongoing ontology and data modeling support. Professional services contracts typically include the provision of on-demand professional services for the duration of the contractual term. These services are typically coterminous with a CDF license. Professional services are on-demand, whereby Cognite performs services throughout the contract period; therefore, the revenue is recognized over the contractual term

Revenue from contracts with customers in Philly Shipyard totaled NOK 1 841 million in 2021. The company had one shipbuilding contract where revenue is recognised over time in line with construction progress. The building of the vessels Hulls 033 - Hulls 034 and Hulls 035 – Hulls 036 are being treated as two combined contracts, with the related performance obligation satisfied over time. At year-end the NSMV (National Security Multi-Mission Vessel) is 33.5 per cent complete for Hulls 033 – Hulls 034 and 1 per cent for Hulls 035 – Hulls 036.

The transaction price allocated to remaining performance obligations (unsatisfied or partly unsatisfied) as at 31 December 2021 for Philly Shipyard totals NOK 10.4 billion, and is allocated with NOK 3,6 billion in 2022, NOK 5.0 billion in 2023 and NOK 1.7 billion in 2024.

Overview of contract assets and contract liabilities from contracts with customers as at 31. December:

Amounts in NOK million	2021	2020
Contract assets	85	7
Contract liabilities	3 023	1 130

Contract assets relate to consideration for work completed, but not yet invoiced at the reporting date. The contract assets are transferred to receivables when the rights to payment become unconditional, which usually occurs when invoices are issued to the customers. Movements in allocation to loss on trade receivables and contract assets are described in Note 6.

Contract liabilities relate to advances from customer for work not yet performed at the reporting date. At year-end 2021, contract liabilities in Philly Shipyard amounted to NOK 2,6 billion and represents the difference between cash advances received from the customer and costs incurred for the NSMV shipbuilding project. Contract liabilities in Aker Horizons totaled NOK 405 million at year-end 2021. Contract assets/liabilities increased with NOK 529 million due to acquisition of subsidiaries in Aker Horizons. In addition, change in contract assets and liabilities relate to the natural progression of the project portfolio, as well as the current project mix.

REVENUE FROM CONTRACTS WITH CUSTOMERS AT POINT IN TIME

Revenue from contracts with customers in Aker BioMarine totaled NOK 2 191 million in 2021 and include sale of krill products used either in the feed industry or within human health and nutrition. Lang, the distributor of private labels within the Brands segment operates within the human health and nutrition markets but also sells other natural supplements in addition to Krill oil. Some customers have longer term frame agreements, agreeing the prices of the product, but all sales are based on individual purchase orders detailing the volume to be delivered at a certain point in time, at a designated location.

The company recognises as revenue the agreed transaction price in a contract with a customer at the time when the company transfers the control of a distinct product or service to the customer. Ordinary purchase orders are normally the contracts with the customer which create enforceable rights and obligations. Volume discounts are the dominant sales incentives used by Aker BioMarine. These discounts may have prospective or retrospective effect. Volume discounts with retrospective effect are systematically accrued and recognised as reduction of revenue based on the best estimate of the amounts potentially due to the customer.

The company's revenue from sale of krill products is recognised at a point in time, when the customer obtains control over the goods. Control is transferred to the customer according to agreed delivery terms, which is based on standardized contract templates as published by the International Chamber of Commerce. The main performance obligations for the company are related to the sale of goods of specified amounts and quality to customers. For a significant part of the sales, the company organises and pays for shipping of the goods. The company has assessed that for these sales, there are two performance obligations, and that the company acts as an agent for the shipping services.

The goods are sold with standard warranties that the goods sold comply with agreed upon specification and condition. The company does not have any significant obligations for returns or refunds, and any warranties would be accounted for using IAS 37. Payment terms are usually between 30-60 days. Aker BioMarine does not have any contracts with a significant financing component.

OTHER INCOME

Other income of NOK 3 233 million in 2021 consist among others of gain on sale of shares in Aker BP of NOK 2 171 million, revenue in Aker Property Group from hotel operations and success fees of NOK 285 million and revenue in the software company Aize of NOK 271 million.

IMPORTANT CUSTOMERS

Aker has one customer that has been invoiced for more than 10 per cent of the group's revenues in 2021.

Note 11 | Wages, personnel expenses and other operating expenses

Amounts in NOK million	2021	2020 Restated
Wages	**2 466**	1 326
Social security contributions	**259**	156
Pension costs	**155**	63
Other expenses	**153**	110
Personnel expenses included in other items[1)]	**(344)**	(181)
Total wages and other personnel expenses	**2 688**	1 473

1) Mainly related to capitalised construction expenses in Philly Shipyard.

Geographical split of number of employees:	2021	2020
Norway	**1 909**	1 128
EU	**118**	19
North America	**579**	361
South America	**189**	9
Asia	**76**	26
Other regions	**240**	62
Total number of employees at year-end	**3 111**	1 605
Average number of employees	**2 358**	19 867

Reduction in average number of employees is due to the deconsolidation of Aker Solutions and Akastor at year-end 2020.

OTHER OPERATING EXPENSES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2021	2020 Restated
Leasing expenses	45	33
Office equipment, sales- and administration expenses	248	447
External consultants and hired-ins, exclusive audit expenses (see below)	1 003	508
Travel expenses	100	122
Insurance	43	47
Bunkers and other operating expenses related to the fleet	338	415
Loss on customer receivables, including reversal of impairments	6	5
Miscellaneous operating expenses	1 349	702
Total	**3 131**	**2 278**

FEES TO AUDITORS OF THE AKER GROUP ARE INCLUDED IN MISCELLANIOUS OPERATING EXPENSES, AND DISTRIBUTED AS FOLLOWS:

Amounts in NOK million	Ordinary auditing	Consulting services	Total 2021	2020 Restated
Aker ASA	2	-	**2**	3
Subsidiaries	24	16	**40**	20
Total	25	16	**42**	23

Ordinary audit fees totalled NOK 25 million in 2021 (NOK 15 million in 2020).
Consulting services of NOK 17 million consist of NOK 6 million in tax advisory services and NOK 11 million in other non-audit services.

Note 12 | Impairments

Amounts in NOK million	Depreciation and amortisation 2021	Depreciation and amortisation 2020 Restated	Impairment losses, reversal of impariment losses and other non-recurring items 2021	Impairment losses, reversal of impariment losses and other non-recurring items 2020 Restated
Property, plant and equipment (Note 15)	**(431)**	(395)	**(18)**	(109)
Intangible assets (Note 16)	**(228)**	(121)	**(16)**	(49)
Right-of-use assets (Note 19)	**(174)**	(149)	**30**	(60)
Loss from disposal of fixed and intangible assets (Note 15 and 16)	**-**	-	**-**	(8)
Total	**(832)**	(665)	**(4)**	(225)

See Note 15 Property, plant and equipment, Note 16 Intangible assets and Note 19 Leases for more information regarding depreciation, amortisation, impairment losses and impairment assessments.

Note 13 | Financial income and financial expenses

Amounts in NOK million	2021	2020 Restated
Interest income on cash and cash equivalents and investments at amortised cost	**45**	96
Dividends on financial assets	**110**	101
Other financial income	**205**	190
Net change in fair value of financial equity investments at fair value through profit and loss	**68**	-
Total financial income	**428**	387
Interest expense on financial liabilities measured at amortised cost	**(848)**	(707)
Net foreign exchange loss	**(225)**	(51)
Foreign exchange loss from hedge instruments	**(14)**	(118)
Net change in fair value of financial equity investments at fair value through profit and loss	**-**	(106)
Net other financial expenses	**(328)**	(224)
Total financial expenses	**(1 415)**	(1 207)
Net financial items	**(987)**	(820)

Note 14 | Tax

TAX EXPENSE(-)/TAX INCOME(+)

Amounts in NOK million	2021	2020 Restated
Recognised in income statement:		
This year's net tax receivable (+) and payable (-)	**(18)**	138
Total current tax expense	**(18)**	138
Deferred tax expense:		
Origination and reversal of temporary differences	**(29)**	(68)
Utilisation of previously unrecognised tax losses	**22**	172
Total deferred tax expense	**(8)**	104
Income tax - continued operations	**(25)**	242

RECONCILIATION OF EFFECTIVE TAX RATE

Amounts in NOK million	2021	2020 Restated
Profit before tax	**506**	(1 815)
Nominal tax rate in Norway (22%)	**(111)**	399
Tax rate differences in Norway and abroad	**151**	75
Permanent differences	**(127)**	(125)
Utilisation of previously unrecognised tax losses	**22**	172
Tax losses for which no deferred income tax asset was recognised	**(408)**	(522)
Tax effect of associated companies	**478**	90
Other differences	**(30)**	152
Total income tax expenses in income statement	**(25)**	242

TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME:

Amounts in NOK million	2021	2020
Remeasurement of defined benefit liabilities	-	18
Changes in fair value of cash flow hedges	-	7
Total tax expenses other comprehensive income	-	25

DEFERRED TAX ASSETS ARE ALLOCATED AS FOLLOWS:

Amounts in NOK million	2021	2020
Philly Shipyard	**115**	72
Other companies	**7**	18
Total	**123**	90

Deferred tax assets refer to NOK 123 million in temporary differences. Based on award of contract in Philly Shipyard, and estimated future taxable profits, the company has included a deferred tax asset of NOK 115 million in 2021.The deferred tax asset related to the tax losses carried forward was unchanged in 2021.

The total unrecognised tax loss carry-forward at year-end 2021 are NOK 16.0 billion. This mainly relates to Aker ASA with NOK 4.7 billion, Aker Capital AS with NOK 1.1 billion, Aker BioMarine with NOK 2.8 billion and Aker Horizons with NOK 6.3 billion.

CHANGES IN NET DEFERRED TAX ARE AS FOLLOWS:

Amounts in NOK million	Property, plant and equipment	Intangible assets	Projects under construction	Tax losses carry forward	Other	Total
At 31 December 2020	(103)	(1)	23	-	75	**(7)**
Acquisitions and sales of subsidiaries	52	(1 147)	(36)	26	11	**(1 095)**
Deferred tax income statement - continued operations	132	(4)	4	17	(157)	**(8)**
Deferred tax income statement - discontinued operations	(120)	-	-	-	99	**(20)**
Exchange rate differences and other changes	(2)	1	1	-	40	**39**
At 31 December 2021	**(41)**	**(1 152)**	**(9)**	**43**	**69**	**(1 091)**
Allocated between deferred tax assets and liabilities as follows:						
Deferred tax assets	15	-	(6)	-	114	**123**
Deferred tax liabilities	(56)	(1 151)	(3)	43	(46)	**(1 213)**

Amounts in NOK million	Property, plant and equipment	Intangible assets	Projects under construction	Tax losses carry forward	Other	Total
At 31 December 2019	(196)	(115)	(1 513)	1 381	1 043	**600**
Acquisitions and sales of subsidiaries	-	-	-	-	8	**8**
Deferred tax income statement - continued operations	(94)	(93)	47	82	163	**104**
Deferred tax income statement - discontinued operations	34	3	(589)	304	95	**(154)**
Deferred tax total comprehensive income - OCI	-	-	-	-	25	**25**
Deferred tax income recognised directly in equity	-	-	-	-	(16)	**(16)**
Exchange rate differences and other changes	70	8	(6)	169	(256)	**(14)**
Deconsolidation and transition to equity accounted companies	83	197	2 083	(1 936)	(986)	**(560)**
At 31 December 2020	**(103)**	**(1)**	**23**	**-**	**75**	**(7)**
Allocated between deferred tax assets and liabilities as follows:						
Deferred tax assets	21	-	6	-	64	**90**
Deferred tax liabilities	(124)	(1)	17	-	12	**(96)**

TAX PAYABLE AND INCOME TAX RECEIVABLE

Tax payable amounts to NOK 41 million. Current tax receivable amounts to NOK 120 million and non-current tax receivable amounts to NOK 1 million. Tax receivables relate to Philly Shipyard.

The 2021 figures are based on preliminary estimates of non-taxable income, non tax-deductible items and temporary differences between the financial accounts and the tax accounts. The final result will be calculated based on the tax returns and may differ from the estimates above.

Note 15 | Property, plant and equipment

Amounts in NOK million	Vessels and airplanes	Machinery and vehicles	Land and buildings	Generation assets	Assets under construction	Total
Cost at 1 January 2020	8 359	2 289	1 600	-	439	**12 687**
Acquisitions through business combinations	-	56	227	-	8 031	**8 313**
Other acquisitions	67	145	498	-	4 745	**5 455**
Other disposals and scrapping	(125)	(35)	(2)	-	-	**(161)**
Transferred from assets under construction and other reclassifications	632	45	343	2 689	(3 450)	**259**
Reclassified held for sale	7 345	-	-	-	(161)	**7 184**
Effects of changes in foreign exchange rates	449	72	21	(6)	729	**1 265**
Sale of subsidiary	(6 482)	(4)	-	-	-	**(6 486)**
Cost at 31 December 2021	10 245	2 568	2 687	2 682	10 333	**28 515**
Accumulated depreciation and impairment at 1 January	(2 077)	(1 123)	(514)	-	(56)	**(3 769)**
Depreciation charge for the year	(403)	(200)	(48)	(7)	-	**(658)**
Impairments	(156)	-	(2)	-	-	**(158)**
Other disposals and scrapping	113	21	0	-	-	**135**
Transferred from assets under construction and other reclassifications	5	(40)	(89)	-	-	**(124)**
Reclassified held for sale	(6 905)	-	-	-	-	**(6 905)**
Effects of changes in foreign exchange rates	(119)	(40)	(12)	-	(2)	**(173)**
Sale of subsidiary	1 740	-	2	-	-	**1 741**
Accumulated depreciation and impairment at 31 December 2021	(7 803)	(1 381)	(664)	(7)	(58)	**(9 912)**
Carrying amount at 31 December 2021	**2 442**	**1 187**	**2 024**	**2 675**	**10 275**	**18 603**

Amounts in NOK million	Vessels and airplanes	Machinery and vehicles	Land and buildings	Assets under construction	Total
Cost at 1 January 2020	21 054	10 742	4 427	1 303	**37 526**
Acquisitions through business combinations	397	27	42	-	**466**
Other acquisitions	79	130	89	688	**986**
Other disposals and scrapping	(5 058)	(171)	(72)	(288)	**(5 589)**
Transferred from assets under construction and other reclassifications	(293)	703	995	(1 009)	**396**
Reclassified held for sale	(8 062)	-	-	-	**(8 062)**
Effects of changes in foreign exchange rates	605	(214)	(351)	(10)	**31**
Deconsolidation and transition to associates	(363)	(8 929)	(3 531)	(246)	**(13 068)**
Cost at 31 December 2020	8 359	2 289	1 600	439	**12 687**
Accumulated depreciation and impairment at 1 January 2020	(9 780)	(7 495)	(1 855)	(111)	**(19 240)**
Depreciation charge for the year	(598)	(750)	(151)	-	**(1 499)**
Impairments	(1 537)	(157)	(30)	(24)	**(1 747)**
Other disposals and scrapping	2 502	155	19	72	**2 747**
Transferred from assets under construction and other reclassifications	235	(27)	(29)	-	**179**
Reclassified held for sale	7 579	-	-	-	**7 579**
Effects of changes in foreign exchange rates	(485)	108	107	(4)	**(274)**
Deconsolidation and transition to associates	7	7 043	1 424	11	**8 485**
Accumulated depreciation and impairment at 31 December 2020	(2 077)	(1 123)	(514)	(56)	**(3 769)**
Carrying amount at 31 December 2020	**6 282**	**1 167**	**1 086**	**383**	**8 918**

Carrying amount at the end of 2021 amounts to NOK 18 603 million, an increase of NOK 9 686 million during the year. The increase mainly relates to Aker Horizons acquisition of the company Mainstream Renewable Power and other acquisitions, partly offset by the divestment of Ocean Yield, depreciation charges and impairments. See further comments below.

This year's depreciation of NOK 658 million (NOK 1 499 million in 2020) relates to NOK 431 million (NOK 395 million) from continued operations and NOK 228 million (NOK 1 104 million) from discontinued operations. The impairment of the year is NOK 158 million (NOK 1 747 million in 2020) divided between NOK 18 million (NOK 109 million) from continued operations and NOK 140 million (NOK 1 638 million) from discontinued operations. See more information regarding impairments below.

Vessels and airplanes

Vessels and airplanes totalled NOK 2 442 million at the end of 2021, with a decrease of NOK 3 840 million during the year. The decrease is mainly attributed to the divestment of Ocean Yield with NOK 4 743 million, see also Note 8. Further, the decrease relates to depreciation and impairments with NOK 559 million partly offset by transfer from assets under constructions and effects of changes in foreign exchange rates with NOK 962 million. In 2020 the FPSO Dhirubhai-1 was classified as held for sale in Ocean Yield, see also Note 8 for additional information. The FPSO has in 2021 been sold to Aker Energy and is reclassified from held for sale in the balance sheet, see below for comments.

The depreciation periods for the vessels and airplanes are between 10 and 30 years, while the machinery and equipment on board are depreciated over 3 to 15 years.

Machinery and vehicles

Machinery and vehicles totalled NOK 1 187 million, an increase of NOK 20 million from last year. The increase is mainly due to other acquisitions and business combinations in 2021, partly offset by depreciation charges.

Machinery and vehicles are depreciated over a period between 3 to 15 years.

Buildings and land

Buildings and land totalled NOK 2 024 million, an increase of NOK 857 million during 2021. The increase is mainly related to transfer from assets under construction, other acquisitions and business combinations of NOK 841 million, mainly within Aker Property Group. The increase is partly offset by depreciation and sale of subsidiary of NOK 135 million.

Land is not depreciated. Depreciation periods for buildings are 8 to 30 years.

Generation assets

Power generation assets totalled NOK 2 675 million and is related to transfer from assets under construction during the year. The majority of Aker Horizons property, plant and equipment relates to power generating assets, and power generation assets under construction, see below.

Power generation plants are depreciated over a period of 25 to 30 years.

Assets under construction

Assets under construction are increased by NOK 9 892 million during 2021 to NOK 10 275 million. The change is mainly due to acquisitions through business combinations in Aker Horizons of NOK 8 030 million, see also Note 7 for additional information. Further, the increase is due to other acquisitions of NOK 4 745 million, hereof NOK 3 574 million in Aker Horizons. The majority of the increase in Aker Horizons relates to power generation assets under construction in the projects Condor, Huemul and Copihue in Chile. Assets under construction are expected to reach commercial operation date in 2022 and 2023. Further, the increase in assets under construction at year end relates to effects of changes in foreign exchange rates of NOK 727 million, partly offset by transfer from assets under constructions of NOK 3 450 million and assets reclassified as assets held for sale of NOK 161 million in Aker Horizons.

Contractual commitments

Aker BioMarine has entered into contracts for investments in property, plant and equipment for NOK 88 million.

Effect of exchange rate changes on property, plant and equipment

Effects from exchange rate fluctuations represent NOK 1 092 million, mainly attributable to changes in the USD/NOK and EUR/NOK in Aker Horizons, Aker BioMarine and Philly Shipyard. Based on book values as at 31 December 2021, an increase of the USD rate of 10 per cent will increase assets by approximately NOK 1.6 billion.

Impairment losses 2021

Impairment losses on property, plant and equipment of NOK 158 million are mainly attributable to Ocean Yield with NOK 140 million from discontinuing operations and Aker BioMarine with NOK 18 million from continuing operations. The impairment loss in Ocean Yield is attributable to the FPSO Dhirubhai-1 sold to Aker Energy in November 2021 for USD 35 million, see comments below.

Impairment losses 2020

Impairment losses on property, plant and equipment of NOK 1 747 million are mainly attributable to Ocean Yield with NOK 1 477 million, Aker Property Group with NOK 45 million, Aker BioMarine with NOK 13 million and Aker Solutions with NOK 163 million. In addition, an impairment of NOK 50 million regarding an airplane has been recognised.

For Ocean Yield total impairment relates discontinued operations and is divided between the FPSO Dhirubhai-1 with NOK 891 million, the vessel Connetor by NOK 325 million and the vessel Hôegh Xiamen by NOK 260 million.

The FPSO Dhirubhai-1 was from 1 January 2020 classified as an asset held for sale. The COVID-19 pandemic and a lower oil price led to increased uncertainties with respect to the timeline and the sale price that could be achieved for the FPSO. As of year-end 2020 the fair value of the FPSO was estimated to USD 51.5 million and an impairment of USD 94.8 million was recognised in 2020. In 2021, an impairment of USD 16.4 has been recognised with fair value equal to achieved sales price of USD 35 million.

Due to the continued challenging oil-service market, an impairment regarding Connector was recognised in the third quarter 2020 and the fourth quarter, the vessel was sold as described above. Hôegh Xiamen was declared a total loss as a result of a fire on the vessel in June 2020.

As a consequence, an impairment was recognised, and an insurance settlement recognised as income.

Ocean Yield also assessed the values of the vessels Far Senator, Far Statesman and the group's five car carriers. The value in use was estimated for all seven vessels, and no impairment or reversal of impairment was considered necessary. The book values of Far Senator and Far Statesman totalled USD 83.6 million, and the book value of the group's car carriers totalled USD 231.2 million at year-end 2020. The value in use was calculated based on the present value of estimated future cash flows. The projected cash flows represent management's best estimate for future charter hire for these vessels. The value in use was calculated using a discount rate of 8.05 per cent after tax for Far Senator and Far Statesman (8.6 per cent in 2019) and 5.29 per cent after tax for the car carriers. The calculations of value in use are highly sensitive to the estimated level of future charter hires and the estimated useful life of the vessels.

In Aker Solutions, the impairment of NOK 163 million was related to discontinued operations and mainly to leasehold improvements and production assets. Each item of property, plant and equipment is assessed for impairment triggers every quarter to identify assets that are damaged, no longer in use or will be disposed. For assets in a cash generating unit (CGU), impairment indicators were assessed for all assets as part of a cash generating unit (CGU) every quarter. One CGU with recoverable amount of NOK 42 million was impaired. The other impairments in Aker Solutions were related to individual assets in 2020.

Note 16 | Intangible assets

Amounts in NOK million	Oil- and gas licenses	Capitalised exploration expenses	Other intangible assets	Goodwill	Total
Cost at 1 January 2021	905	488	1 382	2 453	**5 228**
Acquisitions through business combinations	-	-	4 371	2 598	**6 969**
Other acquisitions	-	-	670	29	**699**
Other disposals and scrapping	-	-	-	(1 139)	**(1 139)**
Reclassifications	-	-	(1)	-	**(1)**
Effects of changes in foreign exchange rates	30	16	22	83	**152**
Cost at 31 December 2021	935	504	6 445	4 025	**11 909**
Accumulated amortisation and impairment at 1 January 2021	-	-	(288)	(1 646)	**(1 934)**
Amortisation for the year	-	-	(228)	-	**(228)**
Impairment losses	-	-	(16)	-	**(16)**
Other disposals and scrapping	-	-	-	1 139	**1 139**
Reclassifications	-	-	1	-	**1**
Effects of changes in foreign exchange rates	-	-	(10)	(68)	**(78)**
Accumulated amortisation and impairment at 31 December 2021	-	-	(540)	(575)	**(1 116)**
Carrying amount at 31 December 2021	**935**	**504**	**5 904**	**3 450**	**10 794**

Amounts in NOK million	Oil- and gas licenses	Capitalised exploration expenses	Other intangible assets	Goodwill	Total
Cost at 1 January 2020	931	500	5 590	9 674	**16 695**
Acquisitions through business combinations	-	-	-	49	**49**
Other acquisitions	-	2	338	19	**359**
Other disposals and scrapping	-	-	(22)	-	**(22)**
Reclassifications	-	-	(1)	1	**-**
Effects of changes in foreign exchange rates	(26)	(14)	(53)	(43)	**(136)**
Deconsolidation and transition to associates	-	-	(4 471)	(7 245)	**(11 716)**
Cost at 31 December 2020	905	488	1 382	2 453	**5 228**
Accumulated amortisation and impairment at 1 January 2020	-	-	(2 835)	(1 706)	**(4 540)**
Amortisation for the year	-	-	(456)	-	**(456)**
Impairment losses	-	-	(256)	(144)	**(400)**
Other disposals and scrapping	-	-	15	-	**15**
Reclassifications	-	-	7	1	**8**
Effects of changes in foreign exchange rates	-	-	42	43	**85**
Deconsolidation and transition to associates	-	-	3 195	160	**3 356**
Accumulated amortisation and impairment at 31 December 2020	-	-	(288)	(1 646)	**(1 934)**
Carrying amount at 31 December 2020	**905**	**488**	**1 095**	**807**	**3 295**

Carrying amount at the end of 2021 amounts to NOK 10 794 million, an increase of NOK 7 499 million during the year. The increase mainly relates to acquisitions through business combinations in Aker Horizons and other acquisitions.

This year's amortisation of NOK 228 million (NOK 456 million in 2020) relates to continued operations (NOK 121 million in 2020). In 2020, NOK 334 million was related to discontinuing operations. Impairment of intangible assets of NOK 16 million (NOK 49 million in 2020) relates to continued operations. In 2020, NOK 352 million was related to discontinuing operations. See more information regarding impairment losses and impairment assessments below.

Oil- and gas licenses

Oil- and gas licenses of NOK 935 million at the end of 2021 is attributable to Aker Energy and is increased by NOK 30 million during the year due to changes in foreign exchange rates. Oil- and gas licenses are assessed for impairment annually.

Capitalised oil- and gas exploration expenses

Capitalised oil- and gas exploration expenses of NOK 504 million at the end of 2021 is attributable to Aker Energy and is increased by NOK 16 million during the year due to changes in foreign exchange rates.

Other intangible assets

The carrying amount of other intangible assets of NOK 5 904 million at the end of 2021 mainly consists of NOK 4 075 million in contractual assets in Aker Horizons, investments in cryptocurrency of NOK 485 million, NOK 295 million in capitalised development expenses and customer relationships, trademark and fishing licenses in Aker BioMarine of NOK 678 million.

Increase in other intangible assets during the year totals NOK 4 810 million and mainly relates to the acquisition of Mainstream Renewable Power (Mainstream) and Rainpower in Aker Horizons with NOK 4 228 million. Contractual assets of NOK 4 075 million have been identified as the main intangible assets in the purchase price allocation and the assets relate to portfolio of contracts necessary to operate the projects which have reached Financial Investment Decision (FID). These assets will be amortized over 30 years, representing estimated useful life of the plants.

Other intangible assets are amortised over a period between 5 to 30 years and distributes as follows:

Amounts in NOK million	2021	2020
Aker Horizons	**4 181**	-
Aker BioMarine	**678**	732
Seetee	**485**	-
Cognite	**240**	112
Aize	**166**	223
Other	**153**	28
Total	**5 904**	1 095

Goodwill

Goodwill totalled NOK 3 450 million at the end of 2021. The change in 2021 of NOK 2 642 million is mainly attributable to the acquisition of Mainstream and Rainpower in Aker Horizons totalling NOK 2 553 million, see also Note 7 for additional information. In addition, total goodwill consists of goodwill of NOK 834 million related to the krill business in Aker BioMarine that stems from Aker's acquisition of Natural and the establishment of Aker BioMarine in December 2006.

Impairment losses 2021

Impairment of intangible assets of NOK 16 million is attributable Aker BioMarine and relates to other intangible assets within continuing operations.

Impairment losses 2020

Impairment of intangible assets of NOK 400 million is mainly attributable Aker Property Group with NOK 49 million in 2020 and Aker Solutions with NOK 352 million. The impairment charges in Aker Property Group relates to continuing operations and is attributable to goodwill arising from business combinations.

In Aker Solutions an impairment of NOK 352 million has been recognised related to discontinuing operations and is mainly attributable to development programs where the technology or commercial outlook no longer justified the value. Capitalised development is assessed for impairment triggers every quarter to identify development programs where the technological development or commercial outlook for that specific technology no longer justify the book value. Capitalised development programs that have not been completed are subject to annual impairment testing. The impairment testing of capitalised development include update of the future expected cashflows, assessing status on technical achievements and reviewing cost incurred compared to budget in order to identify if any of the capitalised cost should be expensed. The assets are written down to recoverable amount, if lower than book value.

IMPAIRMENT ASSESSMENTS

Impairment assessments performed for the main part of the group's assets with indefinite useful life at year-end 2021 is summarised below.

Aker Energy

In Aker Energy, the company's exploration and evaluation assets relate to the Deepwater Tano Cape Three Points (DWT/CTP) license in Ghana and are tested for impairment on one level, the only cash-generating unit in the group, the DWT/CTP license. The exploration and evaluation assets have been assessed for impairment in accordance with IFRS 6. Impairment tests are performed when impairment triggers are identified. Results from the appraisal drilling campaign finalised in 2019 were positive and indicate a significant potential in the license. Approval of Plan for Development and Operations and Final Investment Decision for Pecan development were expected in 2021 but is now postponed to 2022. The oil price has recovered significantly compared to 2020 and the carrying amounts of exploration and evaluation assets are low compared to value of proven reserves in DWT/CTP and it is considered likely that carrying amounts will be recovered in full from successful development in DWT/CTP or by sale. No impairment triggers have been identified and no impairment testing is deemed necessary.

Aker Horizons

As all goodwill in Aker Horizons originates from business combinations taking place in 2021, an annual impairment test for goodwill has not been carried out in 2021. For each significant business combination, a purchase price allocation has been performed, with support from external valuation experts. Aker Horizons has reviewed if indicators exist that the goodwill is impaired. No such indicators have been identified as of 31 December 2021.

Aker BioMarine

In Aker BioMarine, mandatory annual tests for impairment are performed for CGUs with allocated goodwill or assets with indefinite useful life, and for assets/CGUs where impairment indicators have been identified. Impairment tests are performed on the groups two segments, Ingredient and Brands, both with allocated goodwill. The impairment test of the Ingredient segment also includes a fishing license and trademark assets with indefinite useful life. The recoverable amount of the cash-generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates.

Cash flow assumptions

The discount rates used reflect the current market assessment of the risks specific to each CGU and are estimated based on the weighted average cost of capital. The discount rate is estimated based on a weighted average of equity return requirements and expected costs of debt, assuming a projected debt-to-equity ratio of 1. The basis for the discount rate is a risk free interest rate set at 10 years US government bonds, and the credit risk premium has been set equal to the credit spread (compared to government bonds) for US corporate bonds with credit rating B. Aker BioMarine has used different discount rates for the Ingredients CGU and the Brands CGU to reflect the different market operations.

Climate risk has been assessed when performing the value-in-use calculation, primarily in the Ingredients CGU. Any climate change affecting the krill biomass with regards to availability and nutrients composition could significantly impact the harvesting. In addition, ice and general weather conditions could create operational difficulties. In the value-in-use calculations the normal production capacity of krill meal considers these uncertainties.

Projected cash flows are based on management's best estimates and the business plan for the Ingredients segment for the subsequent five years period. The estimates are based on detailed forecast prepared by the various departments in the Ingredients segment. For subsequent periods, the model is based on an estimated terminal growth, which is in line with long-term forecasts for growth in gross domestic product (GDP). In the forecast for the period 2022-2026, revenue projections are based on agreements entered into, actual historical prices along with management's evaluation of the potential for new agreements. The estimated operating margin is in accordance with management`s forecast which is based on the scalability in the business model. As approximately 65 per cent of the Group's operating expenses are fixed costs, increased sales levels will contribute to higher operating margins. Future product pricing has as per the above been based on historical prices and managements expectation with regards to new arrangements. The Group expects slightly lower krill oil sales prices as well as a moderate increase in the krill meal sales prices in the forecast period, compared to the sales price levels in 2021. Sales volumes has been modelled to follow the production targets, however lagging as to allow for building and maintaining safety-stock.

Capital expenditure is based on the long-term technical and operations program and firm commitments. It is also assumed that the vessels will be re-acquired upon end of the assumed useful life.

Projected cash flows are based on management's best estimates and the business plan for the Brands segment for the subsequent five years period. The estimates are based on detailed forecast prepared by management in Lang and Epion. For subsequent periods, the model is based on an estimated terminal growth, that is not exceeding the growth for the products, industry or country (US) in which the CGU operate. In the forecast for the period 2022-2026, revenue projections are based on agreements entered into, actual historical prices along with management's evaluation of the potential for new agreements. The estimated operating margin is in accordance with management's forecast.

The table below summarises the cash flow assumptions used by Aker BioMarine:

	Discount rate, post tax		**Discount rate, pre tax**		**Forecast period**		**Growth rate terminal value**	
Segment	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
Ingredients	**10.0**	10.0	**11.6**	12.8	**5 years**	5 years	**2.0**	2.0
Brands	**8.0**	10.5	**11.5**	14.3	**5 years**	5 years	**2.0**	2.0

Sensitivity analysis

For the Ingredients segment in Aker BioMarine, the sensitivities of the value in use has been tested by using simulations of various combinations of discount rates, terminal value growth, changes in vessel production volumes, krill production and -sales in addition to fuel cost and EBITDA. The CGU's value in use is significantly higher than the carrying amount. No reasonable possible change in any of the key assumptions would cause the unit's recoverable amount to be lower than the carrying value.

For the Brand segment, the sensitivities of the value in use has been tested by using simulations of various combinations of discount rates, terminal value growth, sales and EBITDA. The CGU's value in use is significantly higher than the carrying amount. No reasonable possible change in any of the key assumptions would cause the unit's recoverable amount to be lower than the carrying value.

Note 17 | Investments in associates and joint ventures

The Aker Group has interests in several associates and joint ventures ("JV"), of which the most important ones are (ownership interests in parentheses):

Aker BP ASA (37.14%) is an integrated E&P company operating on the Norwegian continental shelf.

Aker Solutions ASA (33.3%) delivers integrated solutions, products and services to the global energy industry.

Akastor ASA (36.7%) is a is an oil-services investment company with a portfolio of industrial and financial holdings.

SalMar Aker Ocean AS (Ownership 15.0%, voting right 33.3%) will build and operate sea-based salmon farming.

Solstad Offshore ASA (24.9%) owns and operates platform supply vessels, anchor handling vessels and construction service vessels.

Principle Power Inc (47.1%) a floating wind power technology company.

REC Silicon ASA (24.7%) is a producer of silicon materials to the solar and electronics industries.

MRP Africa Holdings Limited AS (33.8%) is a holding company for Aker Horizons investment in Lekela Power, a company building wind-farm in Africa.

Associates and joint ventures are accounted for using the equity method.

Amounts in NOK million		Book value at 1 January 2021	Effects of acquisitions or disposals of subsidiaries in stages	Acquisitions and disposals	Share of profits/ losses	Changes due to exchange differences and hedges	Dividends received	Other changes in equity	**Book value at 31 December 2021**
Aker BP ASA	1)	15 342	-	(3 174)	2 280	509	(1 666)	2 018	**15 310**
Aker Solutions ASA	1)	2 699	-	-	77	(37)	-	(59)	**2 679**
Akastor ASA	1)	712	-	-	337	(178)	-	-	**871**
SalMar Aker Ocean AS	1)	-	-	639	(2)	-	-	(1)	**636**
BOX Holdings Inc.	1)	1 434	(1 586)	-	146	155	(151)	2	**-**
Solstad Offshore ASA	1)	795	-	-	(189)	(6)	-	-	**599**
Principle Power Inc	1)	364	-	-	(33)	35	-	(86)	**281**
REC Silicon ASA	1)	260	-	-	(70)	13	-	(54)	**149**
MRP Africa Holdings Limited	1)	-	457	-	(20)	33	-	27	**497**
Aela Energia	2)	-	901	-	-	-	-	(901)	**-**
Other entities		27	58	297	(103)	(58)	-	4	**226**
Total		**21 633**	**(170)**	**(2 238)**	**2 425**	**467**	**(1 817)**	**948**	**21 248**
1) Associates		21 614	(1 106)	(2 361)	2 498	526	(1 817)	1 823	**21 177**
2) Joint ventures		20	936	123	(74)	(59)	-	(875)	**71**
Total		**21 633**	**(170)**	**(2 238)**	**2 425**	**467**	**(1 817)**	**948**	**21 248**

Shares of profits/losses from associates and joint ventures are based on the companies' net profit including profit/loss from discontinued operations. The purpose of the investment determines where its results are presented in the income statement. When entities are formed to share risk in executing projects or are closely related to the operating activities, the shares of the profits and losses are reported as part of other income in the operating profit. Shares of profits or losses from financial investments are reported as part of financial items.

Share of profits/losses for 2021 is allocated with NOK 2 278 million as continued operations and NOK 146 million as discontinued operations.

Share of profits/losses continued operations for 2021 is presented as share of profit/loss from associates and joint ventures as part of financial items.

Other changes in equity in Aker BP of NOK 2 018 million consist mainly of gain of NOK 2.2 billion from downsale of 2.86% ownership in Aker BP for NOK 3.2 billion. See also note 10.

Other changes in equity in REC Silicon, Principle Power and Aela Energia totaling negative NOK 1 041 million are due to shares being reclassified to held for sale. See also note 8.

SUMMARY OF FINANCIAL INFORMATION AND THE GROUP'S OWNERSHIP IN MAJOR ASSOCIATES AND JOINTS VENTURES:

	Aker BP ASA		Aker Solutions ASA		Akastor ASA	
Amounts in NOK million	2021	2020	2021	2020	2021	2020
Country	Norway		Norway		Norway	
Ownership and voting rights	37.1%	40.0%	33.3%	33.3%	36.7%	36.7%
Operating revenues	49 995	28 006	29 473	-	953	-
Operating expenses	(20 763)	(23 938)	(28 780)	-	(1 035)	-
Financial items	(2 132)	(2 530)	(173)	-	(152)	-
Net profit (100%)	7 503	420	254	-	919	-
Share of net profit result	**2 922**	**168**	**85**	**-**	**337**	**-**
Depreciation/Impairment	(642)	(632)	(8)	-	-	-
Share of earnings	**2 280**	**(464)**	**77**	**-**	**337**	**-**
Non-current assets	101 309	95 238	13 463	13 984	6 025	6 100
Current assets	26 307	10 738	15 405	12 843	1 187	3 047
Total assets	**127 616**	**105 976**	**28 868**	**26 827**	**7 212**	**9 147**
Non-current liabilities	(85 112)	(80 148)	(6 327)	(8 291)	(2 211)	(1 986)
Current liabilities	(21 850)	(8 871)	(14 679)	(10 628)	(892)	(3 492)
Minority interests	-	-	(28)	(38)	(18)	(11)
Net assets (100%)	20 654	16 957	7 833	7 870	4 091	3 658
Share of net assets	**7 671**	**6 783**	**2 612**	**2 624**	**1 502**	**1 342**
Elimination of unrealised gains and losses, deferred payment and adjustments	(165)	(222)	-	-	-	-
Excess value	7 804	8 781	67	75	(630)	(630)
Balance end of period	**15 310**	**15 342**	**2 679**	**2 699**	**871**	**712**
Dividends received	**1 666**	**1 594**	**-**	**-**	**-**	**-**

Aker BP ASA

The excess value of NOK 7.8 billion is allocated to the Johan Sverdrup field with NOK 5.5 billion and the NOAKA-field (North of Alvheim, Krafla/Askja) with NOK 2.3 billion. The depreciation of NOK 642 million in 2021 is attributable to the Johan Sverdrup field. Sensitivity analysis of excess value have been performed by using simulations of various combinations of discount rates, oil price and value growth. No reasonably possible combination of these factors results in a value in use being lower than the value recognised in the balance sheet as of 31 December 2021.

Aker BP ASA, Aker Solutions ASA, Akastor ASA, Solstad Offshore ASA and REC Silicon ASA are listed companies. Shown below are the share prices and market values of the Group's share in the companies.

At 31 December 2021	Number of shares in millions	Quoted price in NOK	Book value in NOK million	Market value in NOK million
Aker BP ASA	133.8	271.60	15 310	36 329
Aker Solutions ASA	164.1	23.38	2 679	3 836
Akastor ASA	100.6	5.34	871	537
Solstad Offshore ASA	18.8	5.46	599	103
REC Silicon ASA [1]	70.1	17.93	149	1 257

1) In addition 21.9 million shares with book value NOK 54 million have been reclassified to held for sale.

Note 18 | Interest-bearing assets and restricted cash

Amounts in NOK million	2021	2020
Restricted deposits	**2 468**	267
Loans to employees	**34**	11
Loans to related parties	**22**	46
Marketable securities	**702**	-
Other interest-bearing receivables	**261**	318
Total	**3 486**	641
Recorded as follows:		
Interest-bearing non-current receivables	**701**	552
Interest-bearing current receivables	**2 785**	89
Total	**3 486**	641

Restricted deposits in 2021 mainly relates to a deposit related to project financing in Aker Horizons of NOK 2 071 million and related to loan agreements in Philly Shipyard of NOK 380 million.

Loans to related parties in 2021 consists of loans Aker Pensjonskasse of NOK 22 million.

Note 19 | Leases

LEASES IN WHICH THE GROUP IS A LESSEE

The Group has lease contracts related to warehouses, offices, and production facilities, as well as machines and vehicles. Contracts related to leasing of buildings and locations typically have lease periods of 10-33 years with options for renewal at market values. Lease contracts regarding IT services, vehicles and equipment have a lease term of 1-5 years. The Group has applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months lease term, or leases of low value items (for example IT equipment).

	Right-of-use assets				
Amounts in NOK million	Land and buildings	Investment property	Machinery and vehicles	**Total**	Lease liabilities
Carrying amount at 31 December 2020	667	88	7	**762**	726
Business combinations	590	-	3	**593**	610
Additions and remeasurements	149	-	-	**149**	144
Derecognition	(29)	-	-	**(29)**	(23)
Depreciation	(156)	(16)	(4)	**(176)**	-
Reversal of impairment	-	30	-	**30**	-
Interest expense	-	-	-	**-**	45
Lease payments and interests	-	-	-	**-**	(240)
Effect of changes in foreign exchange rates	36	4	-	**40**	6
Carrying amount at 31 December 2021	**1 257**	**107**	**5**	**1 368**	**1 268**

	Right-of-use assets				
Amounts in NOK million	Land and buildings	Investment property	Machinery and vehicles	**Total**	Lease liabilities
Carrying amount at 1 January 2020	4 414	383	32	**4 827**	6 583
Adjustments prior year	102	-	-	**102**	-
Additions and business combinations	558	17	8	**583**	600
Reclassification financial sublease receivable	(27)	(116)	-	**(143)**	-
Depreciation	(626)	(40)	(16)	**(682)**	-
Impairment	(483)	(90)	-	**(573)**	-
Interest expense	-	-	-	**-**	290
Lease payments and interests	-	-	-	**-**	(1 195)
Effect of changes in foreign exchange rates	29	(4)	(1)	**24**	54
Deconsolidation and transition to associates	(2 724)	(636)	(17)	**(3 376)**	(5 606)
Carrying amount at 31 December 2020	**667**	**88**	**7**	**762**	**726**

Depreciation and impairment of right-of-use assets

This year's depreciation of NOK 176 million (NOK 682 million in 2020) relates to NOK 174 million (NOK 149 million) from continued operations and NOK 2 million (NOK 533 million) from discontinued operations. The reversed impairment of the year is NOK 30 million and relates to continued operations. In 2020, total impairments related to NOK 60 million from continued operations and NOK 513 million from discontinued operations.

Reversed impairment of NOK 30 million from continuing operations applies to previously impaired vacated properties available for sublease classified as investment property in Aker Energy. In 2020, an impairment loss of NOK 60 million was recognised regarding these properties, partly reversed in 2021 due to increased sublease. Expected future income from subleases is discounted to net present value and compared to the value of the right-of-use asset. An impairment is recognised if the present value is lower than the value of the right-of-use asset. The impairment recognised in Aker Energy mainly applies to office rent at Fornebu, and some vacated properties in Accra, Ghana.

In 2020, impairment of NOK 513 million from discontinued operations applied to vacated properties in Aker Solutions. The impairment was mainly related to new separable areas that were, or would be, vacated in the near future, and update of market value of potential subleases. NOK 483 million was recognised as impairment of right-of-use assets classified as land and buildings and relates to vacated properties that were, or would be, vacated in the near future, but not made available for sublease.

Vacated lease property made available for sublease and property with operational subleases are classified as investment property. The investment property is measured using a cost model, and when testing the investment property for impairment, the expected future sublease income is discounted to present value and compared to the value of the investment property. In 2020, impairment of NOK 30 million was recognised in Aker Solutions.

Amounts recognised in the income statement and the cash flow statement

Amounts in NOK million	2021	2020
Expenses relating to short-term leases presented in other operating expenses	**(15)**	(14)
Expenses relating to low-value leases presented in other operating expenses	**(2)**	(3)
Expenses relating to variable lease payments presented in other operating expenses	**(28)**	(16)
Interest on lease liabilities presented in financial expenses	**(45)**	(27)
Amounts recognised in the income statement	**(90)**	(60)
Interest expense	**45**	290
Lease payments and interests	**(240)**	(1 195)
Total cash outflows for leases exclusive interest	**(195)**	(905)

Financial lease

Finance lease receivable of NOK 13.8 billion in 2020 represented Ocean Yield's ownership in 43 vessels, and 7 vessels organized as joint venture with Aker Capital. This included NOK 1.3 billion against AKOFS Offshore AS for the lease of Aker Wayfarer. In 2021, Aker has divested all shares in Ocean Yield and has no financial lease receivables recognised in the balance sheet.

Financial sublease

The Group have in 2020 had financial subleases related to right-of-use assets. In accordance with IFRS 16, when the Group is an intermediate lessor, the subleases are classified with reference to the right-of-use assets arising from the head lease. If the lease term in the sublease contract for right-of-use assets cover the main part of the lease term in the head lease, the sublease may be classified as a financial sublease. In these cases, the Group derecognises the right-of-use assets and recognises a receivable at the commencement of the sublease.

At year-end 2020, the group does not have any financial subleases in the balance due to the deconsolidation of Aker Solutions and Akastor. Movements in financial subleases in 2020 is summarised in the table below.

Amounts in NOK million	2020
Balance at 1 January	734
Additions and remeasurements	125
Interest income	20
Lease payments including interests	(111)
Effect of changes in foreign exchange rates	5
Transferred to discoutinued operations	(772)
Balance at 31 December	-

Operational leases (Ocean Yield)

Leases in which a significant portion of the risks and rewards of ownership are retained by Ocean Yield are classified as operating leases. Revenue from operational leases totalled NOK 537 million in 2021 and NOK 918 million in 2020 and is included in discontinuing operations.

Note 20 | Other shares and non-current assets

Amounts in NOK million	2021	2020
Norron funds	56	69
American Shipping Company ASA	372	326
Shares in other companies	14	10
Total other shares and investments	**442**	405
Pension assets (Note 27)	4	-
Derivatives (Note 6 and Note 31)	243	66
Income tax receivable	1	44
Other interest-free non-current receivables	154	160
Total other non-current assets	**402**	270
Total other shares and other non-current assets	**844**	675

Note 21 | Inventories

Amounts in NOK million	2021	2020
Raw materials	76	86
Work in progress	907	214
Finished goods	1 068	831
Total	2 051	1 131

Impairment of inventory recognised as expense during the period	**(6)**	(6)

Carrying amount of inventory pledged as security for liabilities was NOK 988 million as at 31 December 2021.

Note 22 | Trade and other short-term interest-free receivables

Amounts in NOK million	2021	2020
Trade receivables	1 358	724
Contract assets	85	7
Other derivative contracts	111	-
Other short-term interest-free receivables	1 596	1 229
Total	3 151	1 959

Other short-term receivables in 2021 includes prepaid expenses with NOK 793 million.
See also Note 6 Financial risk and exposure.

Note 23 | Earnings per share, dividend per share, and paid-in equity

EARNINGS PER SHARE

Amounts in NOK million	2021	2020
Continued operations:		
Net profit (loss) from continued operations	**481**	(1 573)
Minority interests	**(962)**	(196)
Profit from continued operations attributable to equity holders of the parent	**1 443**	(1 378)
Discontinued operations:		
Net profit (loss) from discontinued operations	**2 763**	511
Minority interests	**(69)**	(2 294)
Profit from discontinued operations attributable to equity holders of the parent	**2 833**	2 805
Total profit attributable to equity holders of the parent	**4 275**	1 427
Shares outstanding at 1 January	**74 272 761**	74 278 199
Changes in own shares held	**14 553**	(5 438)
Total shares outstanding at 31 December	**74 287 314**	74 272 761
Allocation:		
Issued shares at 31 December	**74 321 862**	74 321 862
Own shares held	**(34 548)**	(49 101)
Total shares outstanding at 31 December	**74 287 314**	74 272 761
Weighted average number of shares at 31 December	**74 282 879**	74 269 501

DILUTED EARNINGS PER SHARE

No instruments with a potential dilution effect were outstanding at 31 December 2021 or 31 December 2020.

DIVIDEND

Dividends paid in 2021 was NOK 23.50 per share, NOK 1 746 million in total. Dividends paid in 2020 was NOK 23.50 per share, NOK 1 745 million in total. At the Annual General Meeting on 22 April 2022, it will be proposed a dividend of NOK 14.50 per share, totalling NOK 1 077 million. In addition, it is proposed that the Annual General Meeting authorizes the Board of Directors to declare additional dividend in 2022 based on the 2021 annual accounts.

PAID-IN CAPITAL

See Note 8 to the Aker ASA separate financial statement for a specification of share capital as at 31 December 2021.

Note 24 | Minority interests

The Aker Group includes several subsidiaries owned less than 100 per cent. See Note 9 Operating segments and significant subsidiaries for key figures for some of these companies.

Amounts in NOK million	Aker Horizons	Cognite	Ocean Yield	Aker BioMarine	Philly Shipyard	Other companies	Sum
Per cent minority interests at 31 December 2021	23.85	49.54	-	22.21	42.44	-	-
Balance at 31 December 2020	513	77	3 056	2 082	451	112	**6 290**
Correction previous year	115	(82)	(970)	(1 374)	(133)	-	**(2 445)**
Balance at 1 January 2021	628	(6)	2 085	707	319	111	**3 845**
Profit for the year	(882)	(179)	239	(15)	(26)	(169)	**(1 031)**
Other comprehensive income	73	-	154	33	10	(7)	**263**
Dividend	-	-	(181)	-	-	(40)	**(221)**
New minority, release of minority, gain/loss on transactions	(2 613)	(873)	-	-	-	35	**(3 451)**
Share issue by subsidiary	8 419	1 758	-	-	-	49	**10 227**
Other changes/Loss of control in subsidiaries	-	2	(2 297)	-	-	(1)	**(2 297)**
Balance at 31 December 2021	5 626	703	-	726	303	(22)	**7 335**

Loss of control in subsidiaries

For description of loss of control in subsidiaries see note 8 Sale of subsidiaries and discontinued operations.

Share issue by subsidiary

Through several issues, Aker Horizons and subsidiaries received new equity in 2021. This, together with the minority's equity share of convertible bonds, increased the minority interest in the Aker Group by NOK 8 419 million after deducting the minority's share of transaction costs. In 2021, Cognite received new equity mainly from TCV and Accel, this increased the minority interest by NOK 1 758 million after deducting the minority's share of transaction costs.

Changes in ownership interests while retaining control

Before 1 January 2021 share issues from minority interests have been added to minority interest without adjusting for the relative change in ownership interests in the share of the subsidiary’s equity. From 1 January 2021, Aker and the minority's share of equity in subsidiaries has been adjusted to reflect the relative change in ownership. This also apply when a subsidiary issues new shares and the ownership interests change as a result. The effect of previous years' changes in ownership interests is shown on the line - Correction from previous year. This year’s change is shown in the line - New minority, release of minority, gain/loss on transactions.

Note 25 | Other comprehensive income

Amounts in NOK million	Translation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total	Minority interests	**Total equity**
2021								
Defined benefit plan actuarial gains (losses)	-	-	-	-	7	7	-	**7**
Equity investments at FVOCI - net change in fair value	-	46	-	46	-	46	-	**46**
Items that will not be reclassified to income statement	-	46	-	46	7	54	-	**54**
Changes in fair value of cash flow hedges	-	-	(22)	(22)	-	(22)	(30)	**(52)**
Reclassified to profit or loss: debt investments at FVOCI, translation and cash flow hedges	(1 531)	-	(40)	(1 571)	-	(1 571)	-	**(1 571)**
Currency translation differences	371	-	-	371	-	371	229	**600**
Changes in other comprehensive income from associated and joint venture companies	411	(25)	25	411	(8)	403	64	**467**
Items that may be reclassified to income statement	(749)	(25)	(38)	(813)	(8)	(820)	263	**(557)**
Other comprehensive income 2021	**(749)**	**21**	**(38)**	**(766)**	**-**	**(766)**	**263**	**(503)**

Amounts in NOK million	Translation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total	Minority interests	**Total equity**
2020								
Defined benefit plan actuarial gains (losses)	-	-	-	-	(30)	(30)	(47)	**(77)**
Equity investments at FVOCI - net change in fair value	-	(69)	-	(69)	-	(69)	(26)	**(95)**
Items that will not be reclassified to income statement	-	(69)	-	(69)	(30)	(99)	(73)	**(172)**
Changes in fair value of cash flow hedges	-	-	1	1	-	1	1	**2**
Reclassified to profit or loss: debt investments at FVOCI, translation and cash flow hedges	(462)	-	1	(461)	-	(461)	(28)	**(488)**
Currency translation differences	(112)	-	-	(112)	-	(112)	(194)	**(306)**
Changes in other comprehensive income from associated and joint venture companies	(261)	-	(85)	(346)	-	(346)	(83)	**(429)**
Items that may be reclassified to income statement	(835)	-	(83)	(918)	-	(918)	(304)	**(1 221)**
Other comprehensive income 2020	**(835)**	**(69)**	**(83)**	**(987)**	**(30)**	**(1 017)**	**(376)**	**(1 393)**

Note 26 | Interest-bearing liabilities

Amounts in NOK million	2021	2020
Secured bank loans	**16 811**	20 604
Unsecured bank loans	**3 613**	1 045
Unsecured bond issues	**7 453**	6 379
Convertible loan	**1 955**	863
Loan from associates and other related parties	**235**	105
Overdraft facilities	**180**	246
Other interest-bearing liabilities	**715**	669
Total interest-bearing liabilities	**30 963**	29 910
Recorded as follows:		
Current liabilities	**2 171**	5 173
Non-current liabilities	**28 792**	24 738
Total interest-bearing liabilities	**30 963**	29 910

CHANGES IN THE GROUP'S INTEREST-BEARING LIABILITIES IN 2021:

Amounts in NOK million	Non-current	Current	**Total**
Interest-bearing liabilities as at 31 December 2020	24 738	5 173	**29 910**
Drawn bank facility in Ocean Yield	3 867	-	**3 867**
Loans in Aker Horizons	6 090	-	**6 090**
Drawn bank facility in Aker ASA and holding companies	3 000	-	**3 000**
Bond in Aker ASA and holding companies	500	-	**500**
Drawn bank facility in Aker BioMarine	2 881	-	**2 881**
Convertible subordinated bond in Aker Energy	860	-	**860**
Other new loans and loan fees	615	399	**1 014**
Change in credit facilities	-	(96)	**(96)**
Total payments of interest-bearing loans	**17 813**	**303**	**18 116**
Repayment of USD bank facilities in Aker ASA and holding companies	(893)	-	**(893)**
Repayment of bank facilities in Aker Horizons	(1 022)	-	**(1 022)**
Repayment of NOK facilities in Aker ASA and holding companies	(3 000)	-	**(3 000)**
Repayment of bank facilities in Ocean Yield	(1 075)	(3 985)	**(5 060)**
Repayment of bank facilities in Aker BioMarine	(2 184)	-	**(2 184)**
Other repayments	(277)	(70)	**(347)**
Total repayments of interest-bearing loans	**(8 451)**	**(4 055)**	**(12 506)**
Convertible bond, equity portion in Aker Horizons	(87)	-	**(87)**
Acquisition and sale of subsidiaries	(6 791)	534	**(6 256)**
Reclassification / first year instalments	25	(25)	**-**
Currency translation and other changes	1 545	241	**1 786**
Interest-bearing liabilities as at 31 December 2021	**28 792**	**2 171**	**30 963**

Currency adjustments total NOK 1.8 billion and are mainly attributable to the USD loans described above. Loans denominated in USD at the end of the year totalled USD 2.2 billion. A 10 per cent increase in the USD exchange rate compared to the rate of 8.82 on the balance sheet date would have caused an increase in debt expressed in NOK of NOK 1.9 billion.

CONTRACTUAL TERMS OF INTEREST-BEARING LIABILITIES AS AT 31 DECEMBER 2021:

Amounts in NOK million	Currency	Nominal interest rate	Maturity	Nominal value in currency	Carrying amount (NOK)
Aker Horizons					
Convertible loan	NOK	7%	2026	1 500	1 241
Green bond	NOK	Nibor + 3.25%	2025	2 500	2 474
Construction loan	USD	4.17%	2038 to 2039	1 040	8 712
AMP Loan	USD	8.25%	2025	301	2 563
Unsecured bank loan	NOK		2024	84	84
Other loans					352
Total Aker Horizons					15 426
Aker BioMarine					
Secured bank loans	USD	SOFR + 5%	2024	208	1 834
Secured bank loans	USD	3.13%	2031	87	767
Other loans and overdraft facilities					158
Total Aker BioMarine					2 760
Aker ASA and holding companies					
Unsecured bond issue	NOK	Nibor + 1.90% - 5.00%	2022 to 2024	5 000	4 980
Schuldschein loan	EUR	Euribor + 1.60%	March 2024	100	997
Term loan facilities	NOK	Nibor + margin	May 2023	1 000	998
Term loan facilities	USD	Libor + margin	2024	350	3 077
Total Aker ASA and holding companies					10 052
Other companies					
Aker Property Group	NOK	Nibor + 1.65% - 5.00%	2023	1 653	1 653
Aker Energy	USD	7%	2026	227	2 003
Other companies					65
Elimination					(996)
Total other companies					2 725
Total interest-bearing liabilities					**30 963**

Aker Horizons

In February 2021, the Company issued an unsecured convertible bond in the amount of NOK 1.5 billion. Aker Capital owned 80 per cent of the convertible bond. The bondholders may elect to convert the bonds to shares in the Company at any time during the term of the bond issue at a conversion price which is 25 per cent above the offer price of NOK 35 per share. The company also have unsecured green bond issue in an amount of NOK 2.5 billion, with a tenor of four years and carry an interest rate of 3M NIBOR + 3.25 per cent margin. Mainstream Renewable Power (mainstream) have project financing loan agreements totaling NOK 8.7 billion to finance the majority of Mainstream's commitment in the Condor, Huemul and Copihue projects. Mainstream has also entered into a mezzanine financing loan agreement for NOK 2.6 billion with APM (Australian Mutual Provident) to provide funding to finance a portion of Mainstreams commitments in the Condor, Huemul and Copihue projects. The loans accrue interest of 8.25 per cent in the construction phase and 7.5 per cent during operations.

The facilities include financial covenants as to equity ratio, debt service coverage ratios and minimum liquidity. Aker Horizons was in compliance with all covenants at year-end 2021. Please refer to note 35 Subsequent events for information about certain technical defaults that occurred subsequent to year end.

Aker BioMarine

Instalments and interest on the secured loans are paid semi-annually. The mortgages and overdraft facility, totalling NOK 2.7 billion, are secured in vessels and other assets. The loan and overdraft facilities include several financial covenants. Aker BioMarine was in compliance with all covenants at year-end 2021.

Aker ASA and holding companies

Senior unsecured bonds: The maturity dates and interest rates are shown in Note 13 to Aker ASA's separate financial statements. The principal falls due on the maturity date and interest is payable quarterly.

The Schuldschein loan consists of a EUR 30 million fixed interest tranche with a fixed interest of 1.67 per cent, and a EUR 70 million floating interest tranche with an interest of Euribor plus 1.60 per cent margin. The loan is unsecured.

The mortgage loans have quarterly interest payments. The loans are secured with 42.8 million shares in Aker BP ASA.

The bonds and loans have an average debt maturity of 2.1 years with maturity from September 2022 to November 2024. There are several covenants associated with Aker ASA and holding companies' loans, including debt ratio and total internal loans and guarantees in relation to Aker ASA and holding companies net asset value. Aker ASA was in compliance with all covenants at the end of 2021.

Aker Property Group

The liabilities mainly consist of secured loans of NOK 1.3 billion and construction loan of NOK 352 million. Secured loans are secured in assets with a book value of NOK 1.6 billion. Interest are payable quarterly until maturity.

Aker Energy

Aker Energy has an agreement with Africa Finance Corporation to issue a subordinated convertible loan of USD 200 million. The loan has an interest rate of 7 per cent or 8 per cent per year depending on whether the interest is paid or added to the loan. Aker Energy may accept conversion to equity in the event of a listing of Aker Energy. The loan has a tenor of five years with an extension option of additional three years.

Collateral

Collateral for interest-bearing debt of NOK 18.3 billion has been issued related to secured loans, construction loans and overdraft facilities. The book value of the assets used as collateral is NOK 24.8 billion.

Note 27 | Pension expenses and pension liabilities

The Aker Group's Norwegian companies mainly cover their pension liabilities through group pension plans managed by life insurance companies. The Norwegian companies in the Group are subject to the Norwegian Act relating to mandatory occupational pensions, and the Group meets the requirements of this legislation.

In addition, some of the Norwegian companies are members of an agreement-based early retirement plan (AFP). The schemes provide a some of the Norwegian employees the opportunity to retire before the normal retirement age in Norway of 67 years. Employees who choose retirement will retain a lifelong benefit from the age of 62 years.

The Group's companies outside Norway have pension plans based on local practice and regulations. The Group also has uninsured pension liabilities for which provisions have been made.

The discount rates used in 2021 and 2020 are based on the Norwegian high-quality corporate bond rate.

The following assumptions have been made when calculating liabilities and expenses in Norway:

	Balance 2021	Profit/loss 2021 and balance 2020
Expected return	1.5%	1.5%
Discount rate	1.5%	1.5%
Wage growth	2.5%	2.0%
Pension adjustment	0.0%-1.2%	0.0%-4.0%
Mortality table	K2013	K2013

PENSION EXPENSE RECOGNISED IN PROFIT AND LOSS:

Amounts in NOK million	**2021**	2020
Expense related to benefits earned during the period	**1**	232
Interest expense accrued on pension liabilities	**1**	54
Expected return on pension funds	**(1)**	(33)
Service costs	**-**	9
Pension expense recognised from defined benefit plans	**2**	263
Contribution plans (employer's contribution)	**135**	729
Total pension expense recognised in profit and loss	**137**	992
Allocation in income statement:		
Pension cost recognised as part of wages and other personal expenses	**155**	63
Interest expenses and expected return recognised as part of net financial items	**(20)**	1
Total pension expense recognised in continued operations	**135**	64
Pension cost recognised as part of discountinued operations	**2**	928
Total pension expense recognised in profit for the year	**137**	992

REMEASUREMENT LOSS (GAIN) INCLUDED IN OTHER COMRPEHENSIVE INCOME:

Amounts in NOK million	2021	2020
Change in discount rate and other financial assumptions	-	106
Change in other assumptions	(7)	(10)
Other comprehensive income - loss/(gain) before tax	**(7)**	96
Tax	-	(18)
Other comprehensive income - loss/(gain) after tax	**(7)**	77

CHANGES IN NET PRESENT VALUE OF BENEFIT-BASED PENSION LIABILITIES:

Amounts in NOK million	2021	2020
Net pension liabilities at 1 January	53	1 308
Pension expense recognised from defined benefit plans	2	263
Acquisitions and disposals	-	11
Pension payments	(3)	(63)
Payments received	(4)	(95)
Remeasurements included in other comprehensive income	(7)	96
Effects of changes in exchange rates and other changes	3	4
Deconsolidation and transition to associates	-	(1 470)
Net pension liabilities at 31 December	**44**	53

NET DEFINED-BENEFIT OBLIGATIONS RECOGNISED IN THE BALANCE SHEET:

Amounts in NOK million	2021	2020
Pension liabilities at 31 December	(110)	(120)
Fair value of pension funds at 31 December	66	67
Net liabilities for benefit-based pension liabilities at 31 December	**(44)**	(53)
Pension funds	4	0
Pension liabilities	(48)	(54)
Net liabilities for benefit-based pension liabilities at 31 December	**(44)**	(53)

PLAN ASSETS PER CATEGORY:

Amounts in NOK million	2021	2020
Bonds	33	36
Other	33	31
Total funds Norwegian plans	**66**	67
Total funds for plans outside Norway	-	-
Total funds	**66**	67

The bond investments are mainly in Norwegian municipalities. Norwegian municipalities are assumed to have a rating equal to AA, but there are no official ratings for the majority of these investments. The remaining bond investments are primarily in the Norwegian market within bonds classified as being "Investment Grade".

SENSITIVITY (NORWEGIAN PLANS):

In the table below, the effect on pension expenses and pension liabilities is depicted given a one percentage point increase or decrease in the discount rate. The effect of a one percentage point increase or reduction in pension adjustment is shown as well.

Amounts in NOK million	1%-point increase	1%-point reduction
Discount rate	(7)	9
Future pension growth	8	(9)

Note 28 | Other interest-free long-term liabilities

Amounts in NOK million	2021	2020
US pension guarantee provision (see Note 11 to the Aker ASA financial statement)	**29**	62
Derivatives (see also Note 31)	**169**	133
Deferred revenue and deferred considerations	**-**	5
Other interest-free long-term debt	**127**	295
Total other interest-free long-term liabilities	**325**	495

Note 29 | Provisions

Amounts in NOK million	Warranties	Abandonment provision	Other	Total
Balance at 1 January 2021	15	-	736	**752**
Acquisition and disposals of subsidiaries	6	-	177	**183**
Provisions made during the year	6	90	13	**109**
Provisions used during the year	(1)	-	(165)	**(166)**
Provisions reversed during the year	(1)	(4)	-	**(5)**
Reclassifications	-	4	-	**4**
Currency exchange adjustment	1	-	26	**26**
Balance at 31 December 2021	**27**	**89**	**787**	**903**
Non-current liabilities	-	89	8	**98**
Current liabilities	27	-	778	**805**
Balance at 31 December 2021	**27**	**89**	**787**	**903**

Amounts in NOK million	Warranties	Abandonment provision	Other	Total
Balance at 1 January 2020	377	109	1 289	**1 774**
Provisions made during the year	188	-	359	**547**
Provisions used during the year	(112)	(112)	(339)	**(563)**
Provisions reversed during the year	(39)	-	(211)	**(250)**
Reclassifications	1	(4)	19	**17**
Currency exchange adjustment	(4)	8	(26)	**(22)**
Deconsolidation and transfer to associates	(395)	-	(355)	**(750)**
Balance at 31 December 2020	**15**	**-**	**736**	**752**
Non-current liabilities	-	-	729	**729**
Current liabilities	15	-	7	**22**
Balance at 31 December 2020	**15**	**-**	**736**	**752**

Warranties

The provision for warranties at year-end 2021 mainly relates to Philly Shipyard. The normal warranty period for a new vessel is typically twelve months after delivery but can be extended in cases where there are specific issues that have not been fully resolved within the normal warranty period.

The decrease in warranty provisions in 2020 relates to changes in provisions in Aker Solutions and Akastor, and the deconsolidation of these companies.

Removal and decommissioning liabilities

Removal and decommissioning liabilities of NOK 89 million relates to recognised provisions for projects that reached completion in Chile in Aker Horizons in 2021.

Other provisions

Other provisions mainly comprise Aker Energy with NOK 729 million, Aker Horizons with NOK 37 million and Aker Property Group with NOK 12 million. The provision in Aker Energy is mainly related to contingent liability from the acquisition of Hess Ghana. The provision will be settled when the Plan of Development is approved by the Ghanaian authorities. The provision is reclassified from non-current to current liability during the year.

The decrease in other provisions in 2020 mainly relates to changes in provisions in Aker Solutions and Akastor, and the deconsolidation of these companies.

Note 30 | Trade and other payables

Amounts in NOK million	2021	2020
Trade accounts payable	**886**	402
Contract liabilities and advances	**3 023**	1 130
Accruals of operating- and financial expenses	**2 518**	187
Other current interest-free liabilities	**783**	699
Total	**7 210**	2 419

Other current liabilities include VAT, payroll tax and tax withholding and reserves for unpaid wages and holiday payments.

Note 31 | Financial instruments

See also Note 6 Financial risk and exposure for description of financial instruments.

CARRYING AMOUNTS AND ESTIMATES OF FAIR VALUE

	2021		2020	
Amounts in NOK million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets carried at fair value				
Financial assets at fair value through other comprehensive income (FVOCI) [1]	**437**	**437**	404	404
Financial assets at fair value through profit and loss (including derivatives)	**7**	**7**	3	3
Other derivative contracts - hedge accounting at FVOCI	**110**	**110**	66	66
Interest rate swaps - hedge accounting at FVOCI	**243**	**243**	-	-
Foreign exchange contracts - hedge accounting at FVOCI	**-**	**-**	-	-
Total financial assets carried at fair value	**797**	**797**	473	473
Financial assets carried at amortised cost				
Loans and receivables	**5 399**	**5 399**	15 517	15 517
Cash and cash equivalents (including long-term restricted deposits, see Note 18)	**17 255**	**17 255**	5 063	5 063
Total financial assets carried at amortised cost	**22 654**	**22 654**	20 580	20 580
Financial liabilities carried at fair value				
Interest rate swaps - hedge accounting at FVOCI	**153**	**153**	-	-
Foreign exchange contracts - hedge accounting at FVOCI	**2**	**2**	-	-
Other derivative contracts - hedge accounting at FVOCI	**-**	**-**	77	77
Derivative contracts - not hedge accounting at fair value through profit and loss	**18**	**18**	178	178
Other liabilities at fair value through profit and loss [2]	**156**	**156**	43	43
Total financial liabilities carried at fair value	**328**	**328**	297	297
Financial liabilities carried at amortised cost				
Bonds	**7 453**	**7 453**	6 379	6 362
Other interest-bearing debt	**23 510**	**23 510**	23 531	23 660
Interest-free non-current financial liabilities	**156**	**156**	357	357
Interest-free current financial liabilities	**3 732**	**3 732**	1 015	1 015
Total financial liabilities carried at amortised cost	**34 851**	**34 851**	31 282	31 394

1) Consist of investments in equity instruments with NOK 404 million. These investments are designated to FVOCI. The equity instruments are not held for trading and are classified as medium to long-term strategic investments. The largest investment is shares in American Shipping Company ASA with NOK 372 million.

NOK 0.2 billion of financial liabilities classified as fixed rate in the interest profile table (Note 6) are liabilities that pursuant to contract have floating interest rates but have been swapped to fixed rates using interest rate swaps. In the table above, the changes in the fair value of these derivatives due to interest rate changes are shown on the line “Derivative contracts - not hedge accounting at fair value through profit and loss”.

FAIR VALUE HIERARCHY

The table below analyses financial instruments by valuation method. See Note 2 Basis for preparation and estimates and assumptions for definitions of the different levels in the fair value hierarchy.

	2021		
Amounts in NOK million	Level 1	Level 2	Level 3
Financial assets carried at fair value			
Financial assets at fair value through other comprehensive income	428	-	9
Financial assets at fair value through profit and loss (including derivatives)	0	7	-
Derivatives - hedge accounting at FVOCI	-	353	-
Total	428	359	9
Financial liabilities carried at fair value			
Interest rate swaps - hedge accounting at FVOCI	-	153	-
Foreign exchange contracts - hedge accounting at FVOCI	-	2	-
Derivative contracts - not hedge accounting at fair value through profit and loss	-	18	-
Other liabilities at fair value through profit and loss	-	14	142
Total	-	186	142
Fair value interest-bearing financial liabilities carried at amortised cost			
Bonds	4 980	2 474	-
Other interest-bearing debt	-	19 234	1 802
Total	4 980	21 708	1 802

CHANGES FOR RECURRING FAIR VALUE MEASUREMENTS FOR FINANCIAL ASSETS CLASSIFIED AS LEVEL 3 AS AT 31 DECEMBER:

Amounts in NOK million	**2021**	2020
Carrying amount as at 1 January	**9**	1 763
Transfer to level 3	**-**	2
Transfer from level 3	**-**	(39)
Total gains or losses for the period recognised in the income statement	**-**	(96)
Total gains or losses recognised in other comprehensive income	**-**	(42)
Purchases	**-**	-
Divestment and other	**-**	(4)
Deconsolidation and transition to associates	**-**	(1 575)
Carrying amount as at 31 December	**9**	9

Note 32 | Contingencies, guarantee liabilities and legal claims

GUARANTEES

In the course of ordinary operations, completion guarantees are issued, and advance payments are received from customers. Guarantees are typically issued by a financial institution to the customer or in connection with projects.

LEGAL DISPUTES

Through their activities, the group companies are involved in various disputes all over the world. Provisions are made to cover expected losses resulting from such disputes if a negative outcome is likely and a reliable estimate can be prepared. However, the final decision in such cases will always be associated with uncertainty, and a liability may thus exceed the provision made in the accounts.

TAX CLAIMS

Group companies are regularly involved in matters under consideration by local tax authorities in various countries. The group treats matters, which have not been finally resolved, in accordance with the information available at the time the annual accounts are issued.

Note 33 | Transactions and agreements with related parties

Aker ASA's main shareholder is TRG Holding AS, controlled by Kjell Inge Røkke through The Resource Group TRG AS (TRG AS). The Aker Group treats all companies controlled by Kjell Inge Røkke as related parties.

In November 2021, Aker sold all shares in Ocean Yield and profit and loss from the company is presented as part of discontinuing business. The table below summarises part of revenues in discontinuing operations to related parties in 2020 and 2021.

Aker Solutions and Akastor went from being accounted for as subsidiaries to associated companies in December 2020. For practical purposes, transactions that Aker Solutions and Akastor in 2020 have had with related parties of the Aker Group are disclosed below for the full year 2020. For the information regarding balances with related parties as of the end of 2020, Aker Solutions and Akastor are treated as associated companies.

TRANSACTIONS WITH KJELL INGE RØKKE AND FAMILY

Through TRG AS, Kjell Inge Røkke owns various companies with investments in industrial properties, as well as 40 per cent of the shares of the commercial real estate company Fornebu Gateway AS. Companies within the group are tenants at several of these properties. In 2021, companies within the group paid NOK 92 million in rent to the real estate companies owned by TRG and NOK 83 million in rent to Fornebu Gateway AS (NOK 91 million to the real estate companies owned by TRG and NOK 194 million in rent to Fornebu Gateway AS in 2020). Except for contractual annual CPI-adjustments, the rent has been unchanged subsequent to TRG taking over the ownership of the properties a few years ago. The amounts above include rent from companies within Aker Solutions and Akastor for the full year 2020.

Since 2015, Aker ASA has guaranteed for certain pension liabilities in TRG AS that the company took over from Aker ASA in 2015 (see Note 11 to Aker ASA's separate financial statement).

TRG AS has per the end of 2021 contributed a total of NOK 925 million in equity to Aker Energy since the establishment of the company. TRG's subsidiary TRG Energy AS and related entities, that explores another oil field in Ghana, were in 2021 invoiced NOK 11 million from Aker Energy for manhours related to that oil field (NOK 39 million in 2020). Aker Energy had a receivable towards TRG Energy AS and related entities of USD 13.2 million in total at the of 2021 (USD 15.6 at the end of 2020).

When Aker employees perform services for Kjell Inge Røkke or other related parties, Aker's expenses are billed in full. In 2021, TRG AS and Kjell Inge Røkke paid NOK 1.8 million plus value added tax for services and rental of premises (NOK 2.4 million in 2020). TRG AS and Kjell Inge Røkke have provided services to Aker for NOK 4.8 million in 2021 (NOK 2.5 million in 2020).

Except for the above-mentioned transactions, and remuneration for his work as chairman of the board of Aker ASA and board representative in other companies within the group (see Note 34), Aker has no material outstanding accounts or other transactions with Kjell Inge Røkke.

Kristian Røkke, son of Kjell Inge Røkke, was employed as Chief Investment Officer in Aker ASA until 31 August 2020, upon when he became CEO of Aker Horizons AS. See Note 34 for information about his remuneration from Aker ASA. In 2021, Kristian Røkke has received NOK 5.6 million in salary and remuneration as CEO of Aker Horizons (NOK 1.1 in 2020).

TRANSACTIONS WITH EMPLOYEES AND MEMBERS OF THE BOARD

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 with a more focused ownership. Aker's former CFO and current deputy chairman of the board, Frank O. Reite, is the largest shareholder of Converto.

In connection with the listing of Aker BioMarine AS in July 2020, Aker purchased 460 357 shares in Aker BioMarine from KMMN Invest II AS, a company wholly owned by Aker BioMarine's CEO Matts Johansen, at a price per share equal to the price per share in the listing. The consideration was used to repay KMMN Invest II AS 'debt to Aker ASA, including accrued interest.

TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES OUTSIDE ORDINARY COURSE OF BUSINESS

Several of the companies within the group have transactions with related parties to the group as part of their ordinary course of business. This particularly applies to Aker BP, who received products and services from several companies within the group, including Ocean Yield (sold in 2021), Cognite and Aker Horizons, as well as Aker's associated companies Aker Solutions and Akastor. In addition, Aker Horizons has transactions with Aker Solutions regarded as part of their ordinary course of business. Below are descriptions of other transactions with associates and joint ventures outside ordinary course of business.

Aker Energy AS

In connection with the development of Aker Energy's oil field in Ghana, the company has paid for services from Aker Solutions of NOK 48 million and from Aker BP of NOK 5 million in 2021. In 2020, Aker BP has invoiced NOK 4 million to Aker Energy for services related to the development of the oil field.

Akastor

In connection with the refinancing of corporate credit facilities, Akastor has entered into a subordinated loan agreement with Aker Holding AS, a wholly owned subsidiary to Aker ASA. The agreement provides credit facility of NOK 250 million with a NIBOR interest plus margin of 10 per cent available to Akastor and maturity is in March 2023. The facility is undrawn at 31.12.2021.

Akastor ASA – acquisition of DDW Offshore AS

DDW Offshore AS (previously DOF Deepwater AS) was a joint venture between Akastor and DOF ASA ("DOF"). On October 9, 2020, DDW Offshore completed a restructuring of its debt with its lenders. The restructuring involved DOF transferring all of its shares in DDW Offshore to Akastor for a nominal amount, and Akastor hence assuming 100 per cent ownership in the company. Further, 50 per cent of the debt in DDW Offshore was converted to equity and the remaining 50 per cent remains on existing terms, including a parent company guarantee from Akastor. The maturity date of the debts is in October 2023. The company is obliged to divest all its five vessels on or around the maturity date of the debts and the sales proceeds after transaction costs shall be shared 50/50 between the lenders and DDW Offshore.

TRANSACTIONS AND OUTSTANDING BALANCES INVOLVING RELATED PARTIES

Amounts in NOK million	2021	2020
Income statement:		
Operating revenues[1)]	**705**	577
Operating expenses	**(2)**	(1)
Depreciation and impairment ROU assets	**(32)**	(111)
Net financial items	**(4)**	(11)
Balance sheet:		
Right of use assets	**330**	293
Finance lease receivable	**-**	-
Interest-bearing receivable	**22**	46
Trade receivable and other interest-free current assets	**354**	269
Total assets	**706**	608
Trade liabilities and other interest-free current liabilities	**(66)**	(153)
Interest-bearing debt	**(235)**	(105)
Lease liabilities	**(363)**	(341)
Net exposure	**41**	9

[1)] In addition, operating revenues included in profit from discontinued operations in 2021 and 2020 of NOK 0.1 billion and NOK 3.0 billion, respectively. Operating revenues in 2020 mainly to sale of equipment and services from Aker Solutions to Aker BP and sale of manhours to jointly controlled entities.

Note 34 | Salary and other remuneration to the Board of Directors, nomination committee, CEO and other senior executives

REMUNERATION TO AND SHARES OWNED BY THE BOARD OF DIRECTORS

Amounts in NOK	Shares owned as of 31 December 2021	2021	2020
Kjell Inge Røkke (Chairman of the Board)[1]	50 673 577	**620 000**	620 000
Frank O. Reite (Deputy Chairman from 28 April 2021)[2]	74 182	**283 333**	-
Finn Berg Jacobsen (Deputy Chairman until his passing in February 2021)	-	**59 028**	425 000
Kristin Krohn Devold (Director)	590	**375 000**	375 000
Karen Simon (Director)	-	**375 000**	375 000
Atle Tranøy (Employee representative)[3]	-	**187 500**	187 500
Arnfinn Stensø (Employee representative)[3]	-	**187 500**	187 500
Sofie Valdersnes (Employee representative since 28.04.2021)[3]	-	**125 000**	-
Tommy Angeltveit (Employee representative until 28.04.2021)[3]	-	**62 500**	187 500
Total		**2 274 861**	2 357 500

1) *Owns 96.5 per cent of The Resource Group TRG AS (TRG AS). TRG AS owns 99.71 per cent of TRG Holding AS, which owns 68.18 per cent of Aker ASA. TRG AS also owns 61 662 621 shares in Aker Energy AS. Kjell Inge Røkke's minor son, Normann Eidsvig Røkke, owns 100 shares in Aker ASA, and 2 500 shares in Aker Horizons ASA.*

2) *Owned through his wholly-owned company Fausken Invest AS. Fausken Invest AS also owns 200 000 shares in Akastor ASA. The company also holds an option for 356 509 shares in Solstad ASA.*

3) *The employee representatives have the same responsibilities as the other board directors, and should therefore generally have the same compensation. However, based om an initiative from the employees, an agreement has been made between Aker ASA and employee representatives from LO and other labour organisations, consequently the employee representatives receive a lower compensation.*

REMUNERATION TO THE AUDIT COMMITTEE

Amounts in NOK	2021	2020
Frank O. Reite (Chairman of the audit committee since 28 April 2021)	**126 667**	-
Finn Berg Jacobsen (Chairman of the audit committee until his passing in February 2021)	**26 389**	190 000
Atle Tranøy	**135 000**	135 000
Kristin Krohn Devold	**135 000**	135 000
Total	**423 056**	460 000

REMUNERATION TO THE NOMINATION COMMITTEE

Amounts in NOK	2021	2020
Kjell Inge Røkke (Chairman of the nomination committee)	**45 000**	45 000
Leif-Arne Langøy	**45 000**	45 000
Gerhard Heiberg (member of the nomination committee until 27 April 2020)	**-**	15 000
Total	**90 000**	105 000

All remunerations are vested during the year. Provisions have been made for unpaid amounts at year-end in accordance with best estimate.

In 2021, The Resource Group TRG AS (TRG) earned NOK 665 000 in board and nomination committee remuneration from Aker ASA (NOK 665 000 in 2020), through Board Chairman Kjell Inge Røkke. TRG also earned board remuneration from other Aker-owned companies totalling NOK 1 459 315 through Kjell Inge Røkke in 2021 (NOK 1 294 000 in 2020). See also Note 33 Transactions and agreements with related parties.

In 2021, Frank O. Reite earned NOK 1 000 000 in advisory services from Aker ASA through his wholly owned company Fausken Invest AS. Some board members also hold directorships in other companies within the Aker Group. The board members earned no payments from Aker ASA in 2021 or 2020 except as described above.

AKER'S ORGANISATIONAL STRUCTURE

Aker ASA's numerous operational companies are organised into two portfolios: one industrial and one financial. At the end of 2021, Aker's executive team consisted of President and CEO Øyvind Eriksen and CFO Svein Oskar Stoknes.

REMUNERATION OF SENIOR EXECUTIVES

Øyvind Eriksen's appointment as President and CEO can be terminated by either party on three months' notice. If his contract is terminated by the company, Mr. Eriksen is entitled to three months' severance pay. The remuneration plan for Mr. Eriksen includes a fixed salary, standard employee pension and insurance coverage and a variable salary element. The variable salary element may total up to two-thirds of the fixed salary. As at 31 December 2021, Mr. Eriksen owns 219 072 shares in Aker ASA through his wholly-owned company Erøy AS. Erøy AS also owns 285 714 shares in Aker Horizons ASA, 214 650 shares in Cognite AS and 100 000 Class-B shares (0.2 per cent) in TRG Holding AS as at 31 December 2021.

CFO Svein Oskar Stoknes' appointment can be terminated by either party on three months' notice. If his contract is terminated by the company, Mr. Stoknes is entitled to three months' severance pay. Any salary or remuneration received during the period of severance will be deducted from the company's severance payment. The remuneration plan for Mr. Stoknes includes a fixed salary, standard employee pension and insurance coverage and a variable salary element. Mr. Stoknes' contractual variable salary may total up to 140 per cent of his fixed salary, including a bonus-share award scheme. Mr. Stoknes' remuneration also includes an option to buy Aker ASA shares at a discount (see Aker ASA Note 2 for a description of the scheme). Stoknes was in 2021 awarded 1 195 bonus shares for 2020. As at 31 December 2021, Mr. Stoknes owns 6 620 shares in Aker ASA. In addition, Mr. Stoknes owns 26 444 shares in Aker Solutions ASA, 26 444 shares in Aker Offshore Wind AS, 26 444 shares in Aker Carbon Capture ASA, 29 825 shares in Aker Horizons ASA, and 1 297 shares in Akastor ASA as at 31 December 2021.

Senior executives receive no remuneration for directorships or membership of nomination committees of other Aker companies. In 2021, Aker ASA invoiced a total of NOK 2 353 439 in respect of Øyvind Eriksen's directorships of other Aker companies. Aker ASA invoiced NOK 387 940 in respect of Svein Oskar Stoknes' directorships of other Aker companies in 2021.

The President and CEO and other senior executives receive no other remuneration than described above. Accordingly, their employment conditions include no loans, guarantees or stock option rights.

Vested renumeration for senior executives follows in the tables below

Amounts in NOK			Salary	Variable pay [1]	Additional renumeration	Total remuneration	Net pension expense
2021							
Øyvind Eriksen	CEO	01.01-31.12	17 199 760	13 078 678	25 814	30 304 253	191 972
Svein Oskar Stoknes	CFO	01.01-31.12	3 430 666	5 000 493 [2]	19 461	8 450 621	190 363
Sum			20 630 426	18 079 171	45 275	38 754 873	382 335

1) Including provision for calculated holiday pay to be paid out in 2022.
2) Including vested value of bonus shares awarded in 2022 and estimated value of dividend bonus based on an ordinary dividend for 2021 of NOK 14.50 per share, plus remaining share of dividend bonus for 2021 that was not provided for as per 31 December 2020.

Amounts in NOK			Salary	Variable pay	Additional renumeration	Total remuneration	Net pension expense
2020							
Øyvind Eriksen [1]	CEO	01.01-31.12	10 930 264	46 641	26 259	11 003 163	184 657
Svein Oskar Stoknes	CFO	01.01-31.12	3 456 029	3 225 817 [2]	17 026	6 698 872	182 871
Kristian Røkke	CIO	01.01-31.08	2 171 929	2 183 035 [2]	11 988	4 366 952	118 466
Sum			16 558 221	5 455 493	55 273	22 068 987	485 994

1) Due to the COVID-19 situation, Øyvind Eriksen chose to cut his salary in half for the period 01.04.2020 to 31.12.2020 and abstained from material bonus payment.
2) Including vested value of bonus shares awarded in 2021 and estimated value of dividend bonus based on ordinary dividend for 2020 of NOK 11.75 per share.

Note 35 | Events after the balance sheet date

RUSSIA'S MILITARY INVASION OF UKRAINE

Geopolitical tensions and nervous capital markets have characterized the start of 2022. The situation escalated with Russia's invasion of Ukraine on 24 February. In addition to the human suffering and humanitarian crisis, this is also a serious setback for the world's democratic and economic development and brings substantial uncertainty with respect to the global economy, energy prices and share prices on the world's stock markets and is also likely to lead to permanent changes in international relations.

Aker is closely monitoring the development and the related financial sanctions on the Russian economy and Russian companies. Aker Energy's license partner Lukoil is subject to the 2014 US energy sector sanctions, but the DWT/CTP project is exempted being initiated prior the sanctions becoming effective. Launch of new sanctions is being monitored and the possible implications for the project and for the Aker group are being assessed.

AKER HORIZONS

Mainstream Renewable Power (Mainstream)

Subsequent to year end and as expected, certain technical events of default in the Condor portfolio have occurred relating to minor operational matters in the loan facilities customary for project finance facilities of this nature. Any event of default occurring on the Condor, Huemul or Copihue facility causes a technical cross default on the Trade Finance Facility and AMP mezzanine facilities. The cross default on these facilities are automatically resolved once the Condor portfolio is out of technical default. An active dialogue with the banks is ongoing relating to resolve the technical defaults, expected to be concluded by the end of March 2022. Mainstream sees no risk of any change in the nature of the facilities.

On 2 February 2022, Mainstream announced the sale of its shareholding in Aela Energía. Aela Energía has grown to become Chile's largest independent producer of renewable energy, since it was established in 2013 as part of a joint venture between Actis (60 percent) and Mainstream (40 percent). The divestment will generate net proceeds after tax to Mainstream of approximately USD 114 million. The shareholding was presented as held for sale in the balance sheet as of 31 December 2021, see Note 8.

On 24 March 2022, Mainstream announced that Mitsui & Co., Ltd. ("Mitsui") has agreed to invest EUR 575 million in Mainstream in the form of new common shares, corresponding to a 27.5 per cent equity stake in the Mainstream. Mitsui will take a long-term active role to accelerate growth of Mainstream's renewable energy portfolio globally, alongside Aker Horizons, which will own 54.4 per cent of Mainstream following the transaction. This transaction values Mainstream at approximately EUR 2.1 billion on a 100 per cent basis.

REC Silicon ASA

On 19 January 2022, Aker Horizons completed the sale of approximately 21.9 million shares in REC Silicon ASA ("REC") to Hanwha Solutions Corporation for NOK 20 per share. The shareholding was presented as held for sale in the balance sheet as of 31 December 2021, see Note 8.

On 23 March 2022, Aker Horizons entered into an agreement with Hanwha Solutions Corporation and Hanwha Corporation to sell all of Aker Horizons' remaining shares in REC. Aker Horizons will sell 70.1 million shares in REC Silicon at a price of NOK 20 per share, resulting in total proceeds to Aker Horizons of approximately NOK 1 402 million. Following completion of the transaction, Aker Horizons will no longer own any shares or hold any voting rights in REC. Completion of the transactions is expected to occur before the annual general meeting in REC scheduled in May 2022, subject to a customary anti-trust filing in the US.

Aker ASA

Income statement

Amounts in NOK million	Note	2021	2020
Salaries and other personnel related expenses	*2,10,18*	**(164)**	(109)
Depreciation of fixed assets	*3*	**(12)**	(12)
Other operating expenses	*2*	**(136)**	(140)
Operating profit (loss)		**(313)**	(261)
Interest income from subsidiaries		**6**	70
Other interest income		**2**	28
Reversed impairments of shares	*6*	**967**	1 093
Dividends from subsidiaries	*4*	**3 030**	55
Foreign exchange gains		**49**	75
Gains sale of shares	*4*	**8**	4 435
Other financial income		**6**	57
Total financial income		**4 068**	5 813
Interest expenses to subsidiaries		**(2)**	(4)
Other interest expenses		**(199)**	(233)
Impairments of shares	*6*	**-**	(262)
Foreign exchange losses		**(19)**	(70)
Other financial expenses		**(62)**	(181)
Total financial expenses		**(283)**	(749)
Net financial items		**3 786**	5 064
Profit before tax		**3 473**	4 803
Tax expense	*9*	**-**	-
Profit after tax		**3 473**	4 803
Allocation of profit/loss for the year:			
Profit (+) / loss (-)		**3 473**	4 803
Allocation of dividend		**(1 077)**	(873)
Transferred from (+) / allocated to (-) other equity		**(2 396)**	(3 931)
Total	***8***	**-**	-

Balance sheet as at 31 December

Amounts in NOK million	Note	2021	2020
ASSETS			
Deferred tax assets	9	**-**	-
Property, plant and equipment	3	**69**	78
Shares in subsidiaries	4	**29 211**	28 245
Non-current receivables from group companies	5	**-**	26
Other non-current financial assets	5	**28**	29
Total non-current assets		**29 308**	28 378
Current receivables from group companies	5	**3 016**	5
Other current receivables		**27**	74
Cash and cash equivalents	7	**105**	645
Total current assets		**3 147**	723
Total assets		**32 455**	29 101
EQUITY AND LIABILITIES			
Share capital		**2 081**	2 081
Own shares		**(1)**	(1)
Share premium		**244**	244
Other paid-in equity		**3**	-
Total paid-in equity		**2 328**	2 324
Other equity		**21 715**	20 185
Total equity	8	**24 042**	22 509
Pension liabilities	10	**35**	44
Other non-current provisions	11	**29**	62
Non-current liabilities to group companies	12	**1 187**	12
Non-current external interest-bearing debt	13	**4 977**	5 524
Total non-current liabilities		**6 228**	5 642
Allocated dividend	8	**1 077**	873
Current external interest-bearing debt	13	**999**	-
Other current liabilities	14	**108**	77
Total current liabilities		**2 184**	949
Total equity and liabilities		**32 455**	29 101

Fornebu, 24 March 2022
Aker ASA

Kjell Inge Røkke (sign)
Chairman

Frank O. Reite (sign)
Deputy Chairman

Kristin Krohn Devold (sign)
Director

Karen Simon (sign)
Director

Atle Tranøy (sign)
Director

Sofie Valdersnes (sign)
Director

Arnfinn Stensø (sign)
Director

Øyvind Eriksen (sign)
President and CEO

Cash flow statement

Amounts in NOK million	Note	2021	2020
Profit before tax		**3 473**	4 803
Sales losses/gains(-) and write-downs/reversals(-) of shares	*4,6*	**(975)**	(5 266)
Foreign exchange losses/gains(-)		**(44)**	(12)
Depreciation and write-downs of fixed assets	*3*	**12**	12
Dividend income from subsidiaries not yet received	*4*	**(3 000)**	-
Changes in other current items, etc.		**35**	1 127
Cash flow from operating activities		**(498)**	664
Sales proceeds/acquisitions(-) of fixed assets	*3*	**(3)**	(3)
Sale of shares and other equity investments		**8**	8 524
Acquisitions of shares and other equity investments		**-**	(2 671)
Repayments of interest-bearing receivables		**-**	48
Payments on interest-bearing receivables		**-**	(10)
Cash flow from investment activities		**5**	5 888
Issue of non-current debt		**2 490**	-
Repayments of external interest-bearing debt		**(2 000)**	(1 351)
Net repayments/payments (-) on debt to group companies		**1 206**	(4 591)
Dividend paid and payments from other equity transactions		**(1 742)**	(1 754)
Cash flow from financing activities		**(47)**	(7 695)
Cash flow for the year		**(540)**	(1 143)
Cash and cash equivalents as at 1 January	*7*	**645**	1 787
Cash and cash equivalents as at 31 December	*7*	**105**	645

Notes to the financial statements

Note 1 | Accounting principles

The financial statements are prepared and presented in Norwegian kroner (NOK). The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway as at 31 December 2021.

SUBSIDIARIES, ASSCIATES AND JOINT VENTURES

Subsidiaries are companies in which Aker ASA has control. This normally means an ownership interest of more than 50 per cent, and that the investment is long-term and of a strategic nature. Associates are companies in which Aker ASA has significant influence, but not control, which normally is the case when Aker ASA holds between 20 per cent and 50 per cent of the voting shares. Joint ventures are contractual arrangements whereby two or more parties undertake an economic activity that is subject to joint control, and whereby the parties have rights to the net assets of the arrangement.

Subsidiaries, associates and joint ventures are accounted for using the cost method in Aker ASA's separate financial statements. A write-down to fair value is made whenever impairment is due to causes that are assumed to be non-transient. A reversal is made whenever the impairment is no longer present. Dividends exceeding the share of retained profits since acquisition are deemed as refunds of invested capital and reduce the book value of the investments. Received dividends from companies owned less than 90 per cent are accounted for when the dividends are approved.

A group contribution received that exceeds Aker ASA's share of retained profits since acquisition, is booked as a deduction from the book value of the investment, with a corresponding deduction of the deferred tax asset (or an increase in deferred tax). In cases where no deferred tax asset is booked and an amount equal to the group contribution is transferred back to the subsidiary as a group contribution without tax effect, the entire received group contribution will be recorded as a deduction from the book value of the investment (without any corresponding entry with respect to deferred tax assets/deferred tax). The group contribution without tax effect is then correspondingly recorded as an increase in the book value of the investment, with the result that the net effect on the investment is zero. This reflects the fact that, overall, the "circular group contribution" has not constituted a transfer of value between Aker ASA and the subsidiary.

CLASSIFICATION AND ASSESMENT OF BALANCE SHEET ITEMS

Current assets and current liabilities comprise items that fall due within one year after the balance sheet date. Other items are classified as non-current assets/non-current liabilities.

Current assets are valued at the lower of acquisition cost or fair value. Current debt is recognised at its nominal value at the time it was recorded. Non-current assets are valued at acquisition cost but written down to fair value whenever impairment is deemed non-transient. Non-current debt is recognised at nominal value. Fixed interest rate bonds are accounted for at amortised cost.

RECEIVABLES

Trade receivables and other receivables are recorded at par value after the subtraction of a provision for expected losses. Provisions are made for losses based on individual assessments of each receivable.

FOREIGN CURRENCY

Transactions in foreign currencies are translated into NOK using the exchange rates applicable at the time of each transaction. Monetary items in foreign currencies are translated into NOK using the exchange rates applicable on the balance sheet date. Non-monetary items that are measured at fair value in a foreign currency are translated into NOK using the exchange rates applicable on the date of measurement. Valuation changes due to exchange rate fluctuations are recorded on a continuous basis under other financial items.

NON-CURRENT ASSETS

Non-current assets are recognised and depreciated over the estimated life of the asset. Direct maintenance of operating assets is expensed on an ongoing basis as operating expenses, while improvements and enhancements are added to the acquisition cost and depreciated in line with the asset. If the recoverable amount of the operating asset is less than its carrying value, the recoverable amount is impaired. The recoverable amount is the higher of net sales value and value-in-use. Value-in-use is the present value of the future cash flows that the asset is expected to generate.

PENSIONS

Pension expenses and pension liabilities are calculated according to linear vesting based on expected final salary. The calculation is based on a number of assumptions such as the discount rate, future salary increases, pensions and other social benefits from the Norwegian national insurance system (Folketrygden), future returns on pension funds and actuarial assumptions regarding mortality and voluntary retirement. Pension funds are recognised at fair value.

TAX

The tax expense in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at a nominal value rate based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the end of the accounting year. Tax increasing and tax decreasing temporary differences that reverse or can be reversed in the same period are offset. Net deferred tax assets are recognised to the extent that it is probable that they can be utilised.

CASH FLOW STATEMENT

The cash flow statement is prepared according to the indirect method. Cash and cash equivalents consist of cash, bank deposits and other current, liquid investments.

THE USE OF ESTIMATES

Preparation of the annual accounts in accordance with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting principles, as well as the reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are reviewed and assessed on an ongoing basis, and are based on historical experience and various other factors considered to be reasonable. Changes to the accounting estimates are recognised in the profit and loss account in the same period as the one in which the estimates are revised, unless deferred allocations are prescribed by generally accepted accounting principles.

Note 2 | Salaries and other remunerations

Amounts in NOK million	2021	2020
Salaries	**126**	77
Social security contributions	**21**	18
Pension expenses exclusive financial items (see Note 10)	**6**	6
Other benefits	**11**	8
Total salaries and other personnel expenses	**164**	109
Number of employees at year-end	**45**	40
Number of full-time equivalents at year-end	**44**	39

AUDIT FEE IS INCLUDED IN OTHER OPERATING EXPENSES AND CONSISTS OF THE FOLLOWING:

Amounts in NOK million, inclusive VAT	2021	2020
Statutory audit	**1.7**	2.3
Attestation services	**-**	-
Tax services	**-**	-
Other services	**0.4**	0.9
Total	**2.1**	3.2

REMUNERATION TO/FROM GROUP COMPANIES AND RELATED PARTIES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2021	2020
Invoiced for services and office rent within the Group	**27.7**	14.2
Invoiced for services to The Resource Group TRG AS	**1.8**	2.3
Procured services from The Resource Group TRG AS and Kjell Inge Røkke	**(4.8)**	(2.5)
Board fee to The Resource Group TRG AS, excluding payroll tax	**(0.7)**	(0.7)
Total	**24.0**	13.3

See Note 33 to the group accounts for other transactions with related parties.

INCENTIVE PROGRAMME FOR EMPLOYEES (EXCLUDING THE PRESIDENT AND CEO)

Aker ASA has adopted an incentive programme to promote the company's goals and align employees' and shareholders' motivation. In 2021, the incentive programme had the following elements:

- a dividend bonus, based on the Aker ASA dividend
- a personal bonus, based on personal achievement
- bonus shares, allocated on the basis of on an agreed increase in net asset value
- an option to purchase Aker ASA shares subject to a lock-up period.

See Note 34 to the group accounts regarding the incentive program for the President and CEO.

BONUS CEILING

Dividends and personal bonuses are paid in cash in the year after the vesting year. Participants can achieve a total bonus equal to a defined percentage of fixed salary (bonus ceiling), split into a dividend bonus and a personal bonus.

DIVIDEND BONUS

The dividend bonus is linked to dividends paid for the vesting year. The calculation of the maximum potential dividend bonus is based on the target yield for net asset value and the corresponding target dividend for the vesting year. Participants receive a dividend bonus in cash based on the dividend per share proposed by the board of directors. If actual dividend proposed is lower than the target dividend, the dividend bonus paid is reduced proportionately.

PERSONAL BONUS

The personal bonus is linked to the achievement of personal results and goals, and is set based on an overall evaluation covering each participant's personal achievements and development, the results and development of the company and the unit to which the participant belongs, and the participant's contribution to the Aker-community.

BONUS SHARES

Participants may be awarded shares in the company if the company achieves an increase in net asset value of more than 10 per cent in the relevant year. The number of potential bonus shares cannot be determined before allocation takes place, as the final number is based on the share price on the determination date and the participant's salary as at 31 December of the vesting year. An allocation range is calculated for the award of bonus shares at the beginning of the vesting year, equal to 50 per cent of the range for the dividend bonus. The fixed allocation range is a gross range. The participant's estimated tax on the free bonus shares is deducted from this gross range, as the company pays this amount in by way of advance tax deduction. Deduction of tax leaves a net range as a basis for calculating the number of bonus shares. The value of the bonus shares equals the weighted average share price for the three days prior to the award date minus a deduction to take into the account the lock-up period (20 per cent). The lock-up period is three years from the date the bonus shares are received. The limitations on the right of participants to dispose of the discounted shares freely are registered in VPS as a restriction in favour of the company. If a participant leaves the company during the lock-up period, 50 per cent of the distributed bonus shares are returned to the company without compensation to the participant.

OPTION TO PURCHASE SHARES SUBJECT TO A LOCK-UP PERIOD

Participants may purchase shares in the company at a price equal to 80 per cent of the share price at the time the shares are purchased. The number of shares that can be purchased during the vesting year is calculated based on the estimated number of bonus shares the participant may theoretically receive at the end of the earning year if he/she achieves the maximum bonus. Participants choose how many shares they want to buy within their allocation range. A lock-up period of three years applies from the date the shares are received. The limitations on the right of participants to dispose of the shares freely are registered in VPS as a restriction in favour of the company. The lock-up period continues to apply if the participant leaves the company during the lock-up period, unless the company and the participant agree otherwise.

Dividend bonuses and personal bonuses are recorded as salary expenses. An allocation of NOK 29 million has been made under other current liabilities as at 31 December 2021 in respect of dividend bonuses and personal bonuses including holiday pay and payroll tax. The accrual of bonus shares is recorded as a salary expense in the income statement distributed over the lock-up period. The contra entry is other equity.

Note 3 | Property, plant and equipment

Amounts in NOK million	Art	Office equipment and fixtures	Property	**Total**
Acquisition cost as at 1 January 2021	43	100	8	**151**
Additions	-	3	-	**3**
Acquisition cost as at 31 December 2021	43	103	8	**154**
Accumulated depreciation and write-downs	(17)	(67)	(1)	**(85)**
Book value as at 31 December 2021	26	36	6	**69**
Depreciation for the year	-	(12)	-	**(12)**
Useful life		3-8 years	50 years	
Depreciation plan	No depreciations	Linear	Linear	

Note 4 | Shares in subsidiaries

Amounts in NOK million	Ownership in % [1]	Location, city	Equity as at 31 Dec. 2020 [2]	Profit before tax [2]	Dividend received	**Book value**
Aker Capital AS	100.0	Fornebu	31 082	11 351	3 000	**24 283**
Aker Holding AS	100.0	Fornebu	4 832	967	-	**4 382**
LN-XAX Air AS	100.0	Fornebu	438	(5)	-	**442**
Resource Group International AS	100.0	Fornebu	52	-	-	**52**
Norron Holding AB	56.6	Stockholm	79	52	30	**44**
Intellectual Property Holdings AS	100.0	Fornebu	2	-	-	**8**
Total					**3 030**	**29 211**

[1] *Ownership and voting interest.*
[2] *100 per cent of the company's equity before dividends and group contributions as at 31 December and profit before tax in 2021. Norron Holding AB figures are group figures.*

The investments are recorded at the lowest of fair value and cost price.

Gains sale of shares mainly consist of liquidation gain Aker Achievements AS with 8 million kroner.

Note 5 | Other non-current financial assets and receivables from subsidiaries

Amounts in NOK million	2021	2020
Aker Pensjonskasse	**26**	25
Other non-current receivables	**2**	3
Others	**1**	1
Total other non-current financial assets	**28**	29

Amounts in NOK million	2021	2020
Aker Capital AS	-	26
Total non-current receivables from group companies	-	26

The receivables have maturities of more than one year. Interest terms on the receivables reflect market terms.

Amounts in NOK million	2021	2020
Dividend from Aker Capital AS	**3 000**	-
Others	**16**	5
Total current receivables from group companies	**3 016**	5

Note 6 | Impairments and reversals of impairment of shares

Amounts in NOK million	2021	2020
Aker Holding AS	**967**	1 093
Total reversals of impairments of share investments	**967**	1 093
LN-XAX Air AS	-	(43)
Aker Solutions ASA	-	(149)
Akastor ASA	-	(70)
Total impairments of share investments	-	(262)

Note 7 | Cash and cash equivalents

Amounts in NOK million	2021	2020
Unrestricted cash	**80**	628
Restricted cash	**24**	17
Total cash and cash equivalents	**105**	645

Note 8 | Shareholders' equity

The share capital at 31 December 2021 consisted of 74 321 862 shares with a nominal value of NOK 28 per share. All shares have equal voting rights and are entitled to dividends. Aker ASA has no voting rights for its own shares. At 31 December 2021, Aker ASA had 34 548 own shares, and the number of shares outstanding was 74 287 314. At the Annual General Meeting on 22 April 2022, it will be proposed a dividend of NOK 14.50 per share, totalling NOK 1 077 million. In addition, it is proposed that the Annual General Meeting authorizes the Board of Directors to declare additional dividend in 2022 based on the 2021 annual accounts.

CHANGES IN SHAREHOLDER'S EQUITY IN 2021 ARE SHOWN BELOW:

Amounts in NOK million	Share capital	Premium on shares	Share premium	Other paid-in capital	Total paid-in capital	Other equity	**Total equity**
Equity as at 1 January	2 081	(1)	244	-	2 324	20 185	**22 509**
Purchased/sold/bonus treasury shares	-	-	-	3	4	3	**6**
Changes in estimate pension booked directly against equity	-	-	-	-	-	4	**4**
Additional dividend paid in 2021 based on 2020 annual accounts	-	-	-	-	-	(873)	**(873)**
Allocation of dividend for 2021	-	-	-	-	-	(1 077)	**(1 077)**
Profit for the year	-	-	-	-	-	3 473	**3 473**
Equity as at 31 December	2 081	(1)	244	3	2 328	21 715	**24 042**

In 2021, the company has not acquired treasury shares and sold/distributed 14 553 treasury shares in connection with the employees' incentive program. Net effect recorded against equity was NOK 3 million.

In addition, accrued share bonus in 2021 with NOK 3 million has been recorded as an expense and increased other equity. Other equity has been reduced through distribution of profit and loss with the same amount and accrued share bonus totally has net zero effect on other equity.

THE 20 LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2021:

	Number of shares	Per cent
TRG Holding AS	50 673 577	68.2%
Folketrygdefondet	3 454 702	4.6%
UBS AG	1 707 670	2.3%
Torstein Tvenge	1 000 000	1.3%
JPMorgan Chase Bank, N.A. London	939 835	1.3%
State Street Bank and Trust Company	676 954	0.9%
JP Morgan Chase Bank, N.A London	444 165	0.6%
Verdipapirfondet DnB Norge	369 640	0.5%
State Street Bank and Trust Company	356 705	0.5%
Danske Invest Norske Institut II	340 435	0.5%
Pagano AS	262 977	0.4%
Verdipapirfondet KLP Aksjenorge	262 937	0.4%
Verdipapirfondet Storebrand Norge	259 131	0.3%
VPF DnB AM Norske aksjer	255 409	0.3%
Verdipapirfondet KLP Aksjenorge	225 582	0.3%
Erøy AS	219 072	0.3%
The Bank of New York Melllon SA/NV	212 303	0.3%
Carnegie Investment Bank AB	202 515	0.3%
The bank of New York Mellon SA/NV	191 048	0.3%
Euroclear Bank S.A/N.V.	184 788	0.2%
Others	12 082 417	16.3%
Total	**74 321 862**	**100%**

Note 9 | Tax expense and deferred tax

The table below shows the difference between accounting and tax values at the end of 2021 and 2020 respectively, changes in these differences, deferred tax assets at the end of each year and the change in deferred tax assets.

Amounts in NOK million	2021	2020
Provisions and accruals	**30**	29
Fixed asset differences	**(11)**	(6)
Net pension liability/guarantee pension	**(64)**	(106)
Capital gains and loss reserve	**17**	21
Total differences	**(28)**	(62)
Tax losses carried forward	**(4 686)**	(4 376)
Other differences	**(599)**	(366)
Total deferred tax basis	**(5 313)**	(4 803)
Net deferred tax 22%	**(1 169)**	(1 057)
Write-down deferred tax assets	**1 169**	1 057
Recognised deferred tax assets	**-**	-

Deferred tax asset is recognised in the balance sheet if future utilisation of the asset is expected. The deferred tax assets have been written down to zero as of 31 December 2021.

ESTIMATED TAXABLE INCOME

Amounts in NOK million	2021	2020
Profit before tax	**3 473**	4 803
Permanent differences	**(3 750)**	(5 216)
Change in temporary differences	**(34)**	(1)
Estimated taxable income	**(310)**	(414)
Tax payable 22% in the profit and loss account	**-**	-
Tax payable 22% in the balance sheet	**-**	-

INCOME TAX EXPENSE

Amounts in NOK million	2021	2020
Tax payable in the profit and loss account	**-**	-
Change in deferred tax	**-**	-
Total tax expense	**-**	-

RECONCILIATION OF EFFEKCTIVE TAX RATE IN THE PROFIT AND LOSS ACCOUNT

Amounts in NOK million	2021	2020
22% tax on profit before tax	**(764)**	(1 057)
22% tax on permanent differences	**825**	1 168
Change earlier years	**51**	-
Change in unrecognised deferred tax asset	**(112)**	(111)
Estimated tax expense	**-**	-
Effective tax rate (tax expense compared with profit / loss before tax)	**0%**	0%

Note 10 | Pension expenses and pension liabilities

According to the Norwegian Occupational Pensions Act (Lov om tjenestepensjon), the company is required to provide a pension plan for all its employees. The company's pension plans meet the statutory requirements. Aker ASA primarily covers its pension liabilities through a group pension plan provided by a life insurance company. For accounting purposes, the pension scheme is mainly treated as a defined contribution plan. The pension scheme for 2 active persons is treated as a defined benefit plan as of 31 December 2021. In addition, Aker ASA has uninsured pension liabilities, which gives rights to defined future benefits.

ACTUARIAL CALCULTATIONS HAVE BEEN UNDERTAKEN BASED ON THE FOLLOWING ASSUMPTIONS	2021	2020
Discount rate	**1.5%**	1.5%
Wage increases	**2.5%**	2.0%
Social security base adjustment / inflation	**2.3%**	1.8%
Pension adjustment	**0.0 % - 1.2 %**	0.0 % - 1.2 %

The actuarial assumptions are based on assumptions commonly used in the life insurance industry with respect to demographic factors. The discount rate is based on the Norwegian high-quality corporate bond rate.

PERCENTAGE COMPOSITION OF PENSION ASSETS	2021	2020
Bonds	**75.9%**	79.5%
Shares	**13.3%**	11.1%
Property/other	**10.8%**	9.4%

PENSION EXPENSES

Amounts in NOK million	2021	2020
Present value of this year's pension accruals	**-**	(1)
Interest expense on accrued pension liabilities	**(1)**	(2)
Expected return on pension funds	**1**	1
Net pension expenses defined benefit plan	**(1)**	(2)
Pension expenses defined contributions plan	**(6)**	(5)
Total pension expenses	**(7)**	(7)

Total pension expenses are included in Salaries and other personnel related expenses with NOK 6 million and in Other financial expenses with NOK 1 million.

NET PENSION LIABILITIES AS AT 31 DECEMBER

Amounts in NOK million	2021 [1]	2020 [1]
Present value of accrued pension liabilities	**(78)**	(89)
Value of pension funds	**44**	45
Net pension liabilities	**(35)**	(44)
Number of individuals covered	**47**	51

[1] Provision has been made for social security contributions on plans with net pension liabilities.

The plans include 2 active and 45 retired persons.

Pension funds are invested in accordance with the general guidelines for life insurance companies. Recorded pension liabilities are calculated on the basis of estimated future pension liabilities and accrued in accordance with generally accepted accounting principles. The pension liability recorded in the accounts is not the same as the vested pension rights as at 31 December.

Note 11 | Other non-current provisions

Amounts in NOK million	2021	2020
US pension guarantee provision	**29**	62
Total other non-current provisions	**29**	62

Aker ASA had earlier signed a guarantee commitment regarding the US pension fund Kvaerner Consolidated Retirement Plan with Kvaerner US Inc (KUSI). As of December 2015, Aker Maritime Finance AS ("AMF") took over the pension liability from KUSI in order to avoid accelerated payments under the Aker ASA guarantee because of a potential bankruptcy of KUSI. Aker ASA continued to guarantee for the liability and shall cover for all AMF's expenses related to the pension plan. In 2017, Aker Maritime Finance AS merged with The Resource Group TRG AS ("TRG"), and the commitment of Aker ASA to cover the expenses is now against TRG. As at 31 December 2021, Aker ASA has made a provision of NOK 29 million in the balance sheet.

Note 12 | Non-current liabilities to subsidiaries

Amounts in NOK million	2021	2020
Aker Capital AS	**1 162**	-
LN-XAX Air AS	**14**	-
Aker Holding Start 2 AS	**11**	12
Total non-current liabilities to group companies	**1 187**	12

Note 13 | External interest-bearing debt

Amounts in NOK million	Interest	Maturity	2021	2020
Bond AKER09	Nibor + 5%	September 2022	**-**	1 000
Bond AKER14	Nibor + 2.65%	January 2023	**2 000**	2 000
Schuldschein loan - fixed rate tranche	1.67%	March 2024	**300**	314
Schuldschein loan - floating rate tranche	Euribor + 1.60%	March 2024	**699**	733
Bond AKER15	Nibor + 1.9%	November 2024	**2 000**	1 500
Loan expenses			**(21)**	(23)
Total non-current external interest-bearing liabilities			**4 977**	5 524
Bond AKER09	Nibor + 5%	September 2022	**1 000**	-
Loan expenses			**(1)**	-
Total current external interest-bearing liabilities			**999**	-

The Schuldschein loan is denominated in EUR. The other loans are in NOK. The company is in no breaches to its covenants as of 31 December 2021.

Note 14 | Other current liabilities

Amounts in NOK million	2021	2020
Accrued interest external	**28**	25
Other	**80**	52
Total other current liabilities	**108**	77

Note 15 | Guarantee obligations

Amounts in NOK million	2021	2020
Loan guarantees	**3**	308
Other guarantees	**7**	43
Total guarantee obligations	**10**	351

Other guarantees consist of guarantees related to Aker Capital AS with NOK 7 million as of 31. December 2021.

Note 16 | Financial market risk

The company are exposed to several types of financial risk, the most significant of which are credit, liquidity, foreign exchange and interest rate risk. The purpose of risk management is to measure and manage financial risks in a reliable manner, in order to increase predictability and simultaneously minimise any negative impacts on Aker's financial results. Aker ASA has loan and guarantee commitments that contain equity covenants. At 31 December 2021, Aker ASA was in compliance with all such covenants. See also Note 6 and Note 35 to the group accounts. Aker ASA secures a part of net exposure in cash flow in foreign exchange and normally not balance items, which can be seen as a natural hedging in net perspective. Cash flow, including detectable structural transactions and possible loans in foreign exchange are secured within fixed intervals. According to Aker ASA foreign exchange policy loan in foreign exchange will in addition also be used as hedging in relation to estimated identified net positions in the company. Akers net exposure against foreign cash flows will be sufficient hedged without traditional hedging instruments.

In total, Aker ASA has no forward contracts and options. As of 31 December 2021, the income statement shows a net gain of NOK 4 million on the foreign exchange agreements. Unrealised gain of NOK 0 million is included in other current receivables.

Note 17 | Shares owned by board members and key executives

See Note 34 to the financial statements of the Group.

Note 18 | Salary and other remuneration to the Board of Directors, nomination committee, CEO and other senior executives

See Note 34 to the financial statements of the Group.

Note 19 | Disputes and contingent liabilities

There are no known major disputes or contingent liabilities as at 31 December 2021.

Note 20 | Events after the balance sheet date

See Note 35 to the financial statements of the Group.

Directors' responsibility statement

Today, the board of directors and the president and chief executive officer reviewed and approved the board of directors' report and the consolidated and separate annual financial statements of Aker ASA, consolidated and parent company for the year ending and as of 31 December 2021.

Aker ASA's consolidated financial statements have been prepared in accordance with IFRSs and IFRICs adopted by the EU as well as additional disclosure requirements in the Norwegian Accounting Act and as such are to be applied per 31 December 2021. The separate financial statements of Aker ASA and the parent company have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as at 31 December 2021. The board of directors' report for the group and the parent company satisfy with the requirements of the Norwegian Accounting Act and Norwegian accounting standard no. 16, as at 31 December 2021.

To the best of our knowledge:

- The consolidated and separate annual financial statements for 2021 have been prepared in accordance with applicable accounting standards.
- The consolidated and separate annual financial statements give a true and fair overall view of the assets, liabilities, financial position and profit/loss of the group and for the parent company as of 31 December 2021.
- The board of directors' report provides a true and fair review of the
  – development and performance of the business and the position of the group and the parent company,
  – the principal risks and uncertainties the group and the parent company may face.

Fornebu, 24 March 2022
Aker ASA

Kjell Inge Røkke (sign)
Chairman

Frank O. Reite (sign)
Deputy Chairman

Kristin Krohn Devold (sign)
Director

Karen Simon (sign)
Director

Atle Tranøy (sign)
Director

Sofie Valdersnes (sign)
Director

Arnfinn Stensø (sign)
Director

Øyvind Eriksen (sign)
President and CEO

Independent auditor's report

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To the General Meeting of Aker ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Aker ASA, which comprise:

- The financial statements of the parent company Aker ASA (the Company), which comprise the Balance sheet as at 31 December 2021, the Income statement and Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Aker ASA and its subsidiaries (the Group), which comprise the Consolidated Balance sheet as at 31 December 2021, the Consolidated Income Statement and total comprehensive income, Consolidated statement of changes in equity and Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 18 years from the establishment of the company on 13 February 2004 for the accounting year 2004.

Key Audit Matters

Independent Auditor's Report - Aker ASA

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Mainstream Renewable Power acquisition

Refer to the section 'Business operations' in the Board of Directors' report and consolidated financial statement Note 7 *Acquisition of subsidiaries and transactions with minority interests*.

The key audit matter	*How the matter was addressed in our audit*
On 11 May 2021 the Company completed the acquisition of 75% of the shares of Mainstream Renewable Power Limited in a business combination. The purchase price allocation and the determination of fair values adopted required a number of estimates and judgments to be applied, amongst others: • cash consideration paid and provision for contingent consideration; • identification and valuation of wind and solar project assets, including forecasting power supply & demand and the resulting revenues along with operating and capital expenditures; • valuation of interests in joint arrangements holding wind and solar project assets; • Economic useful lives of wind and solar projects; • discount rates to be applied, including country specific risk factors; and • allocation of goodwill balances to cash generating units. In addition, the calculation of fair values requires financial modelling of the cash flows relating to each asset or liability, which can be complex and may require additional assumptions to be made by management. As such, the purchase price allocation requires significant attention during the audit and is subject to a high degree of auditor judgement.	We read the transaction agreement to gain an understanding of the key terms and conditions and assessed the appropriateness of management's analysis of the relevant accounting considerations. We traced cash payments to bank statements and assessed the estimate of contingent consideration payable. We obtained the purchase price allocation report issued by the external valuation expert engaged by management to assist with the identification and valuation of identifiable assets and liabilities. We assessed the competence, capabilities and objectivity of management's external valuation expert. We assessed the reasonableness of management's identification and valuation of assets and liabilities, including assessment of the underlying cashflows with reference to contracts, third party reports on power supply & demand and operating costs and actual historical operating results as applicable. We also assessed management's identification of cash generating units and the associated goodwill allocations. We involved KPMG valuation specialists to evaluate the valuation principles and methodologies applied, recalculate the discounted cashflow models, develop an independent expectation of discount rates to be applied and assess country risk factors applied. We also evaluated the adequacy of the business combination related disclosure in Note 7 Acquisition of subsidiaries and transactions with minority interests of the financial statements.

KPMG

Independent Auditor's Report - Aker ASA

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other accompanying information otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the Corporate Governance Report and Sustainability Report.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name aker-2021-12-31-no have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities

Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements have been prepared in accordance with the European Single Electronic Format.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the financial statements tagged under the European Single Electronic Format with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 24 March 2022
KPMG AS

Lars Inge Pettersen
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Aker ASA and holding companies

Combined income statement

Amounts in NOK million	*Note*	**2021**	2020
Operating revenues	*2*	**4 072**	-
Operating expenses		**(369)**	(270)
Depreciation and impairment	*8*	**(31)**	(82)
Operating profit		**3 672**	(352)
Dividends received	*3*	**2 010**	2 341
Other financial items	*4*	**(107)**	(589)
Value change of shares	*5*	**6 858**	3 815
Profit before tax		**12 433**	5 215
Income tax expense	*6*	**-**	-
Profit for the year		**12 433**	5 215

Combined balance sheet as at 31 December

Amounts in NOK million	Note	2021	2020
ASSETS			
Property, plant and equipment	*8*	**535**	562
Interest-bearing non-current receivables	*9*	**3 965**	1 785
Financial interest-free non-current assets	*8,9*	**145**	15
Equity investments	*7*	**29 895**	25 018
Total financial non-current assets		**34 005**	26 817
Total non-current assets		**34 540**	27 380
Interest-free current receivables		**85**	34
Interest-bearing current receivables	*9*	**471**	52
Cash and cash equivalents	*10*	**4 025**	1 303
Total current assets		**4 582**	1 390
Total assets		**39 122**	28 769
SHAREHOLDERS' EQUITY AND LIABILITIES			
Paid-in capital		**2 328**	2 324
Retained earnings		**25 474**	14 981
Total equity	*11*	**27 801**	17 305
Non-current provisions	*12*	**64**	106
Interest-bearing non-current liabilities	*13*	**9 053**	10 351
Total non-current liabilities		**9 117**	10 457
Interest-free current liabilities	*12*	**1 204**	1 007
Interest-bearing current liabilities	*13*	**999**	-
Total current liabilities		**2 203**	1 007
Total equity and liabilities		**39 122**	28 769

Fornebu, 24 March 2022
Aker ASA

Kjell Inge Røkke (sign)
Chairman

Frank O. Reite (sign)
Deputy Chairman

Kristin Krohn Devold (sign)
Director

Karen Simon (sign)
Director

Atle Tranøy (sign)
Director

Sofie Valdersnes (sign)
Director

Arnfinn Stensø (sign)
Director

Øyvind Eriksen (sign)
President and CEO

Notes to the financial statements

Note 1 | Accounting principles and basis for preparation

The combined financial statements of Aker ASA and holding companies have been prepared to present Aker's financial position as a parent holding company. The traditional financial statement of the parent company has been extended to include all subordinate administrative service and holding companies that are wholly-owned by Aker ASA and have balance sheets containing only investments, bank deposits and debt.

THE COMPANIES THAT HAVE BEEN COMBINED ARE AS FOLLOWS:

- Aker ASA
- Aker Capital AS
- Aker Holding Start 2 AS
- Aker US Services LLC
- Resource Group International AS
- Aker Holding AS
- LN-XAX Air AS

To the extent applicable, the accounting principles of Aker ASA and holding companies are based on the same accounting principles as Aker ASA. See accounting principles of Aker ASA on page 108. One exception from Aker ASA's accounting principles is that the acquisition and disposal of companies is part of the ordinary business of Aker ASA and holding companies. Consequently, gains on sales of shares are classified as operating revenues in the combined income statement. Group contributions approved after the balance sheet date are accounted for in the year of approval.

Note 2 | Operating revenues

Amounts in NOK million	**2021**	2020
Gain on sale of shares in Aker BP ASA	**2 533**	-
Gain on sale of shares in Ocean Yield ASA	**1 526**	-
Gain on sale of shares in OY Holding LR2 Limited	**13**	-
Total operating revenues	**4 072**	-

Note 3 | Dividends received

Amounts in NOK million	**2021**	2020
Aker BP ASA	**1 666**	1 594
Ocean Yield ASA	**204**	347
Aker Property Group AS	**-**	244
American Shipping Company ASA	**110**	101
Aker Solutions ASA	**-**	55
Other	**30**	-
Total dividends received	**2 010**	2 341

Note 4 | Other financial items

Amounts in NOK million	2021	2020
Interest income from subsidiaries	**170**	53
Other interest	**(318)**	(334)
Other financial items	**41**	(308)
Total other financial items	**(107)**	(589)

Other financial items in 2021 included a gain on total return swap (TRS) agreements of NOK 66 million, value change on receivables of NOK 23 million and loss on foreign exchange including hedge instruments totalling NOK 50 million.

Other financial items in 2020 included a loss on total return swap (TRS) agreements of NOK 106 million, write-down on receivables of NOK 131 million and loss on foreign exchange including hedge instruments totalling NOK 44 million.

Note 5 | Value change of shares

Amounts in NOK million	2021	2020
Aker Horizons ASA [1)]	**6 416**	-
REC Silicon ASA	**1 144**	-
Aker Solutions ASA	**903**	(287)
Ocean Yield ASA	**60**	(60)
Solstad Offshore ASA	**(77)**	66
Aker Carbon Capture AS [1)]	**-**	1 291
Aker Offshore Wind AS [1)]	**-**	579
Align AS	**-**	(58)
Akastor ASA	**(175)**	(288)
Aker BioMarine ASA	**(1 295)**	2 578
Other changes in value of shares	**(117)**	(6)
Total	**6 858**	3 815

1) Value change before sale/equity contributions to Aker Horizons AS (changed name to Aker Horizons ASA).

Note 6 | Taxes

Deferred tax asset is incorporated in the balance sheet if budgets and plans indicate that the asset will be utilised in the future. The deferred tax assets have been written down to zero as of 31 December 2021 and 31 December 2020.

Note 7 | Equity investments

At 31 December 2021	Ownership in per cent	Number of shares	Book value (NOK million)	Per share market value (NOK)	Market value [1] (NOK million)
Industrial Holdings					
Aker BP ASA	37.14	133 757 576	8 326	271.60	36 329
Aker BioMarine ASA	77.79	68 132 830	3 700	54.30	3 700
SalMar Aker Ocean AS	15.00	15 000 000	645	-	645
Aker Solutions ASA	33.34	164 090 489	3 603	23.38	3 836
Aker Horizons ASA	76.15	464 285 714	9 461	33,05	15 342
Aker Energy AS	50.79	63 633 423	957	-	957
Akastor ASA	36.70	100 565 292	537	5.34	537
Cognite AS	50.46	7 059 549	296	-	6 684
Total industrial investments			27 524		68 030
Financial Investments					
Aker Property Group AS			683		
Seetee AS			447		
Abelee AS			387		
American Shipping Company ASA			317		
Clara Ventures AS			155		
Just Technologies AS			57		
Solstad Offshore ASA			103		
Philly Shipyard ASA			51		
Norron Holding AB			44		
Aize Holding AS			39		
Trygg IDT Holdings I Corp			20		
Other equity investments			68		
Total shares and long-term equity			**29 895**		

1) See Note 14.

Note 8 | Property, plant and equipment and financial interest-free non-current assets

Amounts in NOK million	Financial interest-free fixed assets	Property, plant and equipment	**Total 2021**	Total 2020
Pension funds	4	-	**4**	-
Interest-free non-current receivables from subsidiaries	134	-	**134**	13
Other	7	535	**542**	564
Total	145	535	**680**	577

In 2021, property, plant and equipment include an airplane of NOK 419 million (NOK 436 million in 2020). The item also includes inventory, software, office machines and real estate of NOK 84 million (NOK 95 million in 2020).

The depreciation in 2021 was NOK 31 million (NOK 32 million in 2020). There was no write-down in 2021. In 2020, write-down of airplane was NOK 50 million.

Note 9 | Interest-bearing receivables and interest-free non-current receivables

Amounts in NOK million	Interest-bearing current receivables	Interest-bearing non-current receivables	**Total 2021**	Total 2020
Receivables from subsidiaries	471	3 678	**4 149**	1 482
Other receivables	-	287	**287**	355
Total	471	3 965	**4 436**	1 837

INTEREST-BEARING RECEIVABLES AND INTEREST-FREE NON-CURRENT RECEIVABLES FROM SUBSIDIARIES AT 31 DECEMBER 2021:

Amounts in NOK million	Interest-bearing current receivables	Interest-bearing non-current receivables	**Total interest-bearing**	Interest-free non-current receivables	**Total receivables subsidiaries**
Aker Horizons ASA	-	3 201	**3 201**	131	**3 332**
Aker Energy AS	467	-	**467**	-	**467**
Aker Property Group AS	-	225	**225**	2	**227**
Aize Holding AS	-	224	**224**	-	**224**
Other companies	4	29	**33**	-	**33**
Total	471	3 678	**4 149**	134	**4 283**

Note 10 | Cash and cash equivalents

Cash and cash equivalents amounted to 4 025 million as at the end of 2021. Of this total, NOK 24 million were restricted deposits.

Note 11 | Shareholders' equity

Amounts in NOK million	Share capital	Premium on shares	Share premium	Other paid-in capital	Total paid-in capital	Retained earnings	Total equity
Balance at 31 December 2020	2 081	(1)	244	-	2 324	14 981	17 305
Profit for the year	-	-	-	-	-	12 433	12 433
Paid additional dividend	-	-	-	-	-	(873)	(873)
Allocation of dividend	-	-	-	-	-	(1 077)	(1 077)
Changes in estimate pension	-	-	-	-	-	7	7
Purchased/sold/bonus treasury shares	-	-	-	3	4	3	6
Reclassification	-	-	-	-	-	-	-
Equity at 31 December 2021	2 081	(1)	244	3	2 328	25 474	**27 801**

At 31 December 2021, the number of issued shares was 74 321 862, the number of treasury shares was 34 548 and the number of outstanding shares was 74 287 314. All shares have equal voting rights and are entitled to dividends. Aker ASA has no voting rights for its own shares. A dividend of NOK 14.50 per share, NOK 1 077 million in total, will be proposed at the Annual General Meeting on 22 April 2022. Furthermore, it will be proposed for the Annual General Meeting that the Board of Directors is authorised to declare additional dividends based on the 2021 annual accounts.

Note 12 | Interest-free current and non-current liabilities

Amounts in NOK million	Current	Non-current	**Total 2021**	Total 2020
Pension liabilities	-	35	**35**	43
Guarantee liability The Resource Group TRG AS[1)]	-	29	**29**	62
Dividend	1 077	-	**1 077**	873
Other liabilities	127	-	**127**	135
Total	1 204	64	**1 268**	1 113

1) See Note 11 to the Aker ASA separate financial statements

Note 13 | Interest-bearing current and non-current liabilities

INTEREST-BEARING LIABILITIES TO EXTERNAL CREDITORS IS SHOWN BELOW:

Amounts in NOK million	2021	2020
Non-current bonds	**4 000**	4 500
Secured bank loans	**4 087**	4 840
Unsecured bank loans	**999**	1 047
Capitalised fees	**(33)**	(36)
Total non-current interest-bearing liabilities	**9 053**	10 351
Current bonds	**1 000**	-
Secured bank loans (3-year loan with annual rollover)	**-**	-
Capitalised fees	**(1)**	-
Total current interest-bearing liabilities	**999**	-
Total interest-bearing liabilities	**10 052**	10 351

INSTALMENT SCHEDULE FOR EXTERNAL INTEREST-BEARING LIABILITIES, BY TYPE:

Amounts in NOK million	Bonds	Secured bank loans	Unsecured bank loans	Accrued fees	Total
2022	1 000	-	-	(1)	**999**
2023	2 000	1 000	-	(5)	**2 995**
2024	2 000	3 087	999	(27)	**6 058**
Total	5 000	4 087	999	(34)	**10 052**

Note 14 | Risk

THE BALANCE SHEET OF AKER ASA AND HOLDING COMPANIES IS SPLIT INTO TWO SEGMENTS:

Per cent	2021	2020
Industrial investments	70%	80%
Financial investments	30%	20%
Specification financial investments:		
Funds- and equity investments	6%	7%
Cash	10%	5%
Interest-bearing receivables	12%	6%
Fixed assets, deferred tax assets and interest-free receivables	2%	2%

The businesses within each category are exposed to macro-development in their respective market segments.

The total book value of the assets of Aker ASA and holding companies are NOK 39 122 million including the book value for Industrial investments of NOK 27 524 million. The book value and market value of each investment included in Industrial investments are specified in Note 7. The total market value of the Industrial investments, NOK 68 030 million, is significantly higher than the book value. Book value of the unlisted companies SalMar Aker Ocean AS and Aker Energy AS is included in the total market value. For the unlisted company Cognite AS, market value reflects the value set in May 2021 by a share issue in Cognite AS from an external investor. In the case of the investment in the listed companies Akastor ASA and Aker BioMarine ASA, the book value is equal to the market value.

The book value of Financial investments is NOK 11 597 million. Cash represents 10 per cent of the book value of total assets and 35 per cent of Financial investments.

See also Note 6 to the consolidated financial statements for Aker ASA.

Independent auditor’s report

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To the Board of Aker ASA

Independent Auditor’s Report

Opinion

We have audited the combined financial statements of Aker ASA and holding companies, which comprise the balance sheet as at 31 December 2021, the income statement for the year then ended, a summary of key assumptions used as basis for preparation and other notes.

In our opinion

- the accompanying combined financial statements are prepared in accordance with the basis for preparation of the financial reporting defined in the introduction to the combined financial statements and give a true and fair view of the financial position of the Aker ASA and holding companies as at 31 December 2021, and the financial performance for the year then ended.
- Without modifying our opinion, we draw attention to the basis for preparation of the financial reporting, defined in the introduction to the combined financial statements, which describes the basis of accounting. As a result, the combined financial statements may not be suitable for any other purpose

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Aker ASA and holding companies as required by laws and regulations and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Aker ASA has prepared financial statements for the year-ended 31 December 2021, comprising parent financial statements prepared in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU. We have issued a separate auditor’s report on the statutory financial statements to the shareholders of Aker ASA dated 24 March 2022

Responsibilities of the Board of Directors for the Combined Financial Statements

The Board of Directors (management) are responsible for the preparation of the combined financial statements that give a true and fair view in accordance with the basis for preparation of the financial reporting defined in the introduction of the combined financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Aker ASA and holding companies' internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 24 March 2022
KPMG AS

Lars Inge Pettersen
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Board of directors

Kjell Inge Røkke
Chair

Kjell Inge Røkke (born 1958), Aker ASA's main owner, has been a driving force in the development of Aker since the 1990s. Mr. Røkke launched his business career with the purchase of a 69-foot trawler in the United States in 1982, and gradually built a leading worldwide fisheries business. In 1996, the Røkke controlled company, RGI, purchased enough Aker shares to become Aker's largest shareholder, and later merged RGI with Aker. Mr. Røkke is currently chair of The Resource Group TRG AS, TRG Holding AS, and Aker ASA, as well as director of several companies, including Aker BP ASA, Aker Solutions ASA, Aker Horizons ASA, Aker BioMarine ASA, Aker Clean Hydrogen AS, Cognite AS, SalMar Aker Ocean AS and Mainstream Renewable Power.

As at 31 December 2021, Mr. Røkke holds 50 673 577 shares (68.2 per cent) in Aker ASA through his investment company TRG AS and its subsidiaries, and has no stock options. Mr. Røkke is a Norwegian citizen. He has been elected for the period 2020-2022.

Frank Reite
Deputy Chair

Frank O. Reite (born 1970) first joined Aker in 1995 and held the position as CFO in Aker ASA from August 2015 until August 2019. He is now an advisor. He holds a B.A. in business administration from BI Norwegian Business School in Oslo. Mr. Reite has previously held the position as President & CEO of Akastor (up until 2015), and has previously also held a variety of executive positions in the Aker group, including overseeing and developing Aker's investments in Converto Capital Fund AS, Havfisk ASA, Norway Seafoods AS and Aker Yards ASA. Mr. Reite also has experience from banking and served as Operating Director at Paine & Partners, a New York-based private equity firm. He is also chair of Converto AS and Norron AB, and director of Solstad Offshore ASA. In addition to serving as deputy chair, Mr. Reite is the head of the Audit Committee at Aker ASA.

As at 31 December 2021, Mr. Reite holds 74 182 shares in Aker ASA through his privately owned company Fausken Invest AS, and has no stock options. Mr. Reite has been the Aker ASA's deputy chair since April 2021 and has been elected for the period 2021-2023. Mr. Reite is a Norwegian citizen.

Karen Simon
Director

Karen Simon (born 1959) retired as a Vice Chair, Investment Banking, from JPMorgan in December 2019. Over her 36 years with JPMorgan, she held a number of positions including Global Head of Financial Sponsor Coverage; Co-Head of EMEA Debt Capital Markets and Head of EMEA Oil & Gas coverage. Ms. Simon has extensive corporate finance experience and has worked in London, New York City and Houston. She serves as the Non-Executive Chair of Energean plc, listed on the London Stock Exchange, as well as a director of Crescent Energy, NYSE listed in the U.S. Ms. Simon also serves as a Trustee for several nonprofit organizations.

Ms. Simon serves as an independent director. As at 31 December 2021, Ms. Simon holds no shares in Aker ASA, and has no stock options. She is a dual UK and US citizen. She has been elected for the period 2021-2023.

Kristin Krohn Devold
Director

Kristin Krohn Devold (born 1961) was a Member of the Norwegian Parliament for the Conservative Party from 1993 to 2005. She was Minister of Defense from 2001 to 2005. Ms. Krohn Devold is currently the management director of the Norwegian Hospitality Association (NHO Reiseliv) and director of several companies, including Aker ASA, Dark AS and BRABANK ASA. She is also deputy chair of the Norwegian Parliamentary Oversight Committee on intelligence and security services (EOS Committee). She has an MSc degree from the Norwegian School of Economics (NHH) and has a bachelor's degree in sociology from the University of Bergen.

Ms. Krohn Devold serves as an independent director. As at 31 December 2021, Ms. Krohn Devold holds 590 shares in Aker ASA, and has no stock options. Ms. Krohn Devold is a Norwegian citizen. She has been elected for the period 2021-2022.

Atle Tranøy
Director,
Elected by the employees

Atle Tranøy (born 1957) is trained as a pipe fitter and has been an employee of Kværner Stord AS since 1976. Mr. Tranøy has been a fulltime employee representative since 1983. Mr. Tranøy is also the chair of the Global Works Council in Aker, and a director of the board of the Norwegian United Federation of Trade Unions (Fellesforbundet).

As at 31 December 2021, Mr. Tranøy holds no shares in Aker ASA, and has no stock options. Mr. Tranøy is a Norwegian citizen. He has been elected for the period 2021-2023.

Arnfinn Stensø
Director,
Elected by the employees

Arnfinn Stensø (born 1957) has been employed by Aker Solutions in Stavanger since 1998. He is an electrical engineer. Mr. Stensø is member of the negotiating committee of the Norwegian Society of Engineers and Technologists (NITO) and of the liaison committee NITO – NHO.

As at 31 December 2021, Mr. Stensø holds no shares in Aker ASA and has no stock options. Mr. Stensø is a Norwegian citizen. He has been elected for the period 2021-2023.

Sofie Valdersnes
Director,
Elected by the employees

Sofie Valdersnes (born 1985) served an apprenticeship as a process technician and holds a degree in economics and management from BI Norwegian Business School. Ms. Valdersnes has been employed at Aker BP since 2018, and works as a process technician on the Ula platform. She is a deputy representative for the control committee of Industry Energy labor union and former deputy chair of IKM Ansattes Forening.

As at 31 December 2021, Ms. Valdersnes holds no shares in Aker ASA and has no stock options. Ms. Valdersnes is a Norwegian citizen. She has been elected for the period 2021-2023.

Management

Øyvind Eriksen
President and CEO

Øyvind Eriksen (born 1964) joined Aker ASA in January 2009. Mr. Eriksen holds a law degree from the University of Oslo. He joined Norwegian law firm BA-HR in 1990, where he became a partner in 1996 and a director/ chair in 2003. As a corporate attorney he among other things worked with strategic and operational development, M&A and negotiations. Mr. Eriksen has held several board positions in different industries, including shipping, finance, asset management, offshore drilling, fisheries, media, trade and industry. As CEO, Mr. Eriksen is currently chair of Aker BP ASA, Cognite AS, Aker Asset Management AS, and Aker Horizons ASA, and deputy chair of Aker Solutions ASA. He is also a director of several Aker-owned companies and nonprofit organizations, including serving as deputy chair of The Norwegian Cancer Society (Kreftforeningen), and being a member of World Economic Forum C4IR Global Network Advisory Board.

As at 31 December 2021, Mr. Eriksen holds 219 072 shares in Aker ASA through the company Erøy AS. He has no stock options. Through Erøy AS, Mr. Eriksen also holds 0.20 per cent of the B-shares in TRG Holding AS. Mr. Eriksen is a Norwegian citizen.

Svein Oskar Stoknes
CFO

Svein Oskar Stoknes (born 1970) joined Aker ASA as CFO in August 2019. Prior to this, Stoknes served as CFO at Aker Solutions, where he joined in 2007 and was named CFO in 2014. Previously, Stoknes held a range of senior positions within finance and advisory for organizations like Tandberg, Citigroup and ABB. He graduated from the Norwegian School of Management and has an MBA from Columbia Business School in New York. Stoknes is a director of Akastor ASA, Aker Property Group AS, and Aker Capital AS.

As at 31 December 2021, Stoknes owns 6 620 shares in Aker ASA and has no stock options. Stoknes is a Norwegian citizen.

Corporate Governance Report

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Aker believes in active ownership. The active ownership provides direction and purpose.

Effective corporate governance provides the foundation for value creation, which in turn is the ultimate goal for Aker ASA (Aker). It is a prerequisite for an industrial investment company to succeed. Corporate governance is therefore a key concern for Aker's board of directors and employees, as well as in the exercise of ownership in Aker's underlying companies.

Aker believes in active ownership. Shareholders with clearly defined strategic goals for the company and who are involved through the boardroom and direct dialogue with company management, promote shareholder value. The active ownership provides direction and purpose.

Aker's main shareholder, TRG Holding AS, is actively involved in Aker through its main owner, Kjell Inge Røkke. Similarly, Aker is closely involved in the monitoring and follow-up of companies in which Aker is the main shareholder. Aker's management model is discussed in the Board of Directors' Report for 2021.

Pursuant to section 3-3b of the Norwegian Accounting Act and the recommendations in the Norwegian Code of Practice for Corporate Governance, most recently revised in the autumn of 2021, the board has reviewed and updated the company's corporate governance principles.

The individual recommendations of the Norwegian Corporate Governance Board (NUES) are discussed below. Aker's principles are largely consistent with the recommendations.

1. Corporate governance

Aker's corporate governance principles are established by the board. The purpose is to ensure a productive division of roles and responsibilities among Aker's owners, board and executive management, as well as to ensure satisfactory controls of the company's activities.

2. Business purpose

Aker ASA's business purpose is expressed in the company's Articles of Association: *"The company's objective is to own and carry out industrial and other associated businesses, capital management and other functions for the group, as well as participation in, or acquisition of, other businesses."*

The board has prepared clear goals, strategies and a risk profile for the company. As part of this work, various sustainability elements are taken into account and the company has a board approved Sustainability Policy for how it integrates the interests of the society at large into its value creation. A separate Sustainability report that addresses environmental, social and governance issues is available on the company website. The board evaluates targets, strategies and its risk profile on an annual basis, at a minimum.

3. Share capital and dividend

Share capital

Aker ASA and holding companies had NOK 27 801 million in book equity as of 31 December 2021, corresponding to an equity ratio of 71 per cent. The parent company's book equity amounted to NOK 24 042 million, corresponding to an equity ratio of 74 per cent. Aker considers its capital structure appropriate and adapted to its objectives, strategy and risk profile.

Dividends

Aker's dividend policy is discussed in the shareholder information section of the 2021 annual report, published on the company website. The board's proposal for dividend allocation for 2021 has been guided by Aker's dividend policy and dividend capacity.

Board authorisations

The board's proposals for board power of authority comply with the relevant recommendation in the Norwegian Code of Practice for Corporate Governance. Board power of authority are limited to defined issues and are dealt with as separate agenda items at the annual general meeting. Board authorities remain valid until the next annual general meeting.

4. Equal treatment of shareholders and transactions involving related parties

The company has a single class of shares, and all shares carry equal rights. Aker has developed principles and guidelines for transaction agreements and other agreements not forming part of ordinary operations involving Aker and companies in which Aker has significant ownership interests.

5. Shares and negotiability

There are no restrictions on owning, trading or voting for shares in Aker ASA.

6. Annual general meetings

Meeting notification, registration and participation

Aker encourages all its shareholders to participate in general meetings. Through the general meeting, shareholders exercise the highest authority in the company. The annual general meeting for 2022 will take place on 22 April.

Shareholders unable to attend the general meeting may use electronic voting to vote directly on individual agenda items during the pre-meeting registration period. Shareholders unable to attend a meeting may also vote by proxy. The procedures for electronic voting and the proxy voting instructions are described in the meeting notification and published on the company website.

Meeting chair, voting, etc.

According to Aker ASA's Articles of Association, the general meeting is chaired by the Chairman of the Board, or by an individual appointed by the chairman. In this regard, Aker deviates from the NUES recommendation, which states that the general meeting should be able to elect an independent chairman for the general meeting. In the company's experience, its procedures for the chairmanship and execution of general meetings have proven satisfactory.

Members of the nomination committee and the company's auditor are expected to attend general meetings. The general meeting elects the members of the nomination committee and shareholder-elected board members. The nomination committee focuses on composing a board that works optimally as a team, and on ensuring that board members' experience and qualifications complement each other, and that statutory gender representation requirements are met. The general meeting is therefore requested to vote for a complete set of proposed board members, and shareholders cannot vote in advance for individual candidates. Aker ASA's practice thus differs from the NUES recommendation, which states that the general meeting should be given an opportunity to vote on each individual candidate nominated for an appointment to a company body.

7. Nomination committee

Aker ASA has a nomination committee as required by its articles of association. The nomination committee must comprise at least two members, and each member is normally elected for a two-year period.

The members and chairman of the nomination committee are elected by the company's general meeting, which also determines the remuneration payable to committee members. The current members of the nomination committee are presented in the 2021 annual report.

Instructions for the nomination committee's operations are adopted by the annual general meeting. The primary responsibilities of the nomination committee are to recommend candidates and remuneration for the company's board of directors and nomination committee, and remuneration for members of the audit committee. Shareholders who wish to contact the nomination committee can do so using the following email address: contact@akserasa.com.

Kjell Inge Røkke, chairman and main shareholder of Aker ASA, is also chairman of the nomination committee. This is not compliant with the NUES recommendation, stating that board members should not be a member of the nomination committee However, it is the company's assessment that the NUES recommendation on this point is based on considerations that are less applicable to a situation where a single shareholder - in Aker ASA's case Røkke himself - controls more than two-thirds of the company's shares and thus already has positive control of the company's general meeting.

8. Board of directors – composition and independence

Pursuant to the company's articles of association, the board comprises between 6 and 12 members elected by the shareholders or by group employees. Employees' rights to representation and participation in decision-making are safeguarded through extended employee representation on the board of directors in accordance with decision by the publicly appointed Industrial Democracy Board (Bedriftsdemokratinemnda). On this basis, and as set out in the articles of association, at least one-third of Aker ASA board members are elected by and among group employees. The nomination committee also recommends a candidate for the positions as Chairperson of the Board and a Deputy Chair, who must be approved by the general meeting. Two out of the four shareholder-elected board members are independent of the company's executive personnel and material business contacts (while NUES recommends such independence for the majority of the board members), and the majority of the shareholder-elected board members are independent of major shareholder(s).

Kjell Inge Røkke has personal economic interests as owner of the company's main shareholder, TRG Holding AS. Neither the President and CEO nor any member of the executive management is a member of the Aker ASA board.

The current composition of the board is presented in the 2021 annual report, as are board members' qualifications and expertise, share ownership, and membership in board committees, in addition independence considerations and overview of record of attendance for the joint board. The company does not have a corporate assembly.

9. The work of the board of directors

The board of Aker ASA has established board instructions that regulate areas of responsibility, tasks and the division of roles between the board, the board chairman, and the President and CEO. The board instructions also include principles and guidelines for transaction agreements and other agreements not forming part of ordinary operations involving Aker and its related parties and include requirements for when an independent valuation must be obtained.

Additional information on transactions with related parties during 2021 can be found in Note 33 to the 2021 consolidated accounts.

Guidelines have also been drawn up to ensure that board members and senior employees report to the board if they directly or indirectly have significant interest in agreements entered into by Aker or companies in which Aker has significant ownership interests.

The board carries out an annual self-evaluation.

Aker has an audit committee. The committee's mandate regulates areas of responsibilities, tasks, relations with the external auditor and reporting to the board of directors. The composition of the committee is presented in the 2021 annual report. NUES recommends the majority of the members to be independent of the company's business. Currently, only one of the three audit committee members are considered independent from Aker's business operations. The independent member also fulfils the legal requirement of having qualifications within accounting. The board has considered whether Aker ASA should have a compensation committee, but has concluded that it is currently not necessary.

10. Risk management and internal control

Governing principles

The Board of Aker establishes the overall principles for governance and control in Aker ASA through the adoption of various governing documents. For particularly important areas of group-wide relevance, the board ensures that similar governing documents are implemented in the portfolio companies within the framework of Aker's relevant governing documents. For example, Aker's Code of Conduct also expresses Aker's expectations of the portfolio companies' respective codes of conduct. The same applies to important areas such as anti-corruption, sustainability, and supplier conduct.

Aker has established a Compliance Officer function with dual reporting duties to the company's CEO and audit committee. The compliance officer's main task is to ensure that Aker ASA is compliant with relevant laws and regulations, including Aker's internal regulations and guidelines e.g. how Aker ASA integrates the interests of the society at large into its value creation. Aker has chosen a risk-based approach to the Compliance Officer's mandate. Aker ASA's Compliance Officer strives to contribute to effective information and knowledge sharing between the various compliance departments in the group.

In 2019, Aker ASA became a member of the Word Economic Forum's subdivision for anti-corruption, "PACI" (Partnering Against Corruption Initiative). Through this collaboration, Aker ASA has access to the expertise and experience of some of the world's largest and most advanced compliance organisations.

Aker has implemented a whistleblowing channel for reporting of serious matters, such as potential breaches of ethical guidelines and violations of the law. Information about the whistleblowing channel, including contact information, is available on the company website.

Risk management and internal control

The Board carries out an annual risk-based review of the company's portfolio. Prior to the annual risk reporting to the Board, the Audit Committee reviews the reported main risks and relevant risk mitigating measures. The Audit Committee also reviews the company's in-house reporting systems, internal control and overall risk management.

Aker has established a procedure for internal control in financial reporting (ICFR) that has been implemented in all major companies in the Group. The procedure requires annual risk assessment, mapping/implementation of key controls, and processes for monitoring that key controls are performed as intended. The experience so far is that the companies are showing a positive development, and that the ICFR procedure sets a framework for more targeted and consistent work with ICFR.

In connection with the process of preparing Aker's financial statements, clearing meetings are held with the management teams of each operating subsidiary with the main purpose of ensuring the quality of the financial reporting. The clearing meetings focus on significant valuation items, off-balance sheet items, related transactions, new or modified accounting principles, internal control in financial reporting, and special topics in the annual report. External auditors are present at the meetings.

The Audit Committee prepares a preliminary review of the quarterly and annual financial statements, focusing on items involving valuation items and the application of new accounting principles, as well as any material related-party transactions.

In the process of preparing Aker ASA's annual sustainability reporting, meetings are held with portfolio companies with the main purpose of ensuring the quality of the sustainability reporting.

The Audit Committee also prepares a preliminary review of the annual sustainability reporting.

11. Board remuneration

Board remuneration reflects the board's responsibilities and expertise, time spent and the complexity of the business. Remuneration does not depend on Aker's financial performance, and there are no option programmes for any of the board members.

The annual general meeting determines board remuneration after considering recommendations by the company's nomination committee. The board members elected by and among the employees and associated companies have reduced their board remuneration at their own initiative, in line with an agreement between employee organisations and Aker.

Frank O. Reite, deputy chair of the board, is one of the owners of Converto, which in 2021 entered into a mandate agreement with Aker to develop Aker's values within certain investments. The terms for the agreement have been presented to and approved by the board.

Additional information on remuneration paid to individual board members for 2021 can be found in Note 34 to the 2021 consolidated accounts.

12. Remuneration of executive management

The company has adopted separate guidelines on the remuneration of executive management in accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, approved by the general meeting in 2021. These guidelines are described in Note 34 to the consolidated accounts and is presented to shareholders for approval at the annual general meeting at least every fourth year. In addition a remuneration report in line with section 6-16b of the Norwegian Public Limited Liability Companies Act is presented at the annual general meeting each year (for advisory vote by the shareholders).

The employment contract of the President and CEO has been approved by the board. The remuneration paid to the President and CEO is approved by the board after considering recommendations from the Chairman of the Board.

The President and CEO determines the remuneration payable to key executives in accordance with board guidelines. Aker ASA has no stock option programmes. The remuneration for executive management includes a fixed annual salary, standard employee pension and insurance schemes and a variable pay element.

Aker ASA has a share bonus award programme for employees (excluding the President and CEO). Share awards are subject to specified conditions and goal achievement. This incentive programme for employees is presented in Note 2 to the Aker ASA annual accounts.

Further information on remuneration for 2021 for individual members of Aker's executive management can be found in Note 34 to the consolidated accounts.

Some members of Aker's executive management represent the company's interests as board members of other Aker companies. They do not receive personal remuneration for these board positions.

13. Information and communications

Aker's reporting of financial, sustainability and other information is based on transparency and equal treatment of stakeholders.

All stock exchange notifications and press releases are published on the company website, www.akerasa.com. Stock exchange notices are also available at www.newsweb.no.

The company organises presentations in connection with its financial reporting. These meetings are generally broadcast directly via the internet (webcast). The company's financial calendar appears in the 2021 annual report and is published on Aker's website.

14. Takeover

Aker does not have separate guidelines on how to respond in the event of a takeover bid. The Norwegian Code of Practice for Corporate Governance recommends the adoption of such guidelines. Through his privately held TRG holding companies, Kjell Inge Røkke controls a total of 68.2 per cent of Aker ASA shares. In view of this, the board has deemed separate takeover guidelines as recommended by the Code to be unnecessary.

15. Auditor

The auditor makes an annual presentation of the auditing plan to the board. Further, the auditor has provided the board with written confirmation that the requirement of independence is met.

The auditor participates in all meetings of the audit committee and in the board meeting that deals with the annual accounts. The auditor reviews, with the board, any material changes in the company's accounting principles and assessments of material accounting estimates. There have been no disagreements between the auditor and management on any material issues.

The auditor reports to the audit committee on its assessment of the internal controls on the financial reporting process. The outcome of this review is presented to the board. The board and the audit committee meet with the auditor without representatives of executive management being present. The audit committee receives a quarterly overview of services rendered by the auditor to the company. The audit committee also approves the fees paid to the auditor for material additional services. The remuneration paid to the auditor in 2021 for both audit and other services is presented in Note 11 to the consolidated accounts. These details are also presented to the annual general meeting.

16. Equality, diversity and inclusion

Aker has established a Sustainability Policy approved by the board that includes its commitments to equality, inclusion and diversity. Aker has an ambition to, at all levels and bodies in the organization, focus on diversity across age, competence, and background. Further, the company has developed guidelines for equality, inclusion, and diversity for the composition of the board, executive- and control bodies, committees and organization. The goal of these guidelines is to ensure a strong corporate culture driven by diversity in thinking and actions that leads to better decisions and create long-term value for Aker, other stakeholders and the society. The current status on equality, diversity and inclusion is described in the Sustainability Report.

Photo: Morten Krogvold, Ilja Hendel, Bård Gudim and Aker owned companies.

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