AKER HORIZONS

# Aker Horizons ASA

*(a public limited liability company incorporated under the laws of Norway)*

**Listing of Aker Horizons ASA's shares on Oslo Børs**

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The information contained in this prospectus (the "**Prospectus**") relates to the listing and admission to trading of common shares, each with a nominal value of NOK 1 (the "**Shares**") in Aker Horizons ASA ("**Company**", and taken together with its consolidated subsidiaries, the "**Group**") on Oslo Børs (the "**Oslo Stock Exchange**").

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The board of directors of the Oslo Stock Exchange approved the Company's listing application in a board meeting held on 19 May 2021, subject to fulfilment by the Company of the Oslo Børs listing requirements. Trading in the Shares on the Oslo Stock Exchange is expected to commence on or about 21 May 2021 under the trading symbol "AKH".

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All of the Shares are registered with the Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*) ("**Euronext VPS**") in book-entry form. All the Shares will rank in parity with one another and carry one vote per Share.

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Except where the context otherwise requires, references in this Prospectus to the Shares refer to all issued and outstanding ordinary shares of the Company. For the definitions of capitalised terms used throughout this Prospectus, see Section 19 "Definitions". **Investing in the Shares involves risks; see Section 2 "Risk Factors" beginning on page 11.**

**THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THE PROSPECTUS DOES NOT CONSTITUTE AN OFFER, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL, ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS**

**The date of this Prospectus is 19 May 2021.**

## IMPORTANT INFORMATION

This Prospectus has been prepared in order to provide information about the Company and its business in relation to the Listing and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended from time to time, the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC , as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language.

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The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved by The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) (the "**Norwegian FSA**") and the date of listing of the Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, shall under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

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No person is authorised to give any information or to make any representation concerning the Group or in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

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**The distribution of this Prospectus in certain jurisdictions may be restricted by law. The Company require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares described herein and no Shares are being offered or sold pursuant to this Prospectus in any jurisdiction.**

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**The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.**

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This Prospectus be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

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All Sections of the Prospectus should be read in context with the information included in Section 4 "*General Information*".

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## INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of (a) retail investors in Norway, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to any subsequent offering or sale of the Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

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## NOTICE TO INVESTORS IN THE UNITED STATES

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY U.S. STATE OR OTHER JURISDICTION. THE COMPANY DOES NOT PLAN TO REGISTER THE ISSUANCE OR RESALE OF THE SHARES UNDER THE U.S. SECURITIES ACT. THE SHARES MAY NOT BE RE-OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT (A) UNDER A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AS APPLICABLE OR (C) PURSUANT TO ANOTHER APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT; IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE U.S. STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, ONLY IF THE COMPANY HAS RECEIVED DOCUMENTATION SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT. IN ADDITION, THERE CAN BE NO ASSURANCES THAT SHAREHOLDERS RESIDING OR DOMICILED IN THE UNITED STATES WILL BE ABLE TO PARTICIPATE IN FUTURE CAPITAL INCREASES OR RIGHTS OFFERINGS.

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## NOTICE TO UNITED KINGDOM INVESTORS

**T**his communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom (the "**UK**") or (ii) persons in the UK who are qualified investors as defined in the Prospectus Directive that are also: (a) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (b) high net worth companies or other persons falling within Article 49(2)(a) to (d) of the Order; or (c) otherwise persons to whom it may lawfully be directed (all such persons together being referred to as **"relevant persons"**). In the UK, the Shares are only available to, and any subsequent invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, relevant persons. Any person in the UK who is not a relevant person should not act or rely on this Prospectus or any of its contents.

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## ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. Under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

The members of the Company's board of directors (the "**Board of Directors**" and each of them a "**Board Member**") and the members of the senior management of the Company (the "**Management**") are not residents of the United States. Virtually all of the Company's assets and the assets of the Board Members and members of Management are located outside the United States. As a result, it may be impossible or difficult for investors in the United States to effect service of process upon the Company or the Board Members and members of Management in the United States or to enforce against the Company or those persons judgments obtained in U.S. courts, whether predicated upon civil liability provisions of the federal securities laws or other laws of the United States.

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or the Board Members or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

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## 1. SUMMARY

| Introduction | |
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| **Warning** .................. | This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. |
| **The Securities** .................. | The Company has one class of shares in issue, and all shares provide equal rights in the Company in accordance with the Norwegian Public Limited Liability Companies Act and the Articles of Association of the Company. The Shares are subject to the Norwegian Public Limited Liability Companies Act, and are registered in book-entry form with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under ISIN NO0010921232. |
| **The Issuer** .................. | The Company is registered in the Norwegian Register of Business Enterprises *(Nw. Foretaksregisteret)* with registration number 925 978 558 and has its registered address at Oksenøyveien 8, 1366 Lysaker. The Company's website can be found at https://www.akerhorizons.com. The Company's LEI is code is 549300SX4Z9T612Q0N59. |
| **The Offeror(s)** .................. | Not applicable. There is no offering of Shares. |
| **Competent Authority Approving the Prospectus** .................. | The Norwegian FSA, with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 19 May 2021, approved this Prospectus. |
| **Key information on the Issuer** | |
| **Who is the Issuer of the Securities?** | |
| **Corporate Information** .................. | The Company was incorporated under the laws of Norway on 1 November 2020, as a private limited liability company under the Norwegian Private Limited Liability Companies Act. The Company was converted to a public limited liability company, subject to the Norwegian Public Limited Liability Companies Act on 21 April 2021.<br><br>The Company's registration number in the Norwegian Register of Business Enterprises (*Nw. Foretaksregisteret*) is 925 978 558 and its LEI is 549300SX4Z9T612Q0N59. The Company's registered address is at Oksenøyveien 8, 1366 Lysaker, and the Company's website can be found at https://www.akerhorizons.com. |
| **Principal activities** .................. | The Company is an investment company dedicated to investing in, incubating and developing companies within renewable energy and other technologies that reduce emissions or promote sustainable living. Through its portfolio companies the company is currently involved in various industries, most notably offshore wind, carbon capture, solar industry, onshore wind, silicon industry and hydropower plant and supply. The Company intends to invest and actively manage its ownership interests in various portfolio companies in order to grow and expand current platforms further. Further, the Company's business plan consists of both launching and incubating new ventures, as well as divesting existing businesses. |
| **Major Shareholders** .................. | Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of 19 May 2021, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company:<br><br>Aker Capital AS ............................................................ 79.9% |

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|---|---|
| **Key managing directors** .................. | The Company's key management comprises of the following members:<br><br>**Name** — **Position**<br>Kristian Monsen Røkke — CEO<br>Nanna Tollefsen — CFO |
| **Statutory auditor** ............... | The Company's independent auditors are KPMG AS which has their registered address at Sørkedalsveien 6 0369 Oslo. |
| **What is the Key Financial Information Regarding the Issuer?** | |
| **Selected Historical Key Financial Information** .................. | The table below sets out a summary of the Company's audited historical financial statements for the period commencing on its incorporation and ending on 31 December 2020. |

The table below sets out key figures derived from the Company's income statement for period 1 November 2020 – 31 December 2020:

| *NOK* | For the Period 1 November - 31 December 2020 (NGAAP) |
|---|---|
| Revenue........................................................................ | 0 |
| Operating profit (loss) .................................................... | 0 |
| Profit (loss) after income tax and total comprehensive loss .......... | 0 |

The table below sets out the key figures for the Company's balance sheet information as of 31 December 2020:

| *NOK* | As of 31 December 2020 (NGAAP) |
|---|---|
| Total assets .................................................................. | 24,430 |
| Total equity ................................................................. | 24,430 |

The table below sets out the key figures for the Company's cash flow information for the period 1 November 2020 – 31 December 2020:

| *NOK* | For the Period 1 November - 31 December 2020 (NGAAP) |
|---|---|
| Relevant net Cash flows from operating activities and/or cash flows from investing activities and/or cash from financing activities........ | 0 |

The table below sets out key figures derived from the Combined Group's income statement extracted from the Carve-out Combined Financial Statements for the year ended 31 December 2020:

| *NOK (thousands)* | **As of 31 December 2020** |
|---|---|
| | **(IFRS)** |
| Total comprehensive income (loss) ........................................ | (358,105) |

The table below sets out the key figures for the Combined Group's balance sheet information extracted from the Carve-out Combined Financial Statements as of 31 December 2020:

| *NOK (thousands)* | **As of 31 December 2020** |
|---|---|
| | **(IFRS)** |
| Total assets .................................................................. | 1,650,328 |
| Total equity .................................................................. | 319,360 |

The table below sets out the key figures for the Combined Group's cash flow information extracted from the Carve-out Combined Financial Statements for the year ended 31 December 2020:

| *NOK (thousands)* | **2020** |
|---|---|
| | **(IFRS)** |
| Cash flow from operating activities ........................................ | (99,575) |
| Cash flow from investing activities ........................................ | (594,517) |
| Cash flow from financing activities ........................................ | 1,637,203 |

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| **Selected Key Pro Forma Financial Information** .................. | The table below sets out key figures derived from the Company's unaudited pro forma income statement for the year ended 31 December 2020 (derived from the Unaudited Pro Forma Condensed Financial Information).<br><br>*NOK (thousands)* — **2020 (pro forma)**<br>Revenue ........................................................ 625,077<br>Operating profit / (loss)........................................ (906,197)<br>Profit / (loss) for the period ................................................................ (1,707,004) |

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| | The table below sets out the key figures for the Company's pro forma balance sheet information as of 31 December 2020 (derived from the Unaudited Pro Forma Condensed Financial Information).<br><br>*NOK (thousands)* — **2020 (pro forma)**<br>Total assets ........................................................ 25,322,596<br>Total equity ........................................................ 8,923,135 |
| **Profit Forecast or Estimate** .................. | Not applicable. No profit forecast or estimate is included in this Prospectus. |
| **Audit Report Qualification** .................. | Not applicable. No qualifications. |
| **What are the Key Risks That are Specific to the Issuer?** | |
| **Key Risks Specific to the Issuer** .................. | *Key risks related to the Issuer:*<br><br>• **The Company is newly established with limited operating history**. Risks that may materialise in relation to a newly established Company with limited operating history, include, but are not limited to, implementation of systems, routines and/or other integration measures taking a longer time and/or being costlier than anticipated. Furthermore, return calculations, budgets and accounting based on forecasts and assumptions change or vary over time and there can be no assurance that the actual results of the Company and its portfolio companies will be in line with the Company's current calculations and budgets.<br><br>• **The Company may fail to execute, or change, its strategy.** The Company has an ambition to grow and expand further beyond its current portfolio. The Company may, however, due to, inter alia, external factors or internal decisions, fail to execute or change its current strategy and pursue alternative strategies.<br><br>• **The value of the Company's shareholdings and other investments is exposed to share price risks**. Four of the Company's investments (ACC, AOW, ACH and REC Silicon) are separately admitted to trading on Euronext Growth (Oslo) (ACC, AOW and ACH)/Oslo Børs (REC Silicon) and hence changes in the share prices of the portfolio companies affect the Company's net asset value.<br><br>• **The Company faces operational risks through the business of its portfolio companies**. The Company's portfolio companies are currently involved in various industries, including but not limited to offshore wind, carbon capture, hydrogen, the solar industry, onshore wind and the hydropower plant supply and services industry. Activities in these industries, as well as potential future industries/adjacencies within the Company's investment mandate, are often capital intensive and affected by cyclical variations and causes operational risks for the Company through its portfolio companies.<br><br>• **As part of its business plan, the Company may, from time to time, acquire other businesses or divest some of its businesses. Acquisition and divestment activities are attached with risk of lack of intended synergies, integration risks and costs, and risk of other losses**. As many of the Company's investments are listed shares, the Company could acquire or divest shares as part of a balancing of its portfolio and make use of opportunities it sees in the stock market.<br><br>• **Future earnings of the Company depend on the profitability and development of the Company's portfolio companies**. Future earnings of the Company depend on the earnings of its portfolio companies being distributed to the Company and/or on the potential realisation of any ownership interests in the portfolio companies. There is also a risk that the portfolio companies from time to time may need to enter into financing arrangements whereby its possibility to distribute any dividend may be restricted. |

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| | • **The Company's ownership in its portfolio companies may be diluted if the Company does not participate or is not offered to participate on a pro rata basis or at all, in future equity raises in the companies**. As an active owner of its portfolio companies, the Company is expected to participate in future equity capital raises associated with the aforementioned companies, which the Company may require external debt or equity to finance. It can, however, not be guaranteed that the Company will be offered or be able to participate in future equity raises on a pro rata basis or at all.<br><br>• The Company's business aims to operate in a rapidly changing technological environment and the Company's portfolio companies are dependent on the use of certain technology and intellectual property rights and may unintentionally violate third party intellectual property rights.<br><br>• The Group is subject to risks relating to changes in laws and regulations and is dependent on licenses, permits and approvals to operate. Furthermore, several of the Company's portfolio companies are (to a various degree) expected to be dependent on support schemes and regulatory incentives which may not always be available.<br><br>• The Company's portfolio companies' projects and prospects are capital intensive, and the portfolio companies (and consequently the Company) may need to raise additional funding to finance their projects. Furthermore, the Company and its portfolio companies are parties to financing arrangements, and may in the future take on debt which in turn could limit its cash flow and operational flexibility. |
| **Key Information on the Securities** | |
| **What are the Main Features of the Securities?** | |
| **Type, Class of Securities Identification and ISIN Number** .................. | All of the Shares are ordinary shares in the Company and have been issued under the Norwegian Public Limited Liability Companies Act. The Shares are registered in book-entry form with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under ISIN NO0010921232 |
| **Currency, Number and Par Value of the Securities** .................. | As of the date of this Prospectus, the Company's share capital is NOK 580,750,658, divided on 580,750,658 Shares, each having a nominal value of NOK 1.<br><br>The shares are issued in NOK and will be quoted and traded in NOK on the Oslo Stock Exchange. |
| **Rights Attaching to the Securities** .................. | The Company has one class of Shares, and all Shares provide equal rights in the Company in accordance with the Norwegian Public Limited Liability Companies Act and the Articles of Association of the Company. Each Share carries one vote. The holders of Shares have no pre-emptive rights in connection with transfer of Shares. |
| **Restrictions on Transfer** .................. | The Shares are freely transferable. The Articles of Association do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors. |
| **Dividend Policy** .................. | As of the date of this Prospectus, the Company is in a growth phase and will prioritise re-investing in developing the portfolio companies and pursuing acquisition opportunities. Furthermore, the Company is expected to be restricted from paying dividends in the near-term pursuant to its loan facilities, including pursuant to the Senior Facilities Agreement. Beyond the growth phase and subject to any applicable dividend restrictions, the Company anticipates to maintain a discretionary dividend policy. There can, however, be no assurance that any dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. |
| **Where will the securities be traded?** | |
| **Admission to Trading** .................. | The listing committee of the Oslo Stock Exchange approved the Company's listing application in a meeting held on 19 May 2021, subject to fulfilment by the Company of the Oslo Børs listing requirements.<br><br>The Company currently expects commencement of trading in the Shares on the Oslo Stock Exchange on or about 21 May 2021 under the trading symbol "AKH". The Company has not applied for admission to trading |

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| | of the Shares on any other stock exchange or regulated market, but is currently trading on Euronext Growth (Oslo) which is a multilateral trading facility (MTF). |
| **What are the key risks that are specific to the securities?** | |
| **Key Risk Specific to the Securities** .................. | Key risks related to the Shares:<br>• The Company may or may not pay any dividends for the foreseeable future. Shareholders may never obtain a return on their investment or may lose their total investment.<br>• Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares<br>• The Company has a major shareholder with significant voting power. |
| **Key information on the Offering and/or the admission to trading on a regulated market** | |
| **Under which conditions and timetable can I invest in this security?** | |
| **Terms and Conditions for the Offer** .................. | Not applicable. There is no offering of Shares. |
| **Dilution** .................. | Not applicable. There is no offering of Shares. |
| **Proceeds and Estimated Expenses** .................. | Not applicable. There is no offering of Shares. |
| **Who is the Offeror and/or the Person asking for admission to Trading?** | |
| **Brief description of the Offeror(s)** .................. | Not applicable. There is no offering of Shares. |
| **Why is this Prospectus being produced?** | |
| **Reasons for the Offering/ Admission to Trading** .................. | The Group believes that the Listing will (i) enable access to a wider equity capital markets to fund further growth; (ii) diversify the shareholder base; (iii) enhance the Company's profile with investors, business partners, vendors and customers; (iv) further improve the ability of the Company to attract and retain key management and employees; and (iv) allow for a liquid market for the Shares going forward. |
| **Use of proceeds** .................. | Not applicable. There is no offering of Shares. |
| **Underwriting** .................. | Not applicable. There is no offering of Shares. |
| **Material and Conflicting Interests** .................. | The Company is not aware of any interest of any natural and legal persons involved in the Listing that is material to the Listing. |

## 2. RISK FACTORS

*An investment in the Shares involves inherent risks. Investors should consider all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of high-risk investment and who can afford a loss of all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision. If any of the risks described below materialise, individually or together with other circumstances, they may have material adverse effects on the Company's business, financial condition, results of operations and cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. Risks and uncertainties described below are the principal known risks and uncertainties faced by the Company as of the date hereof. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow, and may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The information in this Section is as of the date of this Prospectus.*

### 2.1 Risks Relating to the Company and the Business in which the Company Operates

***The Company is newly established with limited operating history.***

The Company, which is intended to operate as an investment company, was established in November 2020[1], and has limited operating history. The Company intends to invest and actively manage its ownership interests in various portfolio companies (listed or unlisted) – in which the Company's direct or indirect ownership interest may vary. The Company's current portfolio mainly comprise of a 51% ownership in each of Aker Carbon Capture AS ("**ACC**") and Aker Offshore Wind AS ("**AOW**"), approximately a 77.2% ownership in Aker Clean Hydrogen AS ("**ACH**"), 75% ownership in Mainstream Renewable Power Limited ("**Mainstream**"), 49.9% ownership in SuperNode (holding 50% of all voting shares), 100% ownership in Rainpower Holding AS ("**Rainpower**"), in addition to a 24.7% industrial holding in REC Silicon ASA ("**REC Silicon**"). ACC, AOW and ACH are also relatively new companies with limited operating history.

Risks that may materialise in relation to a newly established Company with limited operating history, include, but are not limited to, implementation of systems, routines and/or other integration measures taking a longer time and/or being costlier than anticipated. Furthermore, return calculations, budgets and accounting based on forecasts and assumptions change or vary over time and there can be no assurance that the actual results of the Company and its portfolio companies will be in line with the Company's current calculations and budgets.

***The Company may fail to execute, or change, its strategy.***

The Company has an ambition to grow and expand further beyond its current portfolio. The Company may, however, due to, *inter alia,* external factors or internal decisions, fail to execute or change its current strategy and pursue alternative strategies. For instance, the Company is subject to changes in market conditions, regulatory frameworks, availability of expertise and resources, access to funding, and, in respect of internal decisions, the Company relies on each of the boards in the respective portfolio companies in regards to having the right governance and composition, competencies and qualifications to fulfil the fiduciary duties of each board as well as to secure growth and success for the various portfolio companies. The Company's failure to execute its strategy, including an amendment of the current strategy, could have a material adverse effect on the business, results of operations and financial condition of the Company. Combined with the Company's limited operating history, the risk that the Company may fail to execute its strategy makes it difficult to assess the outlook for the Company's future revenues and other operating results.

***The value of the Company's shareholdings and other investments is exposed to share price risks.***

Four of the Company's investments (ACC, AOW, ACH and REC Silicon) are separately admitted to trading on Euronext Growth (Oslo) (ACC, AOW and ACH)/Oslo Børs (REC Silicon) and hence changes in the share prices of the portfolio companies affect the Company's net asset value. The trading price of the portfolio companies could fluctuate significantly based on changes in market perception, operating results, business developments, interest/currency rate changes, changes in estimates or recommendations by financial analysts, matters announced in respect of customers, contracts or competitors, changes in regulatory environment and due to large buyers/sellers of the shares. The shares are also exposed to general share market developments both globally and in Norway, which again can depend on a number of global and Norwegian factors, respectively. Each of the above make it difficult to predict the Company's future net asset value. Further, a reduction in the value of the Company's shareholdings and other investments may obstacle the Company's execution of its business plan, e.g. acquisition and divestment activities.

[1] Aker Horizons Holding AS was established in July 2020, as a holding company of Aker ASA's investments in ACC and AOW, but the Company was only incorporated in November 2020, and the Group was established in January 2021 as a result of the Internal Reorganisation.

***The Company faces operational risks through the business of its portfolio companies.***

The Company's portfolio companies are currently involved in various industries, including but not limited to offshore wind, carbon capture, hydrogen, the solar industry, onshore wind and the hydropower plant supply and services industry. Activities in these industries, as well as potential future industries/adjacencies within the Company's investment mandate, are often capital intensive and affected by cyclical variations and causes operational risks for the Company through its portfolio companies. The Mainstream business in particular is significantly capital intensive as Mainstream has various funding commitments and cash requirements imposed by certain equity contribution agreements, joint ventures, shareholders agreements and finance facility agreements.

Operational risks are, among other things, related to the extent to which the companies are able to adjust their activity to changing market conditions as well as their ability to execute on complex projects and operations within acceptable time and cost boundaries. Many of these industries are highly competitive and the Company's portfolio companies' market positions and revenues can be affected if the portfolio companies are unable to compete efficiently. Furthermore, as regards the operations of Mainstream, the Company risks that the revenues generated by Mainstream may be particularly affected by the lack of take-or-pay obligations in certain power purchase agreements ("**PPAs**") as the distribution companies can reduce the volumes under all of their PPAs in case of lower energy demand, leading to the project company being forced to sell its surplus output on the spot market. Rainpower delivers turbines, other components and services to its customers on contracts often based on lump sum compensation, therefore margins may be affected by unpredicted changes in project execution costs. Customer contracts may also include terms which may be onerous to the relevant portfolio company. The ACH business, including construction of industrial hydrogen plants, is also highly capital intensive, and the Group will require additional equity and/or debt financing to participate in the realisation of its planned projects and future prospects. In addition to the aforementioned, the Group is also subject to a number of operational risks as further described below. Materialisation of such operational risks could have material adverse effect on the business, results of operations and financial condition of the Company's portfolio companies, which in turn may reduce the value of the Company's shareholdings in such companies or reduce the future earnings of the Company.

***As part of its business plan, the Company may, from time to time, acquire other businesses or divest some of its businesses. Acquisition and divestment activities are attached with risk of lack of intended synergies, integration risks and costs, and risk of other losses.***

The Company and its subsidiaries will most likely both acquire new businesses and divest existing businesses as part of the Company's strategy going forward. The rationale for such acquisitions and divestments could include, among others, to buy businesses considered to be compatible and advantageous to the Company's business, to obtain synergies or to dispose of non-core businesses. As many of the Company's investments are listed shares, the Company could acquire or divest shares as part of a balancing of its portfolio and make use of opportunities it sees in the stock market.

However, acquisitions and divestments may not lead to the intended synergies or value development. For acquisitions, the cost of integrating the new business and employees may, for example, exceed the advantages. Further, acquisitions may expose the Company to reputational damage or other claims, even if extensive due diligence is performed in advance of the acquisition, and/or customary M&A insurance is obtained. Acquisitions could also result in the incurrence of debt, impairment of goodwill or restructuring charges. Each risk could adversely affect the Group's financial condition. In a divestment, although the divestment agreement would usually generally limit the Company's liability as seller towards the buyer, the divestment could expose the Group to claims from the buyer of a divested business for breaches of covenants, representations and warranties as well as to breach of specific indemnities. Any of the above could have a material adverse effect on the business, results of operations and financial condition of the Group. Further, any of the above may reduce the value of the Company's shareholdings or reduce the future earnings of the Company, as described further below.

***Future earnings of the Company depend on the profitability and development of the Company's portfolio companies.***

Future earnings of the Company depend on the earnings of its portfolio companies being distributed to the Company and/or on the potential realisation of any ownership interests in the portfolio companies. There is a risk that the portfolio companies from time to time may need to enter into financing arrangements whereby its possibility to distribute any dividend may be restricted. Mainstream is currently subject to broad restrictions on distribution of dividends in certain of its current financing facilities. ACC, AOW, and ACH are currently not subject to any such restrictions, but there can be no assurance that any of these companies will not take on such restrictions in the future as part of its financing arrangements. Materialisation of such risk may reduce the future earnings of the Company.

There is an uncertainty of future contract awards in many of the business segments in which the Company's portfolio companies operate, which renders future earnings and profitability uncertain. If the companies are not successful in securing contracts, their earnings will be negatively affected. For instance, ACC, AOW, ACH, Mainstream and Rainpower have several planned projects or prospects on-going and planned tenders and auction processes which will define the future level of the Company's activity, capacity and competency. The Company's earnings will also be negatively affected if the Company's portfolio companies are not successful in securing contracts, resulting in a negative effect on their earnings and profitability.

***The Company's ownership in its portfolio companies may be diluted if the Company does not participate or is not offered to participate on a pro rata basis or at all, in future equity raises in the portfolio companies.***

As an active owner of its portfolio companies, the Company is expected to participate in future equity capital raises associated with the aforementioned companies, which the Company may require external debt or equity to finance. It can, however, not be guaranteed that the Company will be offered or be able to participate in future equity raises on a pro rata basis or at all. If the Company does not participate in future equity capital raises in the portfolio companies, its ownership will be diluted and the Company may not have the same degree of influence in the portfolio companies as it does currently, i.e. 51% in each of ACC and AOW, approximately 77.2% in ACH, 24.7% in REC Silicon, 100% in Rainpower, 75% in Mainstream and 49.9% in SuperNode Ltd. ("**SuperNode**"), which in turn may prevent the Company from executing its strategy.

## 2.2 Risks Related to the Group and the Industry in which the Group Operates

***The Company is dependent upon its ability to hire and retain qualified employees.***

The success of the Company is dependent upon its ability to hire, retain, and utilise qualified personnel and senior management, both on the Company level and for each of the portfolio companies. As an active owner, the Company also works through the boards of the portfolio companies and is relying on each of the boards having the right composition and competences. The Company has a very limited management group and is therefore specifically vulnerable to changes in its management team. However, even if the Company were to successfully hire and retain qualified employees, there is no guarantee that the Company will achieve its business and financial objectives.

Furthermore, the Company is dependent on retaining qualified personnel to continue the Mainstream and Rainpower businesses. As newly acquired businesses, the Company has limited knowledge and experience with Mainstream's and Rainpower's operations and will to a large extent rely on qualified employees within the acquired businesses with relevant experience and knowledge for a successful further development. Any of the above could lead to the Company's failure to execute its strategy and business plan for the portfolio companies, which in turn could have a material adverse effect on the business, results of operations and financial condition of the Group.

***The Company's business aims to operate in a rapidly changing technological environment.***

The industries within the Company's investment mandate, currently comprising, *inter alia,* carbon capture and storage, onshore and offshore wind power, solar power, silicon materials and hydrogen technology and hydropower technology, are under ongoing development. Changes and developments in these industries may be driven by competitors of the Company's portfolio companies with substantially greater resources than those of the Company and/or the portfolio companies and the attractiveness of the portfolio companies' technical solutions relative to other providers' solutions is uncertain, which may adversely impact the competitive position of the Company's portfolio companies. If any of the Company's portfolio companies should fail to have a technical advantage or the preferred technical solutions in the market in which they operate, this could materially affect the value of the portfolio companies which may have a material adverse effect on the Company, its business, prospects, financial position, operating results and future opportunities.

Part of the Company's portfolio companies' operations are at an early stage of their development and their technologies, combined with the continued developments, changes in industry standards, regulations for the key services and products delivered may cause difficulties for the Company's portfolio companies to introduce new products and services. Any material delays in introducing products, services and enhancements, *inter alia,* as a result of the failure to comply with industry standards, may result in a failure to attract new customers and existing customers may forego the use of the Company's portfolio companies' products. This may have a material adverse effect on the Company's portfolio companies and consequently the Company's business, prospects, financial position and operating results.

***The Company's portfolio companies are dependent on the use of certain technology and intellectual property rights and may unintentionally violate third party intellectual property rights.***

The Company's portfolio companies rely on a variety of intellectual property rights, other proprietary information and trade secrets, which are used in its services and products. The relevant portfolio companies may not be able to successfully preserve such intellectual property rights, proprietary information and/or trade secrets, and intellectual property rights of these companies could be invalidated, circumvented, or challenged. In addition, the laws of some foreign countries in which the services and products of the Group may be sold do not adequately protect intellectual property rights. Further, current and future intellectual property rights relied upon by the Companies portfolio companies, may not necessarily be registered. Failure to protect intellectual property rights or other information and/or trade secrets used in the services and products used or owned by the Company's portfolio companies could have a material adverse effect on the Company and its portfolio companies' competitive position, and consequently the Company's business, prospects, financial position and operating results.

The Company's portfolio companies have daily interactions with several third-party intellectual property right holders, and the existing rights which are used in the Company's portfolio companies' development projects and its daily business, are regulated through agreements with the owners of the intellectual property rights. Most of the intellectual property rights for the Group's material product offerings are owned by third parties and, while the Group has valid licenses to use the intellectual property rights and these rights are clearly defined, regulated and governed, the fact that some of the Company's portfolio companies' core business is dependent on intellectual property rights of others, makes such portfolio companies particularly exposed to unintended violations. Both AOW and Principle Power Inc. ("**PPI**") (in which AOW holds an ownership interest of approximately 47%) hold rights to design for floating foundations for offshore wind farms. Discussions relating to a specific design are ongoing and there is a risk that the discussions will not be concluded in line with AOW's position. There is a further risk that new disagreements or uncertainties pertaining to *inter alia* the ownership of such designs or the use thereof may arise in the future.

Any claim that the Company's portfolio companies are infringing a valid and enforceable patent or other intellectual property rights, or their loss of the right to use third-party intellectual rights, may result in the relevant portfolio company being denied access to those rights, which would likely cause a significant disruption in said portfolio company's business and force it to incur substantial costs to develop and implement alternative, non-infringing technology or products. This could also lead the relevant portfolio company's licenses and customers to bring warranty claims against it. This could involve significant obligations and/or costs to the relevant portfolio companies in question, which could have a material adverse effect on the relevant portfolio companies' business, prospects, financial position and results of operations, and consequently the Company.

**Some of the Company's portfolio companies are dependent on third-parties**

As some of the Company's portfolio companies are newly established or have limited operating history, e.g. ACH, AOW and ACC, such companies are dependent on third-parties such as Aker Solutions, providing them with access to certain services and resources required for execution of its projects. Inability or unwillingness of such third parties to provide the required services may have a material adverse effect on the Company's portfolio companies' and the Group's business, results of operations and/or financial condition.

***The Group is subject to risks relating to third party rights and approvals.***

The Company and its portfolio companies may be required to obtain third party rights, such as, *inter alia,* land rights, in order to develop their projects and prospects. For instance, certain Mainstream early stage projects have not yet obtained real estate rights, planning permissions, interconnection or grid connection rights necessary for further development of the projects. The Group's dependency on such rights represent a considerable risk and if the Group does not obtain and/or retain the necessary third-party rights that it requires to operate its business, it may have a material adverse effect on the Group's business, operations and financial results.

The Company and its portfolio companies may also be dependent on approvals from third parties, including governmental authorities. Such approvals are usually outside of the Group's control and represent a general risk to the Group and its business, especially in light of the Company's aim to expand and grow. For instance, in relation to the transfer of the business of AOW and ACC from Aker Solutions ASA (together with its subsidiaries ("**Aker Solutions**") in 2020, assignment of certain contracts was subject to approval from contracting parties, of which one has not yet been finally obtained (the contract relating to the Twence project, as further described in Section 5.3 "Principal Investments"). Thus, there is a certain uncertainty of e.g. future contract awards in many of the business segments in which the Company's portfolio companies operate, which renders future earnings and profitability uncertain. Further, a failure to obtain such an approval could have a material adverse effect on the business, results of operations and financial condition of the Group.

***The Group is subject to risk related to cooperation agreements and partnerships.***

The Company and its portfolio companies may conduct its business through consortiums and/or through companies where the relevant Group company is not the sole shareholder (directly or indirectly). This applies, *inter alia,* for the Mainstream business, and SuperNode, and any future portfolio companies and their business.

The Group's ability to receive dividends and other payments from such companies may depend not only upon said companies' cash flows and profits, but also upon the terms of agreements with the other shareholders of said companies (to the extent applicable). Conflict or disagreement with such shareholders may lead to majority decisions against the Group's interests or a deadlock and result in the Group's inability to pursue its desired strategy and/or force it to exit from such companies. Also, agreements with such shareholders, or the virtue of not being the sole shareholder, may restrict the Group's freedom to carry out its business. Each of the parties' rights and obligations under agreements with other shareholders may also be vague and subject to different interpretation. There can be no assurance that the Group's partners in such companies will continue their relationships with the Group in the future, that any agreements entered into have contemplated all situations or potential conflicts between shareholders, or that the Group will be able to pursue its stated strategies with respect to its joint ventures and the markets in which they operate. This in turn, may have a material adverse effect on the Group's revenues, profitability, cash flows and financial condition.

The Company's portfolio companies also have collaborative relationships through various forms of agreements, partnerships and investments. The progress of projects and prospects could be dependent on consents from partners in the consortiums. The shareholders in such partnerships may have been selected in light of, *inter alia*, compatibility of capabilities, access to know-how and technology, local content rules and regulations in such jurisdictions where the Group operates amongst other. Hence, withdrawal by such partners from such partnerships and / or changes of such partners' business or business strategy and / or changes in such rules and regulations may have a negative impact on the Group's project portfolio and its ability to operate in such jurisdiction(s).

***Risk of violations of anti-corruption laws.***

The Company's portfolio companies' business operations and sales are conducted globally and in markets with significant corruption risk and is in general subject to anti-corruption laws in multiple jurisdictions, such as South-Africa, Chile, Vietnam, Philippines, China, Mozambique, Tanzania and other emerging economies, which amongst other things prohibits improper payments and requires the Group to maintain accurate books and records as well as appropriate internal controls. Any violations may incur civil and criminal penalties or other sanctions, or cause the Group to suffer significant internal investigation costs or reputational harm, increase the risk of business interruptions or restrict the portfolio companies' ability to operate in certain countries. All of the above could have a material adverse effect on the Group's business, financial condition, results of operations, reputation and/or prospects.

***The Group may be party to various claims, legal proceedings or disputes, including class action lawsuits.***

The nature of the business of the Group exposes the Group to the risk of claims, legal proceedings and disputes (including litigation, arbitration and administrative procedures) with customers, cooperation partners, contractors and suppliers, governments, as well as disputes over claims in relation to personal injury, environmental issues, intellectual property rights, tax matters, securities matters, labour and employment matters, unionising and collective action, discrimination matters, payments, privacy and personal data, data security issues, competition and anti-trust issues. The COVID-19 pandemic has had global implications on supply chains and several suppliers have presented force majeure claims on this basis. Although Mainstream has progressed these claims on a continuous basis, not all claims have been resolved to date. Rainpower is and may from to time be, involved in discussions and claims with its customers and suppliers regarding final settlement and compensation with respect to project deliveries. The Group cannot predict with certainty the outcome or effect of any future claim or other litigation matters or disputes. Any litigation or dispute may have a material adverse effect on the Group's business, financial position, results of operations, cash flows and/or prospects due to potential negative outcomes, the costs associated with prosecuting or defending such lawsuits, and the diversion of management's attention to these matters. Any claims against the Group could result in professional liability, product liability, criminal liability, warranty obligations, and other liabilities which, to the extent the Group is not insured, or cannot insure, against a loss, could have a material adverse impact on the business, results of operation, financial condition, cash flows and/or prospects of the Group.

The Group may conduct provisions to cover the expected outcome of proceedings and disputes to the extent that negative outcomes are likely and reliable estimates can be made, but the final outcome of these and other cases may be subject to uncertainties and resulting liabilities which may exceed booked provisions.

***The Group is subject to risks relating to changes in laws and regulations and is dependent on licenses, permits and approvals to operate.***

The Company's current portfolio companies are, and future portfolio companies are expected to be, subject to a wide variety of national and international laws and regulations in relation to their operations. Any breach of laws can be costly, can expose the Company's portfolio companies to liability and can limit their options.

Furthermore, the Company's portfolio companies are required to obtain certain permits and approvals from governmental authorities for further development of existing projects and will also be dependent on governmental license approvals and rights to commence and continue their operations. This applies for many of the projects which the Company's portfolio companies intend to execute. For example, for AOW, licenses from relevant authorities are required in order to build offshore wind farms. For Mainstream, in relation to development projects in South Africa planning and environmental permits which are material to the operation of the relevant project are not yet obtained. For ACC, the Twence project is awaiting decisions from relevant governments, as further described in Section 5.3 Principal Investments . There is a risk that the portfolio companies will not obtain such necessary licences, approvals or rights, that the portfolio companies will not be successful in relevant auction processes, or that obtaining such licenses, approvals or rights will require significant resources or is made conditional upon terms not favourable to the portfolio companies and as such to the Company, that in turn may have a negative effect on the portfolio companies' financial position, operations and results. The increased competition in the renewable energy production industry in which many of the Company's portfolio companies operates may also decrease the attractiveness of relevant projects (including with regards to bid prices and rate of return on such projects). The portfolio companies' dependency on such permits and approvals represent a considerable risk and if the portfolio companies do not obtain the necessary permits and approvals they require to operate their business, it may have a material adverse effect on the Group's businesses, operations and financial results. Any lack of necessary permits and approvals could have a material adverse effect on the projects and prospects of the portfolio companies. In several regions the regulatory and fiscal framework should be considered as 'in the making' as the industries in which the Group currently operates are early stage. Furthermore, there is a risk that the relevant governments may change the requirements for obtaining such licenses, rendering it more expensive, difficult or, indeed impossible for the Group or the Group's potential customers to obtain such necessary licenses.

***The Company and its portfolio companies are operating in an industry that is subject to significant focus by regulators***

The Company and its portfolio companies are operating in an industry that is subject to significant focus by regulators in Norway and internationally. The current and future regulatory framework related to sustainability, and the EU Taxonomy ((EU) 2020/852) in particular, may affect the Company and its portfolio companies' current and planned operations as well as their stakeholders' strategic decisions substantially. The industries within the Company's investment mandate, currently comprising, inter alia, carbon capture and storage, onshore and offshore wind power, solar power, silicon materials and hydrogen and hydropower technology, are largely considered to be important industries in climate change mitigation. The extent to which the Company's and its portfolio companies' economic activities will be considered sustainable, and environmentally sustainable in accordance with the EU Taxonomy ((EU) 2020/852) in particular ("**Taxonomy-aligned**"), is subject to a case-by-case assessment in light of the applicable regulatory framework from time to time. It at this point in time not known to what extent the Company's and its portfolio companies' economic activities will be Taxonomy-aligned. In addition, the requirements to qualify as a Taxonomy-aligned activity will be subject to regular revision going forward in line with a net-zero trajectory. The Company and its portfolio companies will therefore need to assess the regulatory framework regularly and may wish to - or consider it appropriate to - change their current strategy and pursue alternative strategies. The current and future regulatory framework related to sustainability may therefore have a material adverse effect on the Company's and its portfolio companies' strategies, the market conditions, access to funding and/or their cooperation with business partners.

***Several of the Company's portfolio companies are (to a various degree) expected to be dependent on support schemes and regulatory incentives which may not always be available.***

Several of the Company's portfolio companies' and their future prospects and counterparties are also, to some extent, dependent upon financial support schemes, regulatory incentives and funding from governments or other non-commercial institutions to realise their projects. The availability of such support schemes, and the portfolio companies' ability to qualify for and benefit from such schemes, is uncertain, and schemes and qualification terms may change. Furthermore, the portfolio companies are consequently subject to claw-back risk, and any changes in policies or funding may also impact the portfolio companies' and their counterparties' ability to go forward with, or complete, existing projects. Existing projects that cannot be completed may have a material adverse effect on the Company's portfolio companies' business and affect the financial performance of the portfolio companies negatively, which, in turn, may have a negative effect on the Company's yield on its investment in the relevant portfolio company.

***The Company and its portfolio companies are parties to financing arrangements, and may in the future take on debt which in turn could limit its cash flow and operational flexibility.***

The Company and its portfolio companies are party to various financing arrangements as further set out Section 5.3 "Principal Investments". As part of its business, the Group will also become party to various forms of debt financings. The current and any additional financing may result in restrictions and limitations on the Company's business operations and capital structure, force the Company to dispose of current long-term assets and/or to issue additional equity, possibly on unfavourable terms, thereby increasing the Company's vulnerability to adverse economic and industry conditions, limiting the Company's flexibility to make, or react to, changes in the business and industry, and/or place the Group at a competitive disadvantage. Failure to make payments or comply with any covenants under existing or future debt instruments could result in an event of default and acceleration of amounts due and/or preferential rights in the case of sequestration procedures, could trigger cross-default provisions and could have a material adverse effect on the Group's business, operations, assets and/or prospects. Due to the existing corporate and project-level financing there is, also, limited opportunity to offer security over group assets or guarantees from group entities to providers of acquisition financing. Furthermore, any fluctuations in the interest rates of existing debt to be assumed as part of the Mainstream Transaction, and any future debt, may affect the Group's interest costs which, in turn, may reduce its cash flows and ability to make distributions to the shareholders.

***The Company's portfolio companies' projects and prospects are capital intensive, and the portfolio companies (and consequently the Company) may need to raise additional funding to finance their projects.***

Construction of the Company's portfolio companies' projects and prospects, are highly capital intensive, and the portfolio companies may require additional equity and/or debt financing to participate in such developments. The possibility for, availability and cost of such funding is uncertain, and lack of funding may prevent the portfolio companies from developing projects and/or adversely impact their respective business cases, and may, in turn, have a material adverse effect on the portfolio companies' future projects, operations and their financial positions. There can be no guarantee that neither the Company nor the portfolio companies manage to obtain additional funding on satisfactory terms, or at all, which, in turn, may have a material adverse effect on the portfolio companies' ability to take on new projects, and thereby adversely impacting the Company's financial position and results as well as their own. For instance, Mainstream has historically developed and sold projects, which benefit from functional capital markets and ultimately the fact that there are enough interested buyers at a satisfactory price. The Company intends for Mainstream to continue with such project sales, but may also retain operating assets. If the conditions of the capital markets deteriorate and/or there is an absence of interested buyers at satisfactory terms of Mainstream's assets, making it challenging or impossible to obtain new capital, this may have a material adverse effect on the Group Companies operations and prospects and ultimately the Company's financial position

***The Group may be exposed to currency exchange rate risks.***

The Company's reporting currency and functional currency is NOK. A significant portion of the Group's operating expenses and certain of its revenues are incurred in currencies other than NOK, including USD, EUR, SEK, UF, VND and ZAR. As a result, the Group is exposed to the risks that the foreign currencies may appreciate or depreciate, which could have a material adverse effect on the Group's results of operations, financial position and/or cash flows.

***The Company's portfolio companies are subject to risk related to changes in various tax regimes and may be subject to indirect taxation.***

The Group has international operations and the renewable energy industry is dependent on, and subject to, the prevailing tax regime in the country in which it is operating. If applicable laws, treaties or regulations change regarding tax, or if the Group's and/or the Company's portfolio companies' interpretation of the tax laws, e.g. regarding the handling of indirect taxation on sales in jurisdictions outside of the EEA, is at odds with the interpretation of the same tax laws by local tax authorities, this could have a material adverse effect on the Company's portfolio companies' and the Group's business, results of operations and/or financial condition. Changes can potentially happen at short notice which is a considerable risk that must be considered.

Furthermore, the Group has international operations and may as such be subject to indirect taxation, which may have a negative effect on earnings and profitability of the Company's portfolio companies and thus also the Company. For example, Mainstream operates a significant part of its business in Chile and is indirectly subject to the Chilean taxation regime. According to Chilean domestic tax legislation, any transfer of more than 10 % of the shares or ownership interest in a foreign entity, may be subject to a 35 % indirect transfer tax in Chile where the transfer involves the indirect transfer of shares in a Chilean tax resident company. The application of such taxation is limited to the situation where the underlying Chilean assets (i) represent at least 20 % of the market value transferred, or (ii) have a market value which exceeds approximately USD 150 million. Even when these conditions are satisfied, taxation may be restricted under a double tax treaty between Chile and the country of residence of the seller.

***The Company's portfolio companies may not be able to maintain sufficient insurance to cover all risks related to their operations.***

The renewable energy industry is subject to external influence from legislative and environmental forces creating risk in form of delays, cancellations, and its disruption of operations beyond the Company's portfolio companies' control. The industry is also subject to a number of other risks, including, but not limited to, industrial accidents, the controlled use of potentially harmful hazardous materials and labour disputes during production, provision of services and installation of products. Such occurrences could result in damage to assets, personal injury, monetary loss and possible legal liability. Renewable energy is a global business and insurance companies may, from time to time, put limitations on various types of insurance based on geographical and/or, especially, the political situation in regions/countries. If the Group extends its activities to, or sells products and/or services to, countries where necessary insurance is difficult to obtain, this may lead to insufficient insurance coverage and, as a result, otherwise profitable projects may be cancelled, which could have a material adverse effect on the Group's results of operations, financial position and/or cash flows.

***The outbreak of the corona virus (COVID-19) has had and could have a material adverse effect on the Group's business.***

The outbreak of COVID-19 has resulted in a global pandemic which has severely impacted companies and markets globally. In the short-term it may have an impact on fulfilment of the Group's contracts. In particular, Mainstream is subject to risk of delays in the construction schedule, risk of not meeting long-stop dates under the relevant project financing agreements and/or PPAs and general breach of contract as a result of the COVID-19 pandemic, including travel bans and disruptions to the supply chain. It is currently not possible to predict the long-term consequences for the Group, its customers, suppliers or business partners. Any consequences will likely also impact the Group and its current and planned investments and projects, including the Group's ability to raise capital or secure financing. Any future outbreak of COVID-19 or other contagious diseases is beyond the Group's control and there is no assurance that any future outbreak of COVID-19 or other contagious diseases occurring in areas in which the Group, its suppliers, partners or customers operate, or even in areas in which the Group does not operate, will not seriously interrupt the Group's business.

Contracting parties of the Company's portfolio companies may, due to the COVID-19 pandemic, trigger force majeure provisions under contracts. This may, *inter alia,* cause delays and non-fulfilment of contractual deadlines with a resulting impact on, *inter alia,* financing agreements. Such breaches may result in claims for remedies of breach and rights to termination of the contracts, and have a material adverse effect on the relevant portfolio company and ultimately the Company.

***The Group is subject to risks related to the volatility of global economic and social conditions.***

The uncertainties and recent downturn of the global economy and other macroeconomic factors, including but not limited to the ongoing COVID-19 pandemic (as described above) could adversely affect the Group's business. The prospects for global economic growth remain uncertain and this may impact the availability of credit and terms thereof, liquidity more generally, interest rates and exchange rates, the oil price and the price of other non-renewable energy sources that may compete with the Group's renewable energy solutions, which in turn could have a material adverse effect on the Group. In addition, volatility in the global economy may have an adverse impact on the market's interest in areas within the Group's business, including technology development, and funding of such. Without a stable and/or growing global economy, the business of the Group may therefore be adversely affected.

Following the social unrest in Chile in 2019, a country in which the services and products of the Mainstream business are carried out and provided, the Chilean Senate froze electricity rates in October 2019 in response to protests over national economic conditions and policies. The social unrest in Chile and measures taken in connection therewith, results in significant uncertainty and may adversely impact investor confidence and the economy, which may have an adverse effect on Mainstream's business and cash flow, which in turn may have an adverse effect on the Group's business financial results.

***The Company indirectly owns 75% of Mainstream and 49.9% of SuperNode and therefore does not have full control over the Mainstream and SuperNode businesses.***

Certain shareholders in Mainstream prior to the Mainstream Transaction, including its founder, Dr. Edward O'Connor (who continues as chairman of Mainstream), re-invested and retained an indirect 25% ownership in Aker Mainstream Renewables AS, which owns, through its wholly owned subsidiary Mainstream Renewables Holding AS, 100% of Mainstream. The Company is a majority shareholder with 75% indirect ownership with a right to appoint the majority of the members of the board of directors in Aker Mainstream Renewables AS. The Company is, through its wholly owned subsidiary Aker MRP Holding AS, party to a shareholders' agreement which contains customary provisions, including a three-year lock-up on the shares (or until an IPO of Mainstream) held by the minority shareholders, certain reserved matters/veto rights for the minority shareholders, right of first refusal to acquire shares in case of transfers by the minority shareholders and "drag and tag" provisions.

As part of the Mainstream Transaction, the Company, through its subsidiary SuperNode Holding AS, assumed 49.9% indirect ownership in SuperNode. Volnay Limited ("**Volnay**", being the investment company of Dr Edward O'Connor) owns an equal 49.9% share in SuperNode and certain other minority shareholders owns the remaining ownership interest in SuperNode. Whilst the Company and Volnay's shares carry voting rights, the shares held by the minority shareholders do not carry voting rights. The Company (through its subsidiary SuperNode Holding AS) Volnay and the minority shareholders are party to a shareholders' agreement. Such shareholders' agreement provides Volnay with the right to appoint the chairman of the board of SuperNode and such chairman shall have a casting vote at board meetings of SuperNode. The SuperNode shareholders agreement also contain lock-up restrictions until the earlier of three (3) years from closing and (ii) an IPO (subject to additional customary lock-up provisions in case of an IPO). The shareholders agreement also contains reserved matters provisions and other provisions customary for a shareholders' agreement of this nature.

The company may fail to execute its strategy and business plan for Mainstream and/or SuperNode in full or partly because of certain provisions in the shareholder's agreements, which prevent the Company from having full control over the Mainstream and SuperNode businesses.

***Certain matters relating to the Mainstream business are not being covered by W&I insurance policies or other indemnities.***

Although the Mainstream Transaction is insured through a warranties and indemnity insurance ("W&I") and further coverage was obtained through additional insurances being conditions precedent to completion of the Mainstream Transaction, certain limited matters are excluded from the coverage of such insurances as well as the warranties provided by the sellers, such as certain matters regarding the Minority Joint Ventures. Furthermore, recourse claims against the sellers for warranties excluded from the insurance policies are for certain matters limited to circumstances within the awareness, knowledge and belief of Mainstream's management. Consequently, the Company may sustain losses in connection with the Mainstream business that are not covered by W&I insurance policies or other indemnities and which the Company thus does not receive a compensation for.

## 2.3 Risks Relating to the Listing and the Shares

***The Company may or may not pay any dividends for the foreseeable future. Shareholders may never obtain a return on their investment or may lose their total investment.***

As of the date of this Prospectus, the Company is in a growth phase and is not in a position to pay any dividends. Beyond the growth phase and any relevant dividend restrictions, it is the Company's ambition to provide its shareholders with a competitive return on investment over time, in terms of dividend and increase in the Share price. There can, however, be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. The payment of future dividends will depend on legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements, or other contractual arrangements, in place at the time the dividend may place on its ability to pay dividends.

***Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares.***

It is possible that the Company may decide to offer new shares or other securities in order to finance new capital-intensive investments in the future in connection with unanticipated liabilities or expenses, future repayment of debt raised in connection with the acquisition of Mainstream or for any other purposes. Any such offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares. Depending on the structure of such future offering, certain existing shareholders may not have the ability to purchase additional equity securities.

As further described under Section 9.6.2 "Borrowings", the Company has issued convertible bonds in the amount of NOK 1,500,000,000. The Convertible Bond Issue will have a dilutive effect on the Company's shareholders if converted by the bondholders.

***The Company has a major shareholder with significant voting power.***

As of the date of this Prospectus, Aker ASA ("**Aker**"), through its subsidiary Aker Capital AS ("**Aker Capital**"), controls approximately 80% of the Shares in the Company. Aker will hence be in a position to exercise considerable influence, or control, over all matters requiring shareholder approval. This concentration of share ownership could delay, postpone or prevent a change of control in the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors. Furthermore, Aker is indirectly, through its subsidiary Aker Capital, a significant creditor to the Company under the NOK 2,000 million Shareholder Loan and holds bonds under the Convertible Bond Issue of NOK 1,200 million. This debt may be converted to equity in part or in while, and thereby increase Aker's ownership interest in the Company significantly.

The Company's majority shareholder, Aker Capital, is ultimately beneficially owned by Kjell Inge Røkke, through the following companies: Aker, TRG Holding AS and The Resource Group TRG AS. Mr. Røkke is also a member of the Company's Board of Directors.

## 3. RESPONSIBILITY STATEMENT

The Board of Directors of Aker Horizons ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Oslo, 19 May 2021

**The Board of Directors of Aker Horizons ASA**

Øyvind Eriksen (Chairman)
Kjell Inge Røkke
Lise Kingo
Lone Fønss Schrøder

# 4. GENERAL INFORMATION

*This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Prospectus. You should read this information carefully before continuing.*

## 4.1 The approval of this Prospectus by the Norwegian Financial Supervisory Authority

The Norwegian FSA has reviewed and approved this Prospectus, as competent authority under the EU Prospectus Regulation. The Norwegian FSA has not verified or approved the accuracy or completeness of the information included in this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The approval by the Norwegian FSA only relates to the information included in accordance with pre-defined disclosure requirements imposed by the EU Prospectus Regulation. The Norwegian FSA has not made any form of verification or approval relating to corporate matters described in or referred to in this Prospectus. The Norwegian FSA approved this Prospectus on 19 May 2021.

## 4.2 Other Important Investor Information

The Company has furnished the information in this Prospectus. No representation or warranty, express or implied is made by the Managers as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future.

Neither the Company nor any of its affiliates, representatives, advisers or selling agents, are making any representation to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

## 4.3 Cautionary Note Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance. These Forward-looking Statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These Forward-looking Statements are not historical facts. They appear in a number of places throughout this Prospectus; Section 5 "Business Overview", Section 6 "Industry and Market Overview" and Section 13 "Dividend and Dividend Policy" and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Prospectus and, in particular, Section 2 "Risk Factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Shares.

The forward-looking statements speak only as at the date of this Prospectus. Except as required according to the Norwegian Securities Trading Act, the Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

## 4.4 Presentation of Financial Information

### 4.4.1 Historical Financial Statements

The Company was incorporated on 1 November 2020 and became the parent of the Group through the Internal Reorganisation in January 2021. The Company has therefore only prepared historical unconsolidated financial statements for the period 1 November 2020 to 31 December 2020 (the "**Company Financial Statements**"), which have been subject to audit by KPMG. The Company Financial Statements are included in Appendix A to this Prospects. Prior to the Internal Reorganisation, the Company was a dormant shelf company with no material assets.

### 4.4.2 Complex financial history

As a result of the Internal Reorganisation, the Company acquired, through its subsidiaries, its holding in ACC (51%) and AOW (51%), in addition to REC Silicon (24.7%).

As the Company has not existed for three full financial years, the Company is deemed to have a complex financial history. The Company has therefore included additional financial information in the form of Carve-out Combined Financial Statements (as defined below).

### 4.4.3 Carve-out Combined Financial Statements

The acquisition of 51% of ACC and AOW as well as 24.7% ownership interests in REC Silicon involved entities under common control. In order to provide a three years track record of the Company's underlying business, reflected in the Company's ownership in ACC, AOW and REC Silicon, the Company has therefore prepared carve-out combined financial statements as of and for the years ended 31 December 2020, 2019 and 2018 (the "**Carve-out Combined Financial Statements**").

The Carve-out Combined Financial Statements are prepared in accordance with International Financial Reporting Standard as adopted by the European Union ("**IFRS**") and have been audited by KPMG, as set forth in their report thereon included herein. There are no qualifications set out in the report prepared by KPMG, however KPMG emphasizes the following: They draw attention to Note 1 and 2 to the Carve-out Combined Financial Statements, which describes their basis of preparation, including the approach to and the purpose for preparing them. The Carve-out Combined Financial Statements were prepared to meet the requirements in connection with Aker Horizons AS' listing of shares on Oslo Stock Exchange, including the Prospectus prepared in connection therewith, and for no other purpose. KPMPG's opinion is not modified in respect of this matter. The Carve-out Combined Financial Statements are included in Appendix A to this Prospectus.

The Carve-out Combined Financial Statements have been derived from financial statements and historical accounting records of ACC, AOW, Aker and Aker Solutions ASA, employing the methods and assumptions discussed in Note 1 and Note 2 of the Carve-out Combined Financial Statements.

### 4.4.4 Unaudited Pro Forma Condensed Financial Information

Further and during the course of 2021, the Company has performed certain transactions and entered into certain agreements, including the Mainstream Transaction, the Rainpower Transaction, the ACH Transaction and the Shareholder Loan (together the "**Transactions**"). Those Transactions are deemed representing "significant gross changes" which gives rise to prepare pro forma financial information to comply with the requirements of the Norwegian Securities trading Act. As such, the Company has therefore included Unaudited Pro Forma Condensed Financial Information in Section 10 "Unaudited Pro Forma Condensed Financial Information" and in Appendix C to this Prospectus.

The starting point for the Unaudited Pro Forma Condensed Financial Information is the Carve-out Combined Financial Statements as of and for the year ended 31 December 2020. The Unaudited Pro Forma Condensed Financial Information has been prepared solely for illustrative purposes to show how the Transactions might have affected the income statement in the Carve-out Combined Financial Statements for the year ended 31 December 2020, had the Transactions occurred on 1 January 2020, and the balance sheet in the Carve-out Combined Financial Statements as of 31 December 2020, had the Transactions occurred on 31 December 2020.

KPMG AS has issued an independent assurance report on the Unaudited Pro Forma Condensed Financial Information included in Appendix D to this Prospectus. There are no qualifications or emphasis of matter set out in the report prepared by KPMG.

The Unaudited Pro Forma Condensed Financial Information is presented for illustrative purposes only and does not purport to represent what the Group's actual balance sheet nor the financial performance would have been had the events which were the subject of the adjustments occurred on the relevant dates. The Unaudited Pro Forma Condensed Financial Information does not include all of the information required for financial statements under IFRS and should be read in conjunction with the Carve-out Combined Financial Statements and the Financial Statements included as Appendix A respectively to the Prospectus. See Section 10 "Unaudited Pro Forma Condensed Financial Information" and Appendix C for further information about the basis of preparation of the Unaudited Pro Forma Financial Information.

The Carve-out Combined Financial Statements and the Unaudited Pro Forma Condensed Financial Information are together referred to as the "**Financial Information**".

The Company presents the Financial Information in NOK (presentation currency).

### 4.4.5 Alternative Performance Measures

This Prospectus contains certain non-IFRS measures and ratios or Alternative Performance Measures ("**APMs**"), such as EBITDA, Operating profit (loss) (EBIT) and CAPEX and R&D capitalization that are not required by, or presented in accordance with, IFRS or the accounting standards of any other jurisdiction. These measures are not measurements of financial performance or liquidity under IFRS, are not audited, and should not replace measures of liquidity or operating profit that are derived in accordance with IFRS. The Company define the relevant APMs as follows:

**EBITDA:** Profit (loss) for the period before net financial items, share of profit (loss) equity-accounted investees, tax benefit (expense) and depreciation, amortisation and impairment.

**Operating profit (loss) (EBIT)**: Profit (loss) for the period before net financial items, share of profit (loss) equity-accounted investees and tax benefit (expense), corresponding to operating profit (loss) in the Carve-out Combined Financial Statements.

**CAPEX and R&D capitalization:** the sum of payments for property, plant and equipment and intangible assets that qualify for capitalization in the Carve-out Combined Financial Statements.

**Net Current Operating Assets:** current operating assets less current operating liabilities.

The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Group believes however that the APMs included herein are useful supplemental indicators that may be used to assist in evaluating a company's future operating performance, and its ability to serve debt. Accordingly, this information has been disclosed to permit a more complete and comprehensive analysis of the Group's operating performance, consistent with how the Group's business performance is evaluated by management.

The Group believes that the presentation of these APMs enhance an investor's understanding of the Group's operating performance, its cash flows and the Group's ability to service its debt. In addition, the Group believes that these APMs are commonly used by companies in the market in which it competes and are widely used by investors in comparing performance on a consistent basis. EBITDA presents the Company's performance without regard to factors such as depreciation, amortisation, capitalisation of investments and financing which can vary significantly depending upon accounting methods or based on non-operating factors. EBIT presents the Company's performance, without regard for taxes and financing. CAPEX and R&D capitalisation presents the Company's investments in property, plant and equipment, as well as investments in intangible assets, to show its capital expenditures and capitalization of R&D. Additionally, the Company presents Net Current Operating Assets as a measure of working capital and used by the Company when assessing the cash flow from operations. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debts. However, these APMs may be calculated differently by other companies and may not be comparable. APMs may not be comparable with similarly titled measures used by other companies. The Group's APMs are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measures of performance derived in accordance with IFRS. The Group's APMs have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Group's results of operations as reported under IFRS.

The following tables reconciles the APMs to its nearest IFRS measure:

| **EBIT and EBITDA** | **Year ended 31 December** | | |
|---|---|---|---|
| | **2020** | **2019** | **2018** |
| *Amounts in NOK thousand* | | | |
| Loss for the period | (326,445) | (14,330) | (4,669) |
| Tax expense | 4 | - | - |
| Net financial items | 6,694 | - | - |
| Share of loss equity-accounted investees | 124,789 | 5,633 | - |
| **Operating profit (loss) (EBIT)** | **(194,958)** | **(8,696)** | **(4,669)** |
| Depreciation amortisation and impairment | 5,407 | - | - |
| **EBITDA** | **(189,551)** | **(8,696)** | **(4,669)** |

| **CAPEX and R&D Capitalization** | **Year ended 31 December** | | |
|---|---|---|---|
| | **2020** | **2019** | **2018** |
| *Amounts in NOK thousand* | | | |
| Payments for property, plant and equipment | (2,910) | (96) | - |
| Payments for intangible assets | (3,666) | - | - |
| **Capex and R&D capitalization** | **(6,576)** | **(96)** | **-** |

| **Net Current Operating Assets** | **Year ended 31 December** | | |
|---|---|---|---|
| | **2020** | **2019** | **2018** |
| *Amounts in NOK thousand* | | | |
| Current operating assets | 17,584 | 3,539 | 8,368 |
| *Less:* | | | |
| Current operating liabilities | 101,372 | 18,332 | 8,911 |
| **Net Current Operating Assets** | **(83,788)** | **(14,793)** | **(543)** |

## 4.5 Presentation of Industry Data and Other Information

### Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Company operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts; including the Company's analysis of the market and trends; in addition to market data from other external and publicly available sources, including market data from the International Energy Agency, the International Renewable Energy Agency and The European Commission and the Global Wind Energy Council. Market data from Bloomberg New Energy Finance ("**BNEF**"), as well as certain market data from the International Energy Agency are not publicly available but can be obtained against payment.

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above-mentioned data.

The Company confirms that where information has been sourced from a third party, this information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company does not intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on those data may not be reliable indicators of future results.

**Other Information**

In this Prospectus, all references to “NOK” are to the lawful currency of Norway, all references to “EUR” are to the lawful currency of the EU and all references to “U.S. dollar”, “US$”, “USD”, or “$” are to the lawful currency of the United States of America.

In this Prospectus all references to “EU” are to the European Union and its Member States as of the date of this Prospectus; all references to “EEA” are to the European Economic Area and its member states as of the date of this Prospectus; and all references to “US”, “U.S.” or “United States” are to the United States of America.

Certain figures included in this Prospectus have been subject to rounding adjustments. As a result of the rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

## 5. BUSINESS OVERVIEW

*This Section provides an overview of the business of the Group as of the date of this Prospectus. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.3 "Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Prospectus, in particular Section 2 "Risk Factors".*

### 5.1 Introduction of the Group and its Business

**Introduction**

The Company, established in July 2020[2] as the principal platform for Aker's renewable and green tech investments, is a holding company for the Group's investments, owning a portfolio of companies in the renewable energy and green tech space comprising both private and public companies. The Company's investment mandate is grounded in eight of the United Nations Sustainable Development Goals ("**SDG**") and provides significant flexibility to build a portfolio of leading planet-positive companies in established and emerging industries to deliver sustainable and long-term value creation via active ownership. The eight selected SDGs are #6: Clean Water and Sanitation, #7: Affordable and Clean Energy, #9: Industry, Innovation and Infrastructure, #11: Sustainable Cities and Communities, #12: Responsible Consumption and Production, #13: Climate Action, #14: Life below Water, and #15: Life on Land. Consequently, the Company focuses on investments within renewable energy and decarbonisation, circular economy and disruptive technologies solving fundamental challenges to a sustainable existence on the planet close to its SDG investment themes. The Company's ambition for 2025 is to invest significant capital into its portfolio, ensure delivery of substantial renewable power capacity to the market and contribute to significant greenhouse gas emissions reductions. The rationale behind establishing the Company's strategy is to position Aker's portfolio for continued investment along global megatrends while ensuring diversification across a multitude of industries. The Company will be backed by Aker's 180-year history in building industrial frontrunners within complex businesses and capitalise on Aker's competencies in order to build the same position in the green transition as Aker has in other industries. The Company will as part of Aker's ecosystem have significant benefits including (i) an industrial edge through alliances across a range of disciplines, (ii) access to knowledge within digitalisation, (iii) operational and technical capabilities, and (iv) commercial synergies.

The Company utilises both its internal competencies and Aker's ecosystem to incubate new companies and pursue merger and acquisition ("**M&A**") opportunities by leveraging a unique deal sourcing capability. The Company has access to dedicated in-house resources comprising a team of professionals offering a broad combination of financial, industrial and operational experience. The Company's team comprises 18 professionals working in close collaboration with the executives and management in the portfolio companies.

**Current Portfolio and Opportunities**

The Company is well established through its ownership interests in several renewables and green tech companies. In broad terms, the Company, as of the date of this document, distinguishes its holdings/portfolio companies (i.e. the entirety of the Company's investments in other companies) between "platform investments" and a "sunrise portfolio", with the first comprising larger, more mature and/or separately listed entities within certain focus areas (which, however, may change over time). The "sunrise portfolio", on the other hand, comprises smaller, new and early-stage ventures as well as minority holdings outside those focus areas, which may or may not mature, grow through acquisitions and/or be restructured or consolidated to become platform investments over time. The "sunrise portfolio" also includes ongoing initiatives and companies being incubated by Aker Horizons Holding before being established as separate legal entities.

The Company owns through its subsidiaries 51% of the shares in each of ACC (admitted to trading on Euronext Growth (Oslo) with ticker "**ACC**"), AOW (admitted to trading on Euronext Growth (Oslo) with ticker "**AOW**") and approximately 77.2% of the shares in ACH (admitted to trading on Euronext Growth (Oslo) with ticker "**ACH**"). Following the completion of the Mainstream Transaction (as defined below), in addition to this the Company holds an indirect ownership interest of 75% in Mainstream. These four holdings collectively represent the current platform investments of the Company.

Furthermore, as part of its sunrise portfolio, the Company holds a strategic position in REC Silicon representing an ownership interest of 24.7% (listed on the Oslo Stock Exchange with ticker "**RECSI**"). In connection with the Mainstream Transaction, the Company acquired a 49.9% shareholding in SuperNode from Mainstream.

[2] The Company was formally incorporated in November 2020, however, Aker Horizons was launched by Aker in July 2020 through the Company's wholly owned subsidiary Aker Horizons Holding.

The Company, through its subsidiary AH ÅTTE AS, has also acquired 100% of the issued shares (the "**Rainpower Transaction")** in Rainpower, and will contribute with approximately NOK 100 million in capital to transition and develop Rainpower into a next generation hydropower technology and solutions provider.

Accordingly, ACC, AOW, ACH, REC Silicon, Mainstream, SuperNode and Rainpower form the Company's current portfolio of industrial companies and holdings. Each of the Company's portfolio companies work to optimise value individually, with separate management teams and boards, but with strong support from the Company within an appropriate legal framework for corporate governance principles to ensure activities are optimised across the entire portfolio and value chain and to capitalise on the capabilities, competencies, and network of the broader Aker ecosystem (as set out below). The Company also supports the portfolio companies with Group functions such as treasury services and investment advice.

## 5.2 Business Model and Strategy

The Company is established as a long-term growth platform capable of driving the energy transition and the path to a sustainable existence by investing in planet-positive companies and will be Aker's principal platform for such investments. The overarching business model is to identify ventures and companies within its investment mandate, incubate or acquire them and subsequently grow and develop these companies to maximise value of the investments for the Company's shareholders. As an investment company, the Company is expected to derive revenues from dividends as well as realize gains on the sale of ownership stakes (sell- down or divestment) in portfolio companies

In general, each of the portfolio companies engage both in wholly owned / controlled projects and in projects in cooperation with partners, including through JVs and through commercial agreements. Such cooperations may, on an arms-length basis, be established between different portfolio companies in the Company, with other companies in the Aker group and with external parties.

The Company does not have a fixed or otherwise defined time horizons for its investments. The time for partial or whole divestment or other exit (e.g. through share sale, IPO or merger) will be determined by prevailing market circumstances and opportunities, and decided on a case-by-case basis for each individual investment

Grounded in eight selected SDGs, the Company has established a framework for identifying opportunities with a broad set of defined investment criteria. The investment criteria of the Company include a strong growth outlook and profitability potential, a clear path to earnings, a unique capability set addressing global challenges close to the SDG investment theme, and that the respective company plays to Aker's strengths by leveraging its ecosystem to drive system value. The current investment portfolio secures established positions in verticals such as carbon capture, offshore wind, renewable power development, including, solar and onshore wind power, hydrogen and ammonia. The Company will continue to broaden its presence within its mandate by exploring opportunities in new areas and sees a significant potential within renewables and green tech to expand its footprint within and beyond its current holdings. Opportunities that are or have been evaluated include, but are not limited to, clean water and sanitation, energy storage / batteries, recycling, energy efficiency and transmission infrastructure. Consequently, the Company expects to increase the number of SDGs it directly addresses by growing its portfolio.

The Company has a clear approach to building and developing its portfolio. Leveraging its strong network and deal sourcing capability, the Company identifies opportunities to incubate ventures or acquire companies meeting its focused investment criteria. Since Aker's inception of Aker Horizons back in July 2020, Aker Horizons and Aker has jointly built a track-record in line with its key principles and strategy:

- Establishment of AOW and ACC as separate companies and platforms (following incubation within the Aker system) and subsequent admission to trading Euronext Growth (Oslo);
- Acquisition of Mainstream and SuperNode;
- Acquisition of Rainpower; and
- Incubation of ACH and admission to trading on Euronext Growth (Oslo).

In terms of potential opportunities, the Company is experiencing strong momentum with a large number of actionable opportunities screened since inception, which demonstrates the strong deal flow capability of the Company. These opportunities arise due to the attractive value proposition the Company may offer companies looking to grow and expand, further emphasised by being part of the broader Aker ecosystem.

In the subsequent phases of each investment, the Company aims to grow and develop its portfolio companies through interaction and commercial cooperation with Aker's portfolio to enable scale in both capabilities and technology. Aker has vast competencies across a range of relevant industries that may enrich the Company's, such as in the field of industrials and engineering (through its ownership interest in Aker Solutions ASA) and industrial software (through its ownership in Cognite AS ("**Cognite**") and Aize AS ("**Aize**")).

In relation to digitalisation, the Company aims to leverage the capabilities of Cognite and Aize, on the basis of arm's length commercial principles, to enhance the value creation in its portfolio companies. Cognite provides an industrial software platform that moves digitalisation beyond the proof-of-concepts, while Aize has developed technology to put to use industrial data to plan and execute complex projects and operations. In this regard, the Company sees vast potential to capture strategic data driven insights across the portfolio and has initiated initiatives to pursue this opportunity.

In addition, the Company's portfolio companies are expected to also benefit from each other's competencies and derive synergies from cooperation and joint ventures, including in hybrid projects combining technologies and capabilities from different portfolio companies. In this context, the Mainstream Transaction represents a step change for the Company as it grants access to a major renewables developer and producer, with a clear plan to accelerate future initiatives in Mainstream. Furthermore, Mainstream contributes to the Company's overall portfolio with its platform and competencies, which can be utilised to scale new ventures and geographies. As an example, competence sharing between the renewable power development of Mainstream within offshore wind and AOW, where in the commercial interest of both companies and permitted by applicable laws, rules and regulations, is one potential portfolio effect. Future opportunities combining renewable power and hydrogen or renewable power and battery storage are other examples. The broader network of Aker will also be of value to the Company in the essence of attracting talent and resources to its portfolio companies, leveraging on existing customer and supplier relationships, and supporting the SDG focus of the Company via Aker's significant philanthropic efforts (e.g., Aker Scholarship, Ocean Data Platform, Plastic REVolution Foundation).

Throughout the holding period of a portfolio company, the Company will use its strong access to public and private growth capital to optimise each portfolio company's financing. As part of its ambition to invest more than NOK 100 billion in planet-positive companies, green technology investments and renewable energy assets, the Company has established a financing strategy to utilise various capital sources in relation to its developments. In doing so, the Company will be able to draw upon and benefit from Aker's familiarity, presence and access to the capital markets. The Company will continuously evaluate and optimise the financing structure, through a variety of capital sources including, but not limited to, public equity capital raising through IPOs of underlying assets and equity issues, long-term pension and institutional capital, financial and industrial partnerships, as well as debt capital such as bank debt, direct lending, green bonds, and hybrid capital (equity linked). Accessing public markets via initial public offerings of portfolio companies will be a key part of the Company's strategy to raise capital to accelerate growth and crystallise value.

## 5.3 Principal Investments

**Aker Carbon Capture**

ACC offers products, technology and solutions within the field of carbon capture, utilisation and storage ("**CCUS**"), and is one of few companies globally that is involved in the entire CCUS value chain. ACC mainly operates as a supplier within the CCUS value chain, with a core focus on supplying the solutions and technology which together comprise a carbon capture plant and the downstream processing and management of $CO_2$ (including capture, compression, liquefaction and intermediate storage at site). These solutions and services are provided to plant owners and operators across various industries, including energy production.

As a supplier of carbon capture technologies, ACC is positioned as a main supplier for its customers, sourcing components and services from sub-contractors with the ambition to deliver complete carbon capture facilities. Key services delivered by ACC include technology development, feasibility studies, project management, engineering, procurement and construction/fabrication services, as well as assistance with operations and aftermarket services post construction. Together with delivery of the carbon capture plant, ACC sells license rights for the use of its general technology components including the patented amine-solution technology used as the reagent separating $CO_2$ from the flue gas in the capture process.

Beyond providing solutions and services associated with a carbon capture plant, ACC also possesses extensive knowledge of, and has developed solutions and services for players responsible for transportation, use and storage of $CO_2$. These services include solution design with alternative $CO_2$ separation technologies, *inter alia,* membranes, supporting customers with pre-combustion $CO_2$ steams. ACC is thus positioned to play an integral part in developing the CCUS value chain and by having the competence to deliver holistic solutions and guide its customers in complex investment decisions.

*Business Description*

Through various undertakings over a period in excess of 20 years, an extensive operational experience has been acquired. ACC is able to provide customers with competence and knowledge throughout the whole CCUS value chain, which includes capture of $CO_2$ in industrial flue gasses, liquefaction, transport in pipelines, offloading to transportation vehicles, injection and permanent storage, $CO_2$ separation, enhanced oil recovery and utilisation.

ACC's carbon capture technology can be applied on new-built or existing plants both onshore and offshore, and across a wide range of emission sources. The mobile test unit (the "**MTU**"), together with the design and full delivery of the Mongstad Test Centre, has been crucial to test and prove ACC's technology. The MTU is container-based for easy transport and hook-up at industrial test sites, and is available for rental (including operators) to do pre-studies and test capture at facilities verifying flue gases and reducing risk prior to investing in a complete carbon capture plant. This model provides ACC with extensive experience working across various industries and proprietary research to further develop its technology.

In order to capture the $CO_2$, ACC uses its proprietary proven technology *Advanced Carbon Capture, ACC™*, which has a $CO_2$ capture rate of ~90%, and minimum emission to air and liquid waste as well as unique HSE characteristics. This technology uses a mixture of water and organic amine solvent to absorb the $CO_2$ and has been qualified for application on a commercial scale after extensive testing and verifications.

There are a number of trademarks and patents related to the ACC technology, including the aforementioned patented amine solvent which is used in the carbon capture process. Products and solutions involving the use of ACC's patents, developed technology and acquired know-how include the Just Catch™ modularised carbon capture plant for small to medium scale capture and liquefaction (i.e. less than 100,000 metric tons CO2 per annum), the Big Catch industrial customised carbon capture plant for large scale capture and liquefaction (i.e. more than 400 000 metric tons CO2 per annum), and Offshore Just Catch™ used for installing carbon capture in offshore and marine applications. The aforementioned product offering allows ACC to serve a broad spectre of customers with varying capacity needs for capture of CO2 both onshore and offshore.

Through continuously developing its current and new technology and solutions it is expected that ACC will be able to broaden its offerings and reduce the costs associated with delivering carbon capture plants. Key cost saving levers include standardisation and industrialisation of components and solutions as well as advancement on the learning curve as ACC builds experience across industries. The trademarked "Just Catch" solution demonstrates ACC's achievement in developing a standardised and modular carbon capture plant fitted in a small number of pre-assembled containers. The plant is designed to be eligible for transportation by common size trucks and easy installation on customer sites, reducing the total cost associated with a carbon capture plant.

ACC has an ambition to be a leading player in the global carbon capture market. Europe and North America are considered ACC's primary markets as the conditions and regulatory environment to support adaptation of carbon capture technology are seen as more mature.

ACC's current key projects comprise the following:

*Brevik CCS Project*

The Brevik CCS project forms part of Europe's first industrial demonstration of $CO_2$ capture, transport and storage. The captured $CO_2$ from Norcem AS' ("**Norcem**") cement plant at Brevik in Norway will be transported and injected into a $CO_2$ storage site offshore Norway, developed by the Equinor-headed Northern Lights consortium. The Brevik CCS project is split in to two different phases; a concept/front-end engineering design ("**FEED**") phase and an EPC phase. The first phase is complete and delivered. Norcem and Aker Carbon Capture Norway AS ("**ACCN**"), a wholly-owned subsidiary of ACC, have signed an EPC contract and the EPC phase commenced in January 2021. ACC and ACCN are service providers to the Brevik CCS project and do not have any ownership to the project.

As security for ACCN's performance under the EPC contract, ACC has issued a parent company guarantee. In addition, Aker Solutions AS and Aker Solutions ASA have both provided corporate guarantees to Norcem to secure ACCN's performance.

In order to ensure an efficient execution of ACCN's obligations and scope of work under the above EPC contract with Norcem, ACCN has entered into a project alliance with Aker Solutions AS, i.e. a contract for engineering, procurement and management assistance services. The agreement was signed on 21 December 2020. Further supplier contracts are currently being negotiated.

*Twence Project*

The Twence project comprises the delivery of a carbon capture and liquefaction plant at Twence BV's ("**Twence**") waste-to-energy plant in Hengelo in the Netherlands based on ACC's Just Catch technology. The concept engineering work has been executed, but the realisation of the complete project is subject to *inter alia* public funding. The current status is that this condition precedent is postponed to Q2 2021. As of the date of this Prospectus, the Group has not obtained final customer consent for the transfer of the contract with Twence to ACCN from Aker Solutions AS, due to the customer's uncertainty regarding legal restrictions. If such consent is not obtained, ACCN and Aker Solutions AS have, based on external legal advice, agreed to implement an alternative contracting structure, whereby Aker Solutions AS subcontracts the full contract scope to ACC.

ACC and ACCN will be service providers to the Twence project and do not have any ownership to the project.

*Other Activities*

In addition to key projects, ACC is continuously working on expanding its activities and developing its technology, and has therefore entered into cooperation agreements and memorandums of understanding ("**MoUs**", singular "**MoU**") with certain third parties.

The MoUs comprise; a MoU with Haldor Topsøe A/S ("**Haldor Topsoe**"), entailing *inter alia* development of a competitive process scheme comprising Haldor Topsoe's hydrogen/syngas process with ACC's post-combustion $CO_2$ capture technology; a MoU with Hitachi Zosen Inova ("**HZI**"), with the purpose to accelerate carbon capture solutions in the waste to energy industry in Europe by exploring opportunities to develop a joint offering for HZI's customers; a MoU with Vattenfall AS to accelerate the evaluation of future carbon capture plants in Sweden and Northern Europe; a MoU with Forus Energigjenvinning and Lyse to explore development of a full-scale CCS facility in Stavanger/Sandnes region in southwestern Norway; and a MoU with Ørsted A/S and Microsoft to explore ways to support the development of carbon capture and storage at biomass-fired heat and power plants in Denmark.

Other cooperations comprise agreements such as the technology cooperation agreement with MAN Energy Solutions SE concerning development and commercialisation of $CO_2$ compression systems, and the cooperation with Preem AB ("**Preem**"), Sweden's largest fuel company, for testing of carbon capture from flue gases coming from Preem's hydrogen gas plant.

For more information on ACC, please visit www.akercarboncapture.com.

**Aker Offshore Wind**

AOW is a pure play offshore wind developer headquartered in Norway and focusing on assets in deep waters (deeper than 60 meters). The AOW group sources, develops and structures offshore wind projects. Operations are in Norway and internationally, and the current portfolio consists of development projects and prospects located in South Korea (Ulsan), the United States (California), Norway and the UK (Scotland).

AOW is engaged in the development of offshore wind projects, primarily in deep waters utilising floating foundations but also deep-water bottom-fixed technologies. AOW sources opportunities globally and advances the most promising prospects. A prospect's attractiveness is defined by *inter alia* wind conditions, water depth, a country's power system, energy mix and renewable energy targets, maturity of the local supply chain, grid conditions and regulatory and fiscal framework. Early parts of the development process include concept studies, environmental studies, wind studies and grid studies. Subject to the positive outcome of such studies and business case assessments, AOW advances to discussions and formal processes concerning licensing and lease agreements with appropriate authorities, often in the form of local, regional or national government bodies. In most instances, AOW forms part of a consortium with other offshore wind development companies and utilities. Final investment decision ("**FID**") is eventually undertaken when AOW, together with its partners, deems the project in question attractive for development. Following FID and financial close, the project moves into the execution and construction phase. Following completion of construction, the project is moved into its operational phase during which the wind farm will produce renewable energy for a period typically ranging from 20 to 30 years.

AOW currently holds a portfolio of early development assets, which are in the project development stage, in South Korea and the United States, totalling 1.7 GW of gross potential installed capacity, and prospects in Scotland and Norway totalling more than 2.2 GW of gross potential installed capacity. On a net basis, AOW holds projects and prospects of more than 1.5 GW of potential capacity, which could produce more than 7.0TWh annually if and when all farms are in full operation.

AOW has recently entered into a five-year cooperation frame agreement with operator Aker BP ASA concerning the decarbonisation of oil and gas producing assets using renewable power from offshore wind.

The long-term ambition of AOW is to become an independent power producer with a balanced portfolio of deep-water prospects, development projects and producing assets.

AOW's current key projects comprise the following:

*KFWind projects, Ulsan, South Korea*

AOW together with EDPR Offshore España S.L ("**EDPR Spain**"), holds a stake in Korean Floating Wind Power Co., Ltd. ("**KFWind**") as a result of an acquisition in October 2019 (AOW owns 30.6%). The third partner in KFWind is Wind Power Korea Co., Ltd. ("**WPK**"). KFWind signed an MoU with Ulsan City in January 2019 which secures KFWind three potential floating sites for development in the Ulsan region. KFWind is one of five consortiums with an MOU in place with Ulsan City for the development of offshore wind in the region. Gross capacity for the project is expected to be up to 1.5 GW. The first phase of the project includes the development of a 500 MW floating offshore wind farm targeting FID in 2024 and commercial operation date in 2026.

KFWind deployed light detection and ranging systems ("**LiDARs**") (to perform wind measurements) in South Korea on 2 October 2020, with the intention to have them operative for at least one year. Following completion of the wind measurement data collection, KFWind aims to apply for an electricity business license in H2-2021, a requirement to develop a wind project in South Korea.

*Redwood Coast Offshore Wind project, Humboldt County, California, USA*

AOW's involvement with the Redwood Coast Offshore Wind project started early in 2018 with the formation of a consortium with EDP Renováveis S.A. ("**EDPR**") (now Ocean Winds) and PPI. Together with EDPR, AOW acquired PPI's ownership stake in 2019. The consortium was selected to develop offshore wind in a competitive process in April 2018 by Humboldt County utility Redwood Coast Energy Authority ("**RCEA**"). The Bureau of Ocean Energy Management ("**BOEM**") has since announced a likely auction process for California. In 2020, Redwood Coast Offshore Wind LLC was formed in order to engage in the lease auction and it has two owners, AOW and EDPR. AOW owns 50% of Redwood Coast Offshore Wind LLC.

The consortium aims to develop approximately 150 MW of floating offshore wind in the Redwood Coast Offshore Wind project (currently approximately 75 MW net for AOW). The project is sized to fit current local grid capacity. During 2019 the consortium conducted concept studies and a grid agreement with a utility is in place. The consortium is preparing for expected upcoming licensing rounds. FID is scheduled for 2024, while the commercial operation date is expected in 2025.

*Various prospects in Norway*

Sørlige Nordsjø II and Utsira Nord were opened for license applications starting January 2021 and AOW aims to apply for licenses in the respective areas and mature the projects towards FID. Pending development of the government framework, FID is expected in 2024 and commercial operation date is expected in 2026 for Utsira Nord and Sørlige Nordsjø II as phased development between 2026 and 2029. AOW targets to develop 500 MW of gross installed capacity in the Utsira Nord project. Average water depths in the area range from 220 – 280 meters making the area suitable for floating offshore wind. Sørlige Nordsjø II is targeted to be 1,200 MW. Due to average water depths in the area of around 50 – 70 meters, the area is mainly fit for deep-water bottom-fixed offshore wind. AOW currently takes an architect role for the total development concepts, including electrification infrastructure, and may set up separate structures for scope outside of the wind farm itself.

The projects' business models are currently based on long-term PPAs with nearby oil and gas installations as a key element. Production capacity for the first parks will exceed local offtake from oil and gas installations and export of power to continental Europe is the planned solution for long-term offtake. Electrification of oil and gas assets also on the UK and Danish continental shelves using power from AOW's projects is currently being discussed.

AOW recently entered into a collaboration agreement with the Company and Statkraft AS ("**Statkraft**"), Europe's largest renewable energy producer to explore the opportunity for cooperating on the development and operation of offshore wind farms within the territorial boundaries of Norway. AOW and Statkraft have identified Sørlige Nordsjø II as the first project for such potential cooperation and have further agreed to continue exploring other opportunities for cooperation in Norway, such as Utsira Nord.

*Prospects in the UK, Scotland*

AOW has an agreement with a reputable energy company to jointly bid in the upcoming ScotWind process, and aims to develop more than 500 MW in gross capacity. Lease award is expected H1 2021, FID in 2028 and commercial operation date in 2030.

*Principle Power ownership and cooperation*

PPI is an innovative technology provider of foundations for the offshore deep-water wind energy market and a strong industry brand. PPI's floating foundation design is seen as one of two bankable designs globally and the current pipeline of projects will result in more than 100 MW of installed capacity by 2022.

On 25 June 2020 Aker Solutions Holding AS ("**AKSO Holding**") exercised an option according to the Warrant Rights and Share Purchase Agreement for Series A Preferred Stock between AKSO Holding and PPI dated 20 December 2017, to subscribe for additional shares in PPI, bringing its aggregate shareholding up to a total of 20.21%. Furthermore, following AOW's purchase of, *inter alios,* AKSO Holding's offshore wind assets during summer 2020, including its shares in PPI, AOW has made further acquisitions in PPI during the fall of 2020, increasing AOW's ownership in PPI to approximately 47%. With the completion of these acquisitions, AOW has, in accordance with the PPI shareholders' agreement, become entitled to two additional board seats in PPI, giving AOW four out of eight board seats. AOW will, together with other major shareholders in PPI and PPI, collaborate to develop the company and to foster PPI's potential growth. Other major shareholders in PPI include EDP Ventures, SGPS, S.A. ("**EDPV**"), EDPR and Tokyo Gas Co., Ltd. ("**Tokyo Gas**").

AOW is party to a cooperation agreement with PPI and plan to use its floating systems competence to support further industrialisation of PPI's WindFloat™ design. The involvement with PPI has led AOW to early-mover positions in key markets and PPI will continue to be a gateway to knowledge and creates a further prospect pipeline for AOW. Both AOW and PPI hold rights to design for floating foundations for offshore wind farms, thus disagreements or uncertainties pertaining to inter alia the ownership of such designs or the use thereof may arise. Please also refer to the risk factor "The Company's portfolio companies are dependent on the use of certain technology and intellectual property rights and may unintentionally violate third party intellectual property rights" included in Section 2 "Risk Factors".

For more information on AOW, please visit www.akeroffshorewind.com.

**REC Silicon**

REC Silicon is a technology and manufacturing company supplying polysilicon and silicon gases applied in photovoltaic and electronics industries. The company was established in 1996 under the name Fornybar Energi AS, assumed the name Renewable Energy Corporation AS in 2000 and was transformed into a public limited liability company (ASA) in 2005. In 2013, Renewable Energy Corporation ASA ("**REC ASA**") separated its silicon and solar PV businesses into two independent listed companies. The reorganisation of the company's corporate structure, transformed REC ASA into a pure-play manufacturer of polysilicon and silicon gases, motivating a change of name to REC Silicon ASA in October 2013. In 2020, Aker acquired a 24.7% strategic position in REC Silicon, which from 19 January 2021 is held by the Company as part of its sunrise portfolio.

REC Silicon is one of the world's largest producers of high-performance polysilicon to the solar energy industry, with over 30 years of experience. REC Silicon uses proprietary technology to ensure low cost and a low carbon footprint in its manufacturing operations. With its know-how in the area of advanced silicon materials and gases, REC Silicon consider itself to be uniquely well positioned to seize opportunities in the fast-growing battery segment.

Currently, REC Silicon operates two manufacturing facilities in the United States: Moses Lake, Washington (currently in a non-operating status) and Butte, Montana. In addition, REC Silicon has a 15% interest in a polysilicon production plant located in Yulin, China.

For more information on REC Silicon, please visit www.recsilicon.com.

**Aker Clean Hydrogen**

ACH is a pure play industrial clean hydrogen developer and operator with the purpose of accelerating global decarbonisation. ACH aims to develop, design, construct, and operate modularised industrial-sized clean hydrogen plants with strong in-house integrator capabilities and execution organisation. Digital tools, such as digital twins, and hydrogen domain expertise will be key enablers for ACH to accelerate learning and reduce the levelized cost of clean hydrogen.

ACH is set up with a distinctive develop, build, own and operate business model:

*Develop*

With a unique system integrator and execution skill-set, ACH is a complementary partner to other developers of industrial-scale clean hydrogen production plants. ACH will rely on a dedicated team focused on market opportunities, project- and business development. ACH is also expected to benefit from partnership opportunities from the Aker group's broad industrial network, global presence and Aker Horizons green end-to-end value chains. ACH will furthermore leverage digital tools and big data in determining viable asset development.

*Build*

ACH is set up to act on its hydrogen domain expertise, bringing down costs and improving system reliability and safety, inter alia by relying on operational and digital competence. ACH aims to develop modular designs, as well as re-use engineering and reduce production time with industrial software digitally configured to individual projects, ultimately enabled by establishment of effective alliances with key suppliers.

*Own and operate*

In its operations of hydrogen plants, ACH aims to achieve safe and reliable operations, and high production efficiency on the basis of design, experience, data, and artificial intelligence. ACH targets long term agreements for off-take with one or several end-users to limit commercial risk and reduce cost of capital.

For more information on ACH, please visit www.akercleanhydrogen.com.

**Rainpower**

Rainpower is an experienced project organisation and technology company based on Norwegian hydropower technology founded by Kvaerner in 1853. Today, Rainpower offers proprietary technologies for integrated products and services to the hydropower industry worldwide. Its product and service portfolio ranges from turbines, governor systems, control systems and other equipment, maintenance services and rehabilitation, as well as technology for hydropower system design and upgrades. Rainpower is headquartered at Lillestrøm, Norway, and has offices across Norway, as well as in Sweden, and China.

The Company has acquired 100% of the shares in Rainpower, and will contribute with approximately NOK 100 million in capital to transition and develop Rainpower into a next generation hydropower technology and solutions provider. The Company will combine the engineering and industrial software capabilities of the Aker group with Rainpower's hydropower portfolio and experienced project organisation to reposition Rainpower for growth. Rainpower will be included in the Company's sunrise portfolio of companies that are in an early phase or require further development to realise their full potential. It will seek to identify and develop concepts for upgrading the hydropower installed base to reflect the needs of future power markets, including an increasing need for flexibility to rapidly respond to swings in intermittent renewable power generation and for cost-effective and sustainable power storage solutions.

The Rainpower group had a consolidated revenue of NOK 489 million in 2019. Currently, Rainpower has approximately 194 full-time employees working in Norway, Sweden and China. Delivery of turbines and related technologies constituted approximately 85% of the revenue in 2019, and 15% of the revenue was related to supply of electrical systems for the hydropower industry.

Rainpower will collaborate with industrial software company, Cognite, to develop a portfolio of applications for optimisation of operations, response time, distribution, and trading. Rainpower will also establish a concept development and engineering insight team to become a key partner for the hydropower industry, in addition to building an integrated portfolio of operations technologies for next generation dynamic power plants.

**Mainstream**

On 19 January 2021, Aker Mainstream Renewables AS (then named Danu BidCo AS) entered into a share purchase agreement (the "**Mainstream SPA**") for the acquisition of all of the shares in Mainstream, a company incorporated in the Republic of Ireland and with its headquarters in Dublin, with the existing shareholders of Mainstream agreeing to acquire 25% of Aker Mainstream Renewables AS via a roll-over (the "**Mainstream Transaction**"). The roll-over was underwritten by Volnay, being the investment company of Mainstream's chairman and founder, Dr. Edward O'Connor. Following completion of the Mainstream Transaction, which occurred on 11 May 2021, the Company, through its wholly owned subsidiary Aker MRP Holding AS, owns 75% in Aker Mainstream Renewables AS and the remaining 25% is owned by shareholders that participated in the roll-over. As part of the Mainstream Transaction, the Company, through its wholly owned subsidiary SuperNode Holding AS, also acquired a 49.9% ownership interest in SuperNode (see further details below). Please refer to Section 10.3 "The Mainstream Transaction" for more details on the Mainstream Transaction.

Mainstream is a global renewable energy company that develops, builds and operates offshore and onshore wind farms and solar power plants in high growth markets worldwide. Since its establishment in 2008, Mainstream has developed and brought forward assets totalling more than 6 GW[3] of gross renewable energy capacity to financial close-ready and sold a significant number of projects to a range of counterparties. Its global organisation of ca. 335 employees spans across 13 local offices in 11 countries, with capabilities covering the entire lifespan of renewable energy assets, from sourcing and development through to operations. The portfolio of projects under operation, construction and development, both wholly and assets owned, includes assets in Chile, South Africa, Vietnam, Philippines, Egypt and Senegal.

Mainstream has a material portfolio of renewable energy projects, with a total of 1.4 GW net capacity in operation or under construction, as well as a material pipeline of development projects of approximately 11 GW. Mainstream is the largest developer and constructor of renewable energy in Chile, and the second largest in South Africa. Also, Mainstream participates in a Vietnamese joint venture developing the up to 1.4 GW Phu Cuong Soc Trang offshore wind farm in Vietnam,

[3] Includes Hornsea 1 and Hornsea 2 sold to Ørsted A/S pre-financial close

of which Mainstream owns 70% which is one of the largest offshore wind projects in Southeast Asia. In addition to this, Mainstream is developing with its local partner in the Philippines a 71 MW onshore wind farm. Mainstream is focusing on development of offshore projects in the United States and has received full qualification to apply for a lease in California. Mainstream was also, *inter alia,* the developer of the UK's 5.4 GW Hornsea Zone which is the largest offshore wind project in the world[4] (sold to Ørsted A/S in 2015) and the offshore wind farm Neart na Gaoithe in Scotland (sold to EDF Group in 2018).

Because of its previous, ongoing and future projects, Mainstream has a significant in-house renewable energy expertise and holds a unique position in the global renewable energy market which in collaboration with the Company's expertise is expected to strengthen Mainstream's position even further.

[4] https://hornseaprojectone.co.uk/about-the-project#project-timeline-2020

Mainstream's current key projects comprise of the following:

*Chile - Andes Renovables, Aela and Chile 3*

Andes Renovables, Aela and Chile 3 are Mainstream's three main platforms in Chile, and consist of both onshore wind farms and solar photovoltaic ("**PV**") projects.

*Andes Renovables* is a wind and solar generation platform consisting of 10 projects, structured across three wholly-owned portfolios; Cóndor, Huemul and Copihue, with a total combined capacity of 1.35 GW. The Andes Renovables platform will, once it is built, be operated by Mainstream. In 2016, Mainstream was, in relation to the Andes Renovables platform, the biggest winner in Chile's largest ever technology-neutral electricity auction, taking 27% of the total allocated capacity.[5] Chile's National Energy Commission awarded Mainstream a 20-year index-linked, USD denominated contract, to supply 3,366 GWh of power annually starting in 2021. The award was a result of the Chilean Government boosting the competition in the wholesale market through PPA tenders to supply energy to distribution companies that supply small (regulated) customers. Mainstream successfully reached financial close, commencing construction of the Cóndor portfolio (574 MW) in November 2019, with targeted commercial operation date ("**COD**") across the four projects from 2021. The Huemul portfolio (630 MW) reached financial close and commenced construction in August 2020, with targeted COD across the five projects in 2022. The Copihue portfolio (150 MW) is expected to reach financial close in 2021, with targeted COD in 2023.

Together with its joint venture partner, Actis, Mainstream has a joint venture called Aela Energía S.L. ("**Aela**"), in which Mainstream has a 40% ownership interest. Aela has delivered an additional 332 MW of wind generation in Chile, consisting of three operational wind farm projects; Sarco (170 MW), Aurora (129 MW) and Cuel (33 MW), the first of which went into commercial operation in 2014. All three projects were developed and constructed by Mainstream. Aela won 64% of total allocated capacity in the 2015 Chilean competitive auction process winning two PPAs and in 2016 an additional PPA was awarded for the Aela platform's Cuel project.

In addition to Andes Renovables and Aela, Mainstream has approximately 2.9 GW of development projects through its wholly owned *Chile 3* platform. The portfolio comprises 16 renewable projects whereof ca. 1.4 GW are wind farms and ca. 1.5 GW are solar PV. The plan is to develop these projects by bidding in upcoming distribution companies ("**DISCOs**") tenders and participating in bilateral auctions for PPAs with generation companies and private sector customers.

Mainstream has secured project financing for its two main construction projects, Huemul and Condor in Chile. The Condor portfolio of projects (Alena, Cerro Tigre, Tchamma and Escondido) reached financial close in November 2019. The Huemul portfolio of projects (Valle Escondido, Pampa Tigre, Puelche Sur, Llanos del Viento and CKani) in Chile reached financial close in August 2020. For more information regarding borrowings of Mainstream, please see Section 9.6.2 "Borrowings". For additional information on Mainstream's projects in Chile, please visit www.mainstreamrp.com/chile/.

*Africa - Lekela*

Together with Actis and a consortium of investors, Mainstream has an indirect ca. 13.52% ownership interest in the Lekela portfolio which consists of eight projects with a total combined capacity of ca. 1,200 MW, of which six are in operation, one is in construction and one is under development. For its project West Bakr in Egypt (252 MW under construction), Lekela has concluded a 20-year PPA with the state-owned Egyptian Electricity Transmission Company starting from the commissioning of the wind farm at the end of 2021. The Taiba[6] 158 MW project in Senegal holds a 20-year PPA with Senelec, the national electricity company in Senegal, pegged to the Euro and supported by a Government guarantee. In South Africa Lekela has five owned and operated onshore wind assets (140 MW Loeriesfontein 2 Wind, 140 MW Khobab Wind, 81 MW Noupoort Wind, 110 MW Perdekraal East Wind and 140 MW Kangnas Wind). The five onshore wind projects are part of the Renewable Energy Independent Power Producer Procurement Programme Round 3 and Round 4, and have as a part of the programme entered into PPAs with the state-owned utility, Eskom.

Mainstream furthermore has a material portfolio of development projects that are being readied for possible bids in upcoming rounds in South Africa. In total, Mainstream has a portfolio of +40 development projects with ~3.1 GW of wind and 2.5 GW of solar PV capacity that are ready to bid in South Africa's upcoming Round 5 and Round 6 Renewable Energy Independent Power Procurement Programme ("**REIPPP**") auctions.

*Vietnam - Phu Cuong Soc Trang*

Mainstream is the indirect co-owner, alongside Phu Cuong Group Corporation ("**PCG**"), of the up to 1.4 GW Phu Cuong Soc Trang offshore wind farm in Vietnam, of which Mainstream owns 70% of the joint venture whilst PCG owns the remaining

[5] https://www.mainstreamrp.com/chile/

[6] While Taiba is operational, the 3rd and final phase of the project is currently subject to final review of testing reports by Senelec prior to reaching full and final COD under the PPA

30%. Once the wind farm is completed it will be the largest wind farm in South East Asia. On 7 October 2020 Mainstream signed a Joint Development Agreement with Vietnamese company Advanced Information Technologies Corporation, a specialist in providing EPC services to power projects and a strong local developer of renewable energy projects, to co-develop a 500 MW offshore wind project in Ben Tre province, Vietnam.

For more information on Mainstream, please visit www.mainstreamrp.com.

**SuperNode**

SuperNode was established in 2018 by Mainstream and Dr. Edward O'Connor and is developing SuperGrid enabling technology, in particular a proprietary technology for superconducting cable systems for bulk power transfer. The technology will utilise a high-performance cryostat and novel thermal management system to unlock the potential of superconductors for transmission.

The target is to deliver bulk power transfer systems larger than 2 GW at competitive prices for project developers, utilities and transmission system operators ("**TSOs**"). SuperNode is addressing the need for substantial, coordinated and efficient transmission required to support the ongoing energy transition.

The technology will enable superconductors to deliver very high-power, marine-enabled, affordable and reliable grid transmission. The technology offers several benefits as compared to conventional technology, such as greater power capacity on a single connection, a smaller footprint and zero electrical losses, and has substantial market potential to differentiate future offshore wind developments as growing demand creates markets for hybrids, clusters, meshes and co-located storage. The principal target markets for SuperNode's technology are large offshore wind power transmission and onshore grid reinforcements.

In offshore wind power transmission, SuperNode's developing technology will enable smaller and more cost-efficient collector stations as compared to conventional high-voltage direct current ("**HVDC**") alternatives. Furthermore, by enabling a meshed grid, it will allow for connection of remote renewables to markets where the market demand is highest, which will represent a material innovation in the offshore wind market.

For onshore grid reinforcements, all underground, the benefits are smaller footprint and reduced local environmental impact relative to conventional solutions, no heat leakage to surrounding soil, and zero energy losses in transmission.

Following completion of the Mainstream Transaction, the Company (through its wholly owned subsidiary SuperNode Holding AS), owns 49.9% of SuperNode.

For more information on SuperNode, please visit www.supernode.energy.

## 5.4 History and Development

The Company was incorporated on 1 November 2020 as a private limited liability company under the laws of Norway. On 19 January 2021, the Company acquired Aker Horizons Holding AS ("**Aker Horizons Holding**") from Aker Capital through a series of internal transactions, which resulted in the establishment of the current Group (the "**Internal Reorganisation**"), including a 51% ownership in each of ACC and AOW. At the same time, the Company acquired its 24.7% industrial holding in REC Silicon from Aker Capital.

On 19 January 2021, the Company's subsidiary Aker Mainstream Renewables AS (then named Danu Bidco AS) entered into the Mainstream SPA for the acquisition of the shares in Mainstream, as further set out in Section 10.3 "The Mainstream Transaction". The Mainstream Transaction was completed on 11 May 2021. Following the completion of the Mainstream Transaction, the Company holds an indirect ownership interest of 75% in Mainstream.

The Company, through its wholly owned subsidiary AH ÅTTE AS. has also acquired 100% of the issued shares in Rainpower. Please refer to Section 5.3 "Principal Investments" for more details on the Rainpower Transaction.

On 27 January 2021, the Company completed a private placement of 118,571,428 new Shares towards certain new investors, raising gross proceeds of approximately NOK 4,16 billion (the "**Private Placement**"). The net proceeds of approximately NOK 4 billion was partly used to fund the Mainstream Transaction and will otherwise be used for general corporate purposes. The new shares issued in the Private Placement were delivered to the subscribers of the Private Placement on 1 February 2021. At the same time, the Company was admitted to trading on Euronext Growth (Oslo).

On 4 March 2021, the Company announced a contemplated NOK 3,000 million private placement and subsequent admission to trading of its subsidiary ACH on Euronext Growth (Oslo). The private placement was completed on 8 March 2021, where the Company was allocated shares for NOK 500 million through Aker Horizons Holding, and ACH was admitted to trading on

Euronext Growth (Oslo) on 11 March 2021, following which the Company's shareholding in ACH was diluted from 100% to 77.2% (the "**ACH Transaction**").

On 21 April 2021, the Company was converted into a public limited liability company (ASA) subject to the Norwegian Public Limited Liability Companies Act.

## 5.5 Disclosure About Dependency on Contracts, Patents and Licenses

The Company's portfolio companies are subject to a variety of permits, licenses and approvals in relation to their individual, project specific situations, see Section 2 "Risk Factors". However, these are well diversified across multiple projects, technologies and geographies and the Company is currently not dependent on any patents or licenses, industrial, commercial or financial contract or new manufacturing processes, deemed material to the Company's business.

## 5.6 Material Contracts

Except for the Mainstream SPA, the Senior Facilities Agreement, the Convertible Bond Issue, the Green Bond Issue and the Shareholder Loan (as described in Section 9.6.2 "Borrowings") and otherwise as set out below, the Group has not entered into any material contract outside of its ordinary course of business.

**ACC - Asset Purchase Agreement**

On 17 July 2020, ACC entered into an asset purchase agreement with Aker Solutions ASA for the acquisition of personnel, technology (including know-how) and intellectual property rights, the Mobile Carbon Capture Test Unit, as well as its project and tender portfolio in the CCUS business, together with other industry projects/engagements.

**AOW – Asset Purchase Agreement**

On 17 July 2020, AOW entered into an asset purchase agreement with Aker Solutions ASA regarding the purchase of assets, rights and liabilities that were part of the Aker Solutions group's wind development business. As part of the asset purchase agreement, several contracts regarding the offshore wind business were assigned or novated from Aker Solutions to AOW, such as agreements related to projects, portfolios, biddings and memorandum of understandings.

## 5.7 Legal and Arbitration Proceedings

The nature of the business exposes the Group to the risk of claims, legal proceedings and disputes. The COVID-19 pandemic has had global implications on supply chains and several suppliers have presented force majeure claims on this basis. As of today, none of these claims have been considered as material to the business of the Group.

## 6. INDUSTRY AND MARKET OVERVIEW

*The statements regarding the outlook and trends within the broader renewable market as referenced in this section, including in the Group's principal markets as well as in markets which it may establish new ventures, are Forward-looking Statements. These Forward-looking Statements are subject to numerous risks and uncertainties outside the control of the Group, some of which are described in Section 4.3 – "Cautionary Note Regarding Forward-Looking Statements". The information in this Section 6 – "Industry and Market Overview" includes publicly available information as well as industry and market data from independent industry publications and research. For additional information regarding these sources, see Section 4.5 – "Presentation of Industry Data and Other Information".*

### 6.1 Introduction

Renewable energy and green tech are at the centre of the energy transition to a less carbon-intensive and more sustainable energy system. According to the International Energy Agency ("**IEA**"), the shift towards renewable energy sources is happening at a record speed, with estimates suggesting that the world's installed renewable electricity capacity accounted for a record high of 90% of the increase in total power capacity in 2020. Furthermore, IEA expects wind and solar capacity to surpass coal by 2024. Yet, renewable electricity generation and electrification are insufficient to reach the ambitious, yet important, $CO_2$ emission reduction targets set forth in the Paris Agreement. As an example, transitioning the power sector to clean energy would get the world only one-third of the way to net-zero emissions, according to the IEA. In many high-emission areas and industry sectors, the direct use of renewable energy is challenging or even impossible. Sectors such as transportation, industrials, and the construction sector currently account for more than 55% of $CO_2$ emissions from the global energy system but are mainly running on fossil energy sources as of today.

Consequently, to reach the communicated emission reduction targets, a wider range of technologies and initiatives are needed to complement the production of renewable energy. This includes renewable alternatives to fossil fuels, such as hydrogen, for applications where electricity is unsuited, as well as carbon capture, utilisation and storage. In addition to the challenge of $CO_2$ emissions, there are several other global sustainability challenges arising such as circularity, energy storage, and clean water and sanitation. These sustainability challenges are reflected in the United Nations' SDG framework and solving them is the basis for ensuring a sustainable future on the planet.

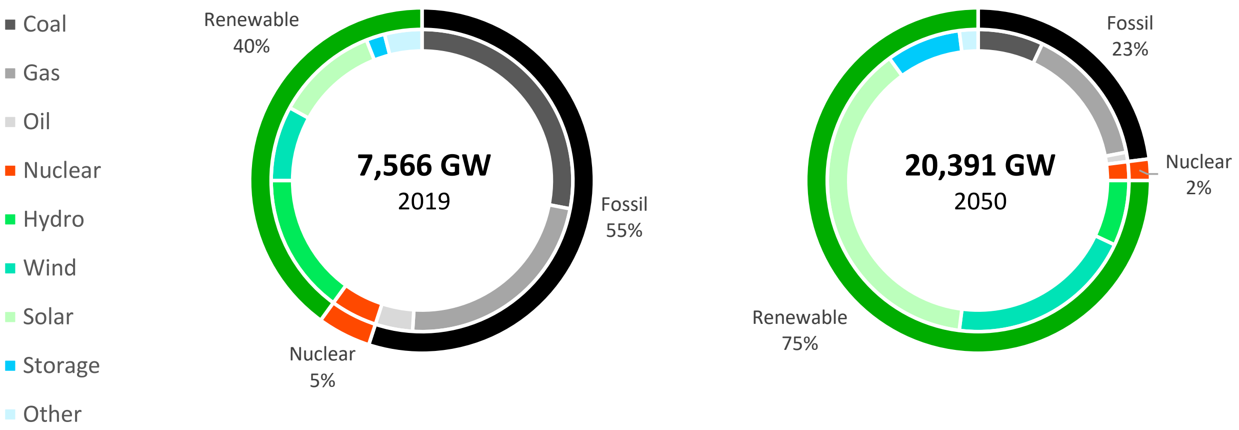
Renewable energy markets and markets for green technologies, including those that the Company and its portfolio companies operate in, comprise a wide range of sub-segments, business models and technologies, with varying degrees of competition. In the markets for developing, owning and operating renewable energy generation assets such as onshore wind, offshore wind and solar PV, there is active competition e.g. for attractive sites, projects and PPAs between i.a. established power generators and utilities, independent developers, independent power producers and relatively new entrants such as oil and gas majors looking to diversify their business. In line with continuous technological development and accompanying cost reductions (as further detailed in Section 6.3 "Solar Energy Market" and Section 6.4 "Wind Energy Market") there is typically strong competition to deliver the most cost-effective power generation capacity to the market. The level of competition varies however from geography to geography, depending on i.a. the existing sources of power generation and established players in a particular market, the natural wind and solar resources available, the demand growth forecast, the political and regulatory environment, and the investment climate. In newer technologies such as offshore floating wind, battery storage and hybrid energy solutions combining multiple technologies, the competitive landscape is typically less developed than in onshore wind and solar PV.

The markets for green and decarbonizing technologies, such as carbon capture and hydrogen, are still evolving, with technologies yet to be proven at commercial scale and sustainable value chains and business models yet to be established. Consequently, competition in this space is for the best technologies and the most robust business models that can secure sizeable and lasting positions in markets that are undergoing dynamic development and change. A large number of players, both established in related industries and new entrants, are vying for securing first-mover advantages in these markets.

## 6.2 Overall Renewable Energy Market Trends

Renewable energy development is crucial to meet the increasingly important long-term global climate change, pollution and sustainability goals. Globally, governments' enhanced focus on such themes is demonstrated by the many global and regional treaties such as the Paris Agreement and a growing number of country specific decarbonisation targets. Large corporates and investors have also increasingly been emphasising the importance of energy sustainability. This backdrop, together with expected global population growth of 2bn people and a 60% forecast increase in global power demand by 2050[7], will drive tremendous future growth for renewable energy and, ultimately, lead to a re-shaping of the global energy system.

**Figure 6.2.1 Global installed power capacity mix, 2019 and 2050 (BNEF New Energy Outlook 2020)**




The competitiveness of renewable energy sources has improved dramatically in recent years, spurred on by a rapid reduction in costs. In fact, wind or solar PV now represent the cheapest new sources of electricity in countries making up around 73% of global gross domestic product and accounting for two-thirds of the world's population[8]. As the COVID-19 pandemic disrupted the global energy sector in 2020, power generation from renewables was the only major source of energy that continued to grow, demonstrating its newfound resilience[9].

BNEF estimates that around USD 11 trillion will be invested in renewable energy generation over the next 30 years, accounting for close to three quarters of all investments into new power capacity over the period. More than 90% of this will be in wind and solar generation. As a result, wind and solar PV are forecast to supply 56% of all electricity globally in 2050, up from 9% today, with other renewables and nuclear providing a further 20%[10].

The global competitive landscape within renewable energy has strengthened materially in recent years, driven by i.a. falling costs and intensified efforts from governments and corporates to accelerate the energy transition. As part of this trend, renewable energy has seen significant inflows of capital from new types of investors with lower return requirements, including major oil and gas companies, infrastructure funds and pension funds. Increased competition has resulted in lower power contract prices for new projects. This has led to an increased focus on enhancing returns through measures like hybridisation (combining two or more renewable energy sources) and energy storage solutions, in addition to driving further technological development and increasing efficiency.

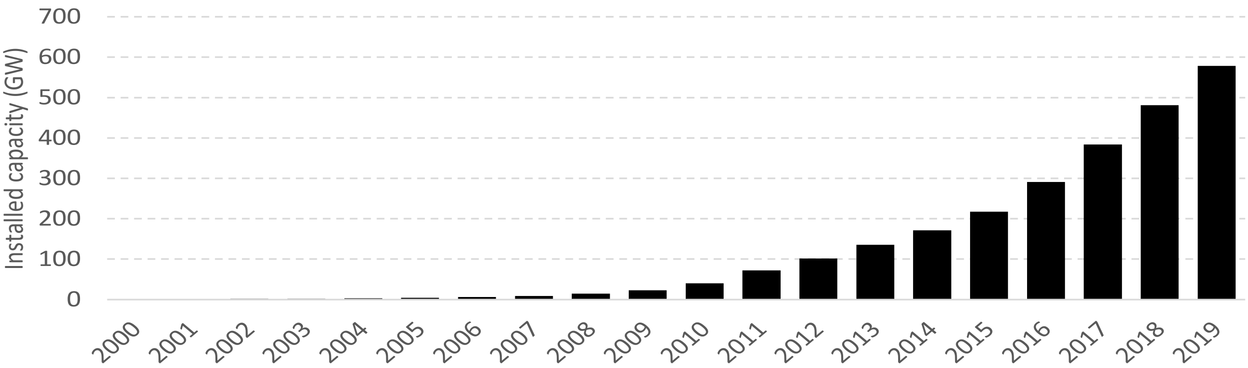
## 6.3 Solar Energy Market

Solar energy is used worldwide for electricity generation, heating and desalinating water. There are two main kinds of solar power generation; solar PV and concentrated solar power ("**CSP**"). Solar PV, or solar cells, are electronic devices that convert sunlight directly into electricity. CSP, on the other hand, uses mirrors to concentrate solar rays and generate steam to drive a turbine. Solar PV accounts for the vast majority (~99%) of current global installed capacity[11], and is also the technology which Mainstream focuses on. Today's solar panels have a typical lifespan of around 30 years.

[8] BNEF New Energy Outlook 2020
[9] IEA World Energy Outlook 2020
[10] BNEF New Energy Outlook 2020
[11] IRENA Statistics (www.irena.org)

Solar PV is one of the fastest growing renewable technologies and will play a major role in the future global electricity generation mix. According to International Renewable Energy Agency ("**IRENA**") data, global solar PV capacity has increased 25-fold over the last decade. In 2019 alone, installed capacity increased by close to 100 GW, or ~20% (see Figure 6.3.1).

**Figure 6.3.1 Global cumulative installed capacity for solar PV and CSP (GW) as of 2019 (IRENA)**




The rapid growth in installed solar capacity in recent years has been driven by a remarkable decline in costs. Between 2010 and 2019, the global weighted average levelised cost of energy ("**LCOE**") from solar PV fell 82%[12], and solar projects now offer some of the lowest cost electricity ever seen[13]. Looking at the cost developments from 1976 to 2019 implies a learning rate – i.e. the cost reduction per doubling of deployed capacity – of 28.7%[14]. This has been made possible by a combination of technological innovation, economies of scale and manufacturing experience. However, costs are expected to drop further in coming years, driven by continued improvements in module efficiency levels, as well as further optimisation and cost reductions across the value chain. IRENA forecasts solar PV LCOE to fall a further 58% from 2018 levels by 2030.

Solar's strong growth trajectory is expected to continue. In BNEF's base case economic transition scenario, solar PV is forecast to grow 8.3% per year on average to 2050 with average annual gross deployment of 246 GW (including both utility-scale and small-scale PV). In this scenario, solar generates 10% of all electricity worldwide in 2030 and 23% in 2050, up from just 3% in 2019[15].

Mainstream's current operational and under construction solar PV assets are located in Chile and South Africa. Chile's unique geography means it has exceptional solar resources with some of the best capacity factors in the world. Northern Chile hosts some of the sunniest places on earth, including the Atacama Desert. Solar currently makes up 6% of Chile's power mix[16], and is expected to grow by ~10% p.a. to 2035[17] as the country seeks to meet its ambitious targets of 60% share of renewable energy by 2035 and 70% by 2050. In South Africa, solar power is at an early stage despite the country's rich solar resource, and currently makes up around 1% of the power mix[18]. However, the potential for solar energy in South Africa is vast. The country has sunshine all year round (more 2,500 hours per year on average), and due to its direct and horizontal solar irradiation levels, it is amongst the countries with the most abundant solar resources in the world. Around 20 GW of new renewable capacity is planned by 2030, including 6 GW of solar PV capacity[19].

Solar PV is an industry comprising a large number of players including large energy companies with presence across a range of energy sources Power as well as independent power producers focused on renewables solely such as Mainstream, Scatec and Neoen. As such, the industry is very competitive, with many parties participating in the auction rounds for projects which has resulted in certain regions experiencing decreasing returns for projects because of competition, such as South Africa, as well as certain regions in Asia and Europe. The strong demand from end-markets, particularly in emerging markets where solar is an important source of energy and where growth projections are significant, combined with strong capital influx to finance such projects, is expected to keep competition high among the many players competing both locally and globally.

[12] IRENA Global Renewables Outlook 2020
[13] IEA World Energy Outlook 2020
[14] BNEF New Energy Outlook 2020
[15] BNEF New Energy Outlook 2020
[16] IEA
[17] FTI Consulting / Mainstream
[18] IEA World Energy Outlook 2020
[19] South Africa's Integrated Resource Plan 2019

## 6.4 Wind Energy Market

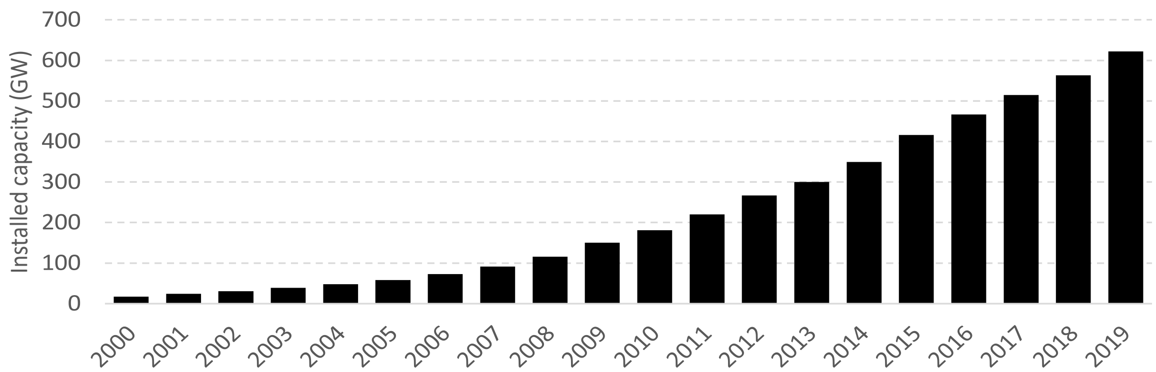
The first wind turbines emerged as early as the late-1800s, but it is only during the past two decades that technological developments and falling costs have paved the way for wind power as a source of utility-scale electricity generation globally. Today, wind power is one of the fastest-growing renewable energy technologies, with usage on the rise worldwide. According to IRENA data, installed wind capacity globally has grown by 15% annually on average over the past ten years. In 2019, installed capacity increased by close to 60 GW, or ~11% (see Figure 6.4.1). Wind power costs have fallen significantly over the past decade. Between 2010 and 2019, the global weighted average LCOE from onshore wind declined by 45%[20]. Technological advances have led to bigger and more efficient turbines able to access stronger and steadier winds, as well as increased output at lower wind speeds. In addition, economies of scale and manufacturing learnings have lowered the production cost of wind turbines. By 2030, onshore wind's LCOE is forecast to be a further 25% below 2018 levels, according to IRENA forecasts. Further cost reductions will be driven by the continued shift to larger wind turbines with higher hub hights and larger swept areas, which improves capacity factors. In BNEF's base case scenario, the average realised capacity for the global onshore wind fleet rises from 26% in 2019 to 36% in 2050[21]. Installed cost reductions will also provide a material contribution, in addition to innovations in operations and maintenance which will yield more efficient operations. In general terms, wind is more capital intensive per MW compared to solar PV but offers the benefit of higher load factors as it can operate through the night.

Wind speed is the most important factor determining how much energy a turbine produces. Power output from a wind turbine is proportional to the dimensions of the rotor and to the cube of the wind speed. In other words, when wind speed doubles, wind power potential increases by a factor of eight, all else equal. Many parts of the world have strong wind speeds, but many of the best locations in terms of wind speed and variability are offshore. Offshore wind therefore offers enormous potential, as described in the separate section below.

The wind power market is expected to continue growing strongly for the foreseeable future. In its base case, BNEF forecasts that global wind capacity will grow at an average annual rate of 5.7% to 2050, with 147 GW of average gross capacity deployed per year. By 2050, wind energy will account for almost a third of worldwide electricity production, compared to just 5% today[22]. Major players in the global wind power market include Iberdrola Renewables, EDP Renovaveis, and Enel Green Power.

Mainstream's current operational and under construction wind assets are primarily located in Chile and South Africa, in addition to single projects in Egypt and Senegal. It also has advanced wind development projects in the Philippines (onshore) and Vietnam (offshore). Chile's unique geography offers good wind resources, particularly in the south of the country and along the Pacific coast and the mountainous inland border with Argentina. Wind accounts for around 4% of Chile's power mix today[23], and is expected to post double-digit growth per annum to 2035 as the country pursues its ambitious renewable energy targets[24]. South Africa is rich in wind resources given its large land area and long coastline, with strong wind speeds, especially along the coastal areas of the Western and Eastern Cape. Wind currently makes up around 2% of South Africa's power mix[25], but is expected to play a major role in meeting the need for additional energy generation capacity in coming years. The country's integrated resource plan from 2019 outlines more than 14 GW of additional wind capacity to be added by 2030.

**Figure 6.4.1 Global cumulative installed capacity for wind (onshore and offshore) (GW) as of 2019 (IRENA)**

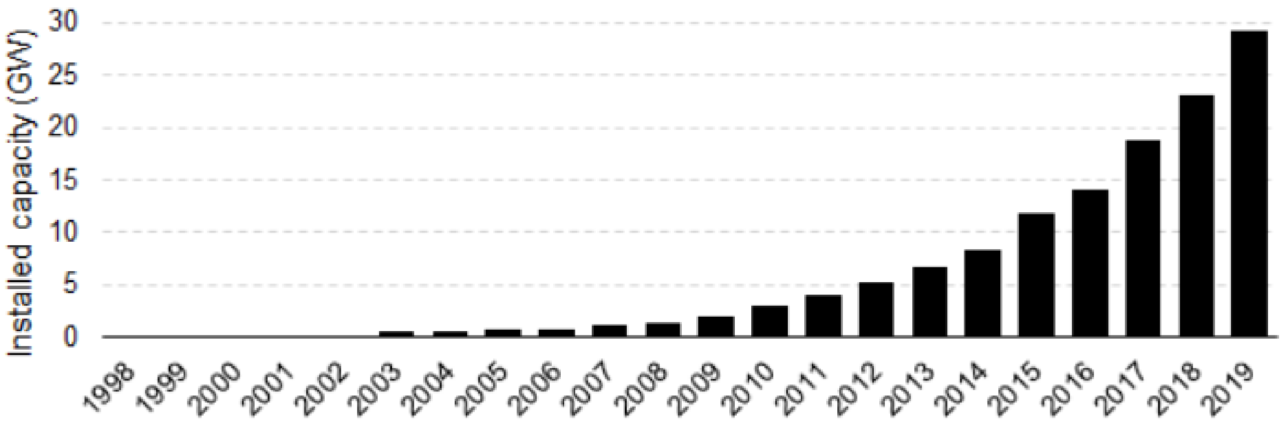



[20] IRENA Global Renewables Outlook 2020
[21] BNEF New Energy Outlook 2020
[22] BNEF New Energy Outlook 2020
[23] IEA
[24] FTI Consulting / Mainstream
[25] IEA

**Offshore Wind Market**

The offshore wind market is a global market and has gained significant traction since the 2000s with a current installed capacity of around 29 GW globally[26], as illustrated below. Although a global market, Europe still constitutes the larger part of the global offshore wind market. As of 2019, offshore wind has become a significant part of European power generation with an installed capacity of about 22 GW, representing a 100% increase over 2015 levels of 11 GW[27].

**Figure 6.4.2 Global Cumulative installed capacity for bottom-fixed (GW) as of 2019 (GWEC, EWEA)**




Offshore wind can broadly be categorised into two main technologies used depending on water depth: Bottom-fixed and floating. Bottom-fixed technology uses foundations connected to the seabed whilst floating technology uses floating constructions that are moored to the seabed.

AOW primarily focuses on the development of deep-water offshore wind projects, and currently holds a portfolio of early development assets in South Korea and the United States and prospects in Scotland and Norway. Future prospective markets that have been identified as attractive include Japan, France, Ireland, and Italy. Mainstream has an advanced offshore wind development project in Vietnam.

About 80% of all offshore wind resources are in waters of 60 meters and deeper where the simplest bottom-fixed foundations are technically infeasible and / or economically unattractive[28]. Floating foundations for offshore wind turbines are a natural response to this challenge and represent a rapidly maturing technology. While project planning and execution differ, large LCOE synergies can be leveraged between bottom-fixed and floating offshore wind projects as the two cost bases overlap for several key components. Most notable are synergies in turbine design, export cables and substations/landfall. This overlap is expected to contribute to rapidly driving down the cost of floating offshore wind projects. Further focus areas for lowered LCOE are connected to pairing local content expectations with industrialisation and large-scale supply of floaters and their associated systems as well as the floating power system.

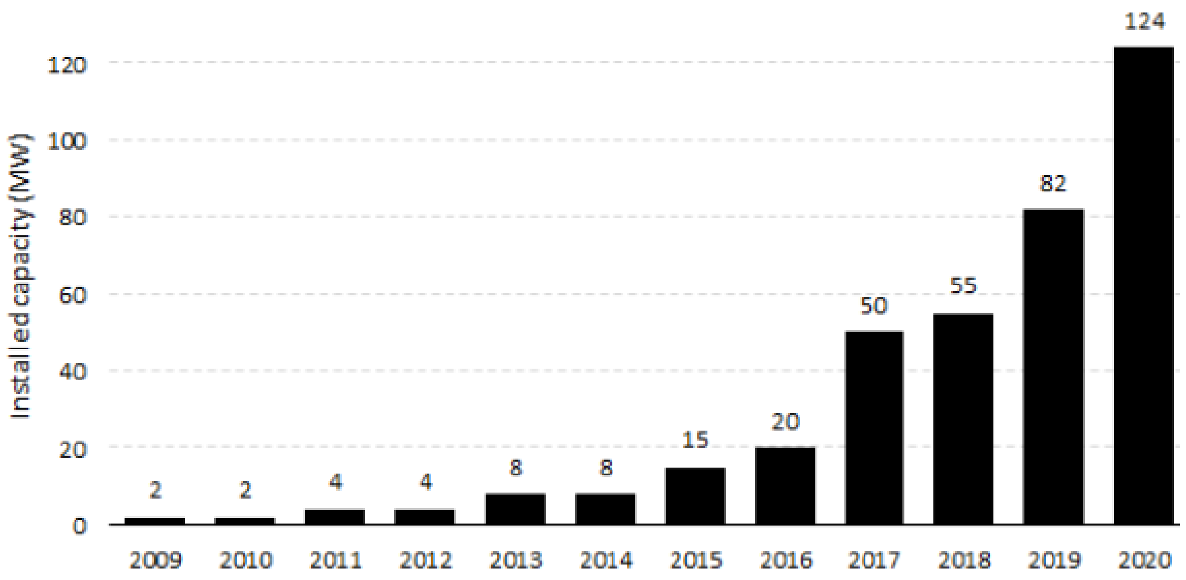
Floating offshore wind holds some key advantages compared with bottom-fixed, particularly in terms of placement for optimum wind resource and the reduction of impact on external stakeholders. Further from shore some of the challenges associated with onshore and near shore bottom-fixed offshore wind, such as visual pollution and noise emission into the oceans, are reduced. By locating the wind farms away from fishery zones, one limits disturbance to the industry. Floating offshore wind farms can also be located outside of traditional shipping routes and military training areas.

Floating wind farms will be able to tap into areas with generally higher and more consistent wind speeds due to location further from shore. All other things being equal, increased wind speeds and more consistent wind will increase the overall load factor of the wind farm, thereby increasing the energy production of the wind farm. Furthermore, installation of turbines is generally less weather dependent as turbines and foundations can be assembled and pre-commissioned at quayside with onshore facilities before being towed offshore.

[26] Lee, Joyce & Zhao, Feng (2020). Global Wind Report 2019. GWEC
[27] WindEurope (2020). Offshore Wind in Europe: Key trends and statistics 2019, EWEA (2016); The European offshore wind industry - key trends and statistics 2015
[28] Carbon Trust and Industrial Technology Research

Since 2017 the floating offshore wind market has grown significantly with substantial capacity additions, especially from 2019 to 2020 (see figure 6.4.3). Growth projections continue to be raised year on year and the potential is vast. Most of the growth is expected to take place in Asia and Europe. However, projections for North America are also growing. Due to the current immaturity of the industry, different market forecasts have yet to converge on a narrow band of expected installed capacity for the years and decades to come.

**Figure 6.4.3 Cumulative global deployment (MW) of floating offshore wind (Carbon Trust, Floating Wind Joint Industry Project)**




Most floating projects installed to date have been single-unit for demonstration purposes. Demonstration projects have provided important learnings for de-risking the technology ahead of commercialisation and large-scale deployment. Notable pre-commercial projects include the 30 MW Hywind Scotland and 25 MW WindFloat Atlantic projects already commissioned and the Kincardine and Golfe du Lion projects which are in execution. These are projects structured in arrays with three or more turbines. The pre-commercial projects provide industry training and testing of supply chains and have been seen as a stepping stone for floating wind towards commercial scale projects, also with respect to bankability.

The offshore wind market is still developing and at the early stages of industrialization, with the European market being the most developed as of today. There are several players present in the market with established capacity or with assets under development, including Equinor, Ørsted, Vattenfall and Iberdola, as well as players with an ambition to build a position and developing operators holding development licenses. Offshore floating wind segment is the most immature, and with numerous companies developing floating wind concepts / technologies for the next decades (such as Principal Power, where AOW holds an ownership stake). The competition is expected to increase with new companies coming to the market over the next years.

## 6.5 Carbon Capture Market

The market for carbon capture, utilization and storage (CCUS) solutions should still be considered in early development as the value chain is still developing in most geographies. According to the IEA, only 21 large-scale were operational globally as per 2020, with a further 3 under construction.[29] However, CCUS can be applied across the energy system and is increasingly seen as an instrumental part of achieving global emission reduction targets. The future market potential is therefore deemed to be vast and the industry is expected to grow strongly in coming years. A key milestone underway is the establishment of sufficient transportation and storage infrastructure which will receive the captured $CO_2$. There are currently several ongoing initiatives such as the Northern Lights Project, the Greensand Project, Net Zero Teeside Project, Hynet North West Project and the Rotterdam Backbone Initiative (Porthos), whose purpose is to develop the required infrastructure to transport and store CO2 in reservoirs below the seabed. Due to the high capital requirement to roll-out the required infrastructure, the execution of the abovementioned initiatives and others are highly dependent on positive government investment decisions, which in several cases are still pending.

The global targets set in the Paris Agreement to combat global warming, by keeping temperature levels under two degrees Celsius above pre-industrial levels, conditions that society needs to develop solutions to reduce the emissions of greenhouse gases. In addition to energy efficiency, transitioning to renewable energy sources and alternative fuels, it is foreseen that

[29] https://www.iea.org/reports/ccus-in-clean-energy-transitions/a-new-era-for-ccus.

society needs to leverage carbon capture technology to meet emission targets. This is underpinned by the fact that there are few other alternatives for low emission transitioning of processing industries, such as cement production. Against this backdrop governments have shown strong commitment to develop and support the adaptation of carbon capture technology.

The commitment to environmental targets thus entails a huge future demand for carbon capture solutions which is the backbone for the belief in a rapid development of a global carbon capture market. The market potential could be as high as ~2,400 large scale industrial carbon capture plants to meet the two-degree Celsius target in 2040.

It is expected that the market will grow quickly as the carbon capture value chain materialises and that the growth will further increase as the supply industry builds scale, reducing cost through scale-efficiency and standardisation. It is likely that carbon capture technology will follow a similar cost curve development to other mature technologies as energy production from wind and solar PV, which have seen a reduction in LCOE between 70% and 82% since 1995 (wind) and 2010 (solar PV). In addition to cost reduction, growth is expected to be highly driven by regulatory measures taken to reduce emissions, such as carbon-taxes, other carbon pricing initiatives as well as through a tightening carbon quota system with a reduced number of new quotas coming to market in the coming years.

Whilst the competitive landscape is still developing, a broad spectrum of companies ranging from technology start-ups to major established players within engineering & construction and oil & gas, such as Mitsubishi Heavy Industries (MHI), Fluor and Shell CANSOLV are working on developing, commercialising, and industrialising various competing CCSU technologies.

## 6.6 Hydrogen Market

Hydrogen can be used as a feedstock, a fuel or an energy carrier and for energy storage, and has many possible applications across industry, transportation, power generation and building and heating sectors. Hydrogen does not emit $CO_2$ and creates almost no air pollution when used as a fuel, and hydrogen thus offers a solution to decarbonise several sectors. Due to the benefit of no $CO_2$ emissions from utilising hydrogen, hydrogen is a key pillar of the decarbonisation strategies in place to reach carbon neutrality for governments and regulators around the world. Yet, today, hydrogen represents a modest fraction of the global and EU energy mix, and is still largely produced from fossil fuels, notably from natural gas or from coal, resulting in the release of 70 to 100 million tonnes $CO_2$ annually in the EU. For hydrogen to contribute to climate neutrality, it needs to achieve a far larger scale and its production must become fully decarbonised. Hydrogen Roadmap Europe (2019) makes the case that achieving the energy transition in Europe will need just that. By replacing the use of fossil fuel through clean hydrogen and ammonia production hydrogen could close roughly 50% of the gap in $CO_2$ emissions to achieve the 2-degree scenario in 2050.

Low-carbon hydrogen may be produced through several processes:

- 'Electricity-based green hydrogen' is hydrogen produced through the electrolysis of water (in an electrolyser, powered by electricity), and with the electricity stemming from renewable sources. The full life-cycle greenhouse gas emissions of the production of renewable hydrogen are close to zero. Renewable hydrogen may also be produced through the reforming of biogas (instead of natural gas) or biochemical conversion of biomass, if in compliance with sustainability requirements.
- 'Fossil-based hydrogen with carbon capture' refers to hydrogen produced through a variety of processes using fossil fuels as feedstock, mainly reforming of natural where greenhouse gases emitted as part of the hydrogen production process are captured.

In the past, there have been peaks of interest in hydrogen, but they did not take off. Today, the rapid cost decline of renewable energy, technological developments, and the urgency to drastically reduce greenhouse emissions, are opening up new possibilities. There are many reasons why hydrogen is a key priority to achieve the European Green Deal and Europe's clean energy transition. Renewable electricity is expected to decarbonise a large share of the EU energy consumption by 2050, but not all of it. Hydrogen has a strong potential to bridge some of this gap, as a vector for renewable energy storage (alongside batteries) and transport, ensuring back-up for seasonal variations and connecting production locations to more distant demand centres. In its strategic vision for a climate-neutral EU (2018), the share of hydrogen in Europe's energy mix is projected to grow from the current level of less than 2% to 13-14% by 2050. Hydrogen Council (2017) estimates that global energy demand supplied with hydrogen could see a ten-fold increase by 2050, driven my new use cases within power generation, transportation, industrial energy, building heat and power, and industry feedstock. The support for these estimates grows as more and more countries announce dedicated hydrogen strategies and ambitious capacity targets for 2030 and onwards.

Investment in hydrogen will foster sustainable growth and jobs, which will be critical in the context of recovery from the COVID-19 crisis. The EU commission's recovery plan highlights the need to unlock investment in key clean technologies and value chains. It cites clean hydrogen as one of the essential areas to address in the context of the energy transition and mentions a number of possible avenues to support it. According to the EU, cumulative investments in renewable "green" hydrogen in Europe could be up to EUR 180-470 billion by 2050, and in the range of EUR 3-18 billion for low-carbon fossil-based “blue” hydrogen.

Although the hydrogen industry is still in its infancy, a wide range of companies have communicated ambitions within blue and green hydrogen production, including companies within renewable energy, oil and gas, chemicals and utilities, such as Ørsted, Equinor, Shell, Total, Linde and Engie, in addition to pure-play start-up companies. Competition for future projects is therefore expected to be high.

## 7. CAPITALISATION AND INDEBTEDNESS

The financial information presented below has been extracted from the balance sheet as of 31 December 2020 in the Company's Carve-out Combined Financial Statements and should be read in connection with the other parts of the Prospectus, in particular Section 8 "Selected Financial and Other Information", Section 9 "Operating and Financial Review", Section 10 "Unaudited Pro Forma Condensed Financial Information", and the Carve-out Combined Financial Statements. Included in Appendix A to this Prospectus.

The financial information presented below provides information about the Group's capitalisation and net financial indebtedness on the basis of the balance sheet as of 31 December 2020 in the Carve-out Combined Financial Statements, in the "As adjusted" column, the Group's unaudited capitalisation and net financial indebtedness as of 31 December 2020, on an adjusted basis to give effect of the following transactions on the Group's capitalisation and net financial indebtedness that occurred in the period between 31 December 2020 and up to the date of this Prospectus.

The "As adjusted" column reflects the Group's capitalization and net financial indebtedness as of 31 December 2020 adjusted for the effects of the Mainstream Transaction, the Rainpower Transaction, the Shareholder Loan and the ACH Transaction (together the "**Transactions**"), as described in Section 5 "Business Overview".

Other than as described above, there have been no material changes to the Group's capitalization and net financial indebtedness since 31 December 2020.

### 7.1 Capitalisation

| **Capitalisation** | **As of 31 December 2020** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **Actual** (i) | **Adjustment** (ii) | **As adjusted** |
| *Guaranteed* | - | | |
| *Secured* (1) | 12,064 | 33,154 | 45,218 |
| *Unguaranteed/Unsecured* [2] | 285,022 | 1,536,300 | 1,821,323 |
| **Total current liabilities** | **297,086** | **1,569,455** | **1,866,541** |
| Guaranteed | - | - | - |
| Secured (3) | 28,451 | 7,839,104 | 7,867,555 |
| Unguaranteed/Unsecured (4) | 1,005,430 | 5,659,935 | 6,665,365 |
| **Total non-current liabilities** | **1,033,882** | **13,499,039** | **14,532,921** |
| **Total liabilities (A)** | **1,330,968** | **15,068,494** | **16,399,462** |
| **Equity** | | | |
| Share capital | - | - | - |
| Legal reserves | - | - | - |
| Other reserves (5) | 319,360 | 8,603,775 | 8,923,135 |
| **Total Equity (B)** | **319,360** | **8,603,775** | **8,923,135** |
| **Total Capitalization (A)+(B)** | **1,650,328** | **23,672,269** | **25,322,597** |

(i) The data set forth in this column are derived from the Company's Carve-out Combined Financial Statements as of 31 December 2020.

(1) Current secured liabilities of NOK 12,064 thousand consists wholly of the Carve-out Combined Financial Statement line item current lease liabilities and consists of the current portion of the leasing liability which is secured in the underlying leased asset.

(2) Current unguaranteed and unsecured debt of NOK 285,022 thousand consists of the Carve-out Combined Financial Statement line items current operating liabilities of NOK 101,372 thousand and current borrowings, related party of NOK 183,650 thousand. The current borrowings, related party relates to the current portion of a loan facility from Aker Capital AS to Aker Horizons Holding which was transferred over to the new parent Aker Horizons ASA after the Internal Reorganisation on 19 January 2021.

(3) Non-current secured liabilities of NOK 28,451 thousand consists wholly of the Carve-out Combined Financial Statement line item non-current lease liabilities and consists of leasing liabilities in connection with office premises that are secured in the underlying leased asset they pertain to.

(4) Non-current unguaranteed and unsecured debt of NOK 1,005,430 thousand consists of the Carve-out Combined Financial Statement line items pension liabilities of NOK 5,430 thousand and non-current borrowings, related party of NOK 1,000,000 thousand. The non-current borrowing, related party of NOK 1,000,000 thousand relates to a loan facility from Aker Capital AS to Aker Horizons Holding was transferred over to the new parent Aker Horizons ASA after the Internal Reorganisation on 19 January 2021.

(5) Other reserves of NOK 319,360 thousand consists of total equity in the Carve-out Combined Financial Statement of which NOK 513,209 thousand relates to non-controlling interests.

ii) The data set forth in this column reflects the effects of the the Transactions, please see Section 10.11 "Unaudited Pro Forma Condensed Balance Sheet as of 31 December 2020" for further information about the adjustments.

(1) Current secured liabilities adjustments of NOK 33,154 thousand consists wholly of current lease liabilities which are secured in the underlying leased assets. The resulting as adjusted amount relates to the financial line item current lease liabilities.

(2) Current unguaranteed and unsecured debt adjustments of NOK 1,536,300 thousand consists of current borrowings of NOK 599,823 thousand held in Mainstream and Rainpower, NOK (409,335) thousand in current borrowings relates to settlement of the Mezzanine loan in relation to the Mainstream Transaction, NOK (67,177) thousand in current borrowings reflects the effects of refinancing under the Rainpower Transaction (reclassified as Hybrid capital within equity), NOK (183,650) thousand relates to reclassifications in relation to the Shareholder Loan and NOK 1,596,640 thousand in current operating liabilities held in Mainstream and Rainpower. The resulting as adjusted amount of NOK 1,821,323 thousand consists of the financial line items current operating liabilities of NOK 1,698,012 thousand and current borrowings of NOK 123,311 thousand.

(3) Non-Current secured liabilities adjustments of NOK 7,839,104 thousand consists of NOK 7,250,590 thousand in non-current borrowings related to Mainstream loans to finance construction projects and are secured in Mainstream subsidiaries assets. The remaining NOK 588,514 thousand of the adjustment relates to non-current lease liabilities held in Mainstream and Rainpower which are secured in the underlying leased assets. The resulting as adjusted amount of NOK 7,867,555 thousand consists of the financial line items non-current borrowings of NOK 7,250,590 thousand and non-current lease liabilities of NOK 616,965 thousand.

(4) Non-current unguaranteed and unsecured debt adjustments of NOK 5,659,935 thousand consists of NOK 4,109,852 thousand relating to financing of the Mainstream Transaction through the Convertible Bond Issue, the Green Bond Issue and the Amended RCF, NOK 1,000,000 thousand relates to additional borrowings through the Shareholder Loan from Aker Capital, NOK 407,328 thousand in deferred tax resulting from the preliminary Mainstream PPA, NOK 125,640 thousand relates to the estimated earn-out as part of the preliminary Mainstream PPA and NOK 4,115 thousand in other non-current liabilities held in Mainstream. Additionally, NOK 50 000 thousand relates to non-current borrowings held in Rainpower and NOK (37,000) thousand in non-current borrowings reflects the effects of the refinancing under the Rainpower Transaction (reclassified as Hybrid capital within equity). The resulting as adjusted amount of NOK 6,665,365 thousand consists of the financial line items non-current borrowings of NOK 6,122,852 thousand, other non-current liabilities of NOK 135,185 thousand and deferred tax of NOK 407,328 thousand.

(5) Other reserves adjustments of NOK 8,603,775 thousand consists of total equity adjustments related to the Transactions whereof NOK 2,370,146 thousand relates to non-controlling interests arising as part of the preliminary PPA in the Mainstream Transaction and NOK 104,177 thousand relates to Hybrid capital held by non-controlling interests in connection with the refinancing of Rainpower. The resulting as adjusted amount relates to the financial line item equity. For details on the share capital of the Company as of the date of the prospectus see Section 14.4 "Share Capital and Share Capital History"

## 7.2 Net Financial Indebtedness

| **Net Financial Indebtedness** | **As of 31 December 2020** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **Actual (i)** | **Adjustment (ii)** | **As adjusted** |
| A. Cash (1) | 943,112 | 8,357,375 | 9,300,487 |

| | | | |
|---|---|---|---|
| B. Cash Equivalents | - | - | - |
| C. Trading Securities | - | - | - |
| **D. Liquidity (A)+(B)+(C)** | **943,112** | **8,357,375** | **9,300,487** |
| E. Current financial receivables [(2)] | 24,867 | - | 24,847 |
| F. Current bank debt | - | - | - |
| G. Current portion of non-current debt [(3)] | 195,714 | 33,154 | 228,868 |
| H. Other current financial debt | - | - | - |
| **I. Current financial debt (F)+(G)+(H)** | **195,714** | **33,154** | **228,868** |
| **J. Net Current financial indebtedness (I)-(E)-(D)** | **(772,264)** | **(8,324,221)** | **(9,096,495)** |
| K. Non-current bank debt | - | - | - |
| L. Bonds issued [(4)] | - | 3,614,766 | 3,614,766 |
| M. Other non-current financial debt [(5)] | 1,028,451 | 9,347,190 | 10,375,641 |
| **N. Non-current financial debt (K)+(L)+(M)** | **1,028,451** | **12,961,956** | **13,990,408** |
| **O. Net financial indebtedness (J)+(N)** | **256,187** | **4,637,735** | **4,893,922** |

i) The data set forth in this column are derived from the Company's Carve-out Combined Financial Statements as of 31 December 2020.

[(1)] Cash of NOK 943,112 thousand consists wholly of the Carve-out Combined Financial Statement line item cash and cash equivalents.

[(2)] Current financial receivables of NOK 24,867 thousand consists wholly of the Carve-out Combined Financial Statement line item interest bearing receivables and relates to lending to the associate KF Wind.

[(3)] Current portion of non-current debt of NOK 195,714 thousand consists of the Carve-out Combined Financial Statement line items current lease liabilities of NOK 12,064 thousand and current borrowings, related party of NOK 183,650 thousand. The current borrowings, related party relates to the current portion of a loan facility from Aker Capital AS to Aker Horizons Holding which will be transferred over to the new Parent Aker Horizons AS after the Internal Reorganisation on 19 January 2021.

[(5)] Other non-current financial debt of NOK 1,028,451 thousand consists of the Carve-out Combined Financial Statement line items non-current lease liabilities pertaining to leasing liabilities in connection with office and non-current borrowings, related party of NOK 1,000,000 thousand. The non-current borrowing, related party of NOK 1,000,000 thousand relates to a loan facility from Aker Capital AS to Aker Horizons Holding which will be transferred over to the new Parent Aker Horizons AS after the Internal Reorganisation on 19 January 2021.

ii) The data set forth in this column reflects the effects of the the Transactions, please see Section 10.11 "Unaudited Pro Forma Condensed Balance Sheet as of 31 December 2020" for further information about the adjustments.

[(1)] Cash adjustments of NOK 8,357,375 thousand consists of NOK 1,535,802 thousand in cash and cash equivalents in Mainstream, NOK 3,154,276 thousand in restricted cash in Mainstream and NOK 14,015 thousand cash and cash equivalents in Rainpower. NOK 1,220,932 thousand relates to the Mainstream Transaction whereby NOK 8,882,836 thousand in net proceeds from the Private Placement and Greenshoe, the Convertible Bond Issue, the Green Bond Issue and the Amended RCF was offset by the acquisition consideration of NOK (6,984,537) thousand, settlement of the Mezzanine loan in Mainstream of NOK (409,335) and transaction expenses of NOK (268,302). NOK 2,433,500 thousand relates to the net proceeds through the private placement performed in connection with the ACH Transaction. NOK 16,350 thousand relates to remaining cash and cash equivalents after adjustments performed on the Shareholder Loan and NOK (17,500) thousand is the cash consideration and estimated transaction expenses for the Rainpower Transaction. The resulting as adjusted amount of NOK thousand 9,300,487 consists of the financial line items cash and cash equivalents of NOK 6,146,211 thousand and restricted cash of NOK 3,154,276 thousand.

[(3)] Current portion of non-current debt adjustments of NOK 33,154 thousand consists wholly of current lease liabilities held in Mainstream and Rainpower which are secured in the underlying leased assets. The resulting as adjusted amount of NOK 228,868 thousand consists of the financial line items current borrowings of NOK 183,650 thousand and current lease liabilities of NOK 45,218 thousand.

(4) Non-current bonds issued adjustments of NOK 3,614,766 thousand relates to financing of the Mainstream Transaction through the Convertible Bond Issue and the Green Bond Issue. The resulting as adjusted amount relates to the financial line item non-current borrowings, of which the Convertible Bond Issue contributed to the adjusted balance with NOK 2,467,500 thousand and the Green Bond Issue contributed to the adjusted balance with NOK 1,147,266 thousand as described in Section 10.11 ("Pro forma balance sheet adjustment A – Mainstream truncation", note (i)).

(5) Other non-current financial debt adjustments of NOK 9,347,190 thousand consists of NOK 7,250,590 thousand in non-current borrowings related to Mainstream loans to finance construction projects and are secured in Mainstream subsidiaries assets, NOK 495,086 thousand relates to financing of the Mainstream Transaction through the Amended RCF, as described in Section 10.11 ("Pro forma balance sheet adjustment A – Mainstream truncation", note (i)), NOK 1,000,000 thousand relates to additional borrowings through the Shareholder Loan from Aker Capital, NOK 588,514 thousand relates to non-current lease liabilities held in Mainstream and Rainpower, NOK 50 000 thousand relates to non-current borrowings held in Rainpower and NOK (37,000) thousand in non-current borrowings reflects the effects of the refinancing under the Rainpower Transaction. The resulting as adjusted amount of NOK 10,375,641 thousand consists of the financial line items non-current borrowings of NOK 9,758,676 thousand and non-current lease liabilities of NOK 616,965 thousand.

## 7.3 Indirect and Contingent Indebtedness

In addition to the Mainstream Transaction, the Rainpower Transaction, the ACH Transaction and the Shareholder Loan as presented in Section 7.1 "Capitalisation", the Group has certain indirect and contingent indebtedness not presented in its balance sheet, see Section 9.13 "Off-Balance Sheet Arrangements".

## 7.4 Working Capital Statement

As of the date of this Prospectus, the Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for the period covering at least 12 months from the date of this Prospectus.

## 8. SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

*The Company is assessed as having a complex financial history (see section 4.4.1 "Complex Financial History"), as it was not incorporated until November 2020, did not become parent of the Group until January 2021 and had no consolidated financial information for the Group for the years ended 31 December 2020, 2019 and 2018. In order to represent the Group's activity for the years ended 31 December 2020, 2019 and 2018, Carve-out Combined Financial Statements have been prepared on behalf of the Combined Group and are presented in this section.*

*The following selected financial information has been extracted from the Group's Carve-out Combined Financial Statements as of and for the years ended 31 December 2020, 2019, and 2018, which are included in Appendix A— Financial Statements to this Prospectus. The Carve-out Combined Financial Statements have been prepared in accordance with IFRS and are presented in NOK. The Carve-out Combined Financial Statements may not reflect the results of operations, financial position and cash flows that the Combined Group would have had if it had been run as a separate legal group during the periods presented and may not be indicative of future performance. The carve-out combined financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the Carve-out Combined Financial Statements included in Appendix A of this Prospectus and should be read together with Section 9 "Operating and Financial Review".*

### 8.1 Summary of accounting policies and principles

For information regarding assumptions, methods, accounting policies and the use of estimates and judgements, please refer to note 1 and 2 of the Carve-out Combined Financial Statements, included in this Prospectus in Appendix A.

### 8.2 Selected Income Statement Information

The table below sets out a summary of the Combined Group's income statement information for the years ended 31 December 2020, 2019 and 2018 extracted from the Carve-out Combined Financial Statements.

| **Income Statement** | **Year ended 31 December** | | |
|---|---|---|---|
| | **2020** | **2019** | **2018** |
| *Amounts in NOK thousand* | | | |
| Revenues | 26,592 | 42,529 | 17,777 |
| Materials, goods and services | (17,232) | (36,244) | (12,995) |
| Salary and other personnel costs | (65,650) | (8,765) | (3,916) |
| Other operating expenses | (133,261) | (6,216) | (5,535) |
| Depreciation and amortisation | (5,407) | - | - |
| **Operating profit (loss)** | **(194,958)** | **(8,696)** | **(4,669)** |
| Financial income | 1,806 | - | - |
| Financial expenses | (8,501) | - | - |
| **Net financial items** | **(6,694)** | **-** | **-** |
| Share of profit (loss) equity accounted investees | (124,789) | (5,633) | - |
| **Profit (loss) before tax** | **(326,441)** | **(14,330)** | **(4,669)** |
| Tax benefit (expense) | (4) | - | - |
| **Profit (loss) for the period** | **(326,445)** | **(14,330)** | **(4,669)** |
| *Attributable to* | | | |
| Non-controlling interest | (48,773) | - | - |
| Equity holders of parent company | (277,672) | (14,330) | (4,669) |
| **Profit (loss) for the period** | **(326,445)** | **(14,330)** | **(4,669)** |

## 8.3 Selected Statement of Comprehensive Income Information

The table below sets out a summary of the Combined Group's statement of comprehensive income information for the years ended 31 December 2020, 2019 and 2018 extracted from the Carve-out Combined Financial Statements.

| **Comprehensive income** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
| **Profit (loss) for the period** | **(326,445)** | **(14,330)** | **(4,669)** |
| **Other comprehensive income** | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Translation differences - foreign operations | (29,338) | - | - |
| Items that will not be reclassified subsequently to profit or loss: | | | |
| Share of OCI from associates | (2,322) | - | - |
| **Other comprehensive income (loss)** | **(31,660)** | **-** | **-** |
| **Total comprehensive income (loss)** | **(358,105)** | **(14,330)** | **(4,669)** |
| | | | |
| *Attributable to:* | | | |
| Equity holders of parent company | (300,670) | (14,330) | (4,669) |
| Non-controlling interest | (57,435) | - | - |
| **Total comprehensive income (loss)** | **(358,105)** | **(14,330)** | **(4,669)** |

## 8.4 Selected Balance Sheet Information

The table below sets out a summary of the Combined Group's balance sheet information as of 31 December 2020, 2019 and 2018 extracted from the Carve-out Combined Financial Statements.

| **Balance Sheet** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
| **Assets** | | | |
| Intangible assets | 3,801 | - | - |
| Right-of-use assets | 37,564 | - | - |
| Property, plant and equipment | 3,147 | 96 | - |
| Equity accounted investees | 620,254 | 215,089 | - |
| Financial investments | - | 18 | 63,800 |
| **Total non-current assets** | **664,766** | **215,203** | **63,800** |
| Interest bearing receivables | 24,867 | - | - |
| Current operating assets | 17,584 | 3,539 | 8,368 |
| Cash and cash equivalents | 943,112 | - | - |
| **Total current assets** | **985,562** | **3,539** | **8,368** |
| **Total assets** | **1,650,328** | **218,742** | **72,168** |

| | | | |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Contributed equity and retained earnings | (170,850) | 200,410 | 62,257 |
| Other reserves | (22,998) | - | - |
| **Equity attributable to equity holders of parent company** | **(193,848)** | **200,410** | **63,257** |
| Non-controlling interests | 513,209 | | |
| **Total equity** | **319,360** | **200,410** | **63,257** |
| Pension liabilities | 5,430 | - | - |
| Non-current borrowings, related party | 1,000,000 | - | - |
| Non-current lease liabilities | 28,451 | - | - |
| **Total non-current liabilities** | **1,033,882** | **-** | **-** |
| Current borrowings, related party | 183,650 | - | - |
| Current lease liabilities | 12,064 | - | - |
| Current operating liabilities | 101,372 | 18,332 | 8,911 |
| **Total current liabilities** | **297,086** | **18,332** | **8,911** |
| **Total equity and liabilities** | **1,650,328** | **218,742** | **72,168** |

## 8.5 Selected Changes in Equity Information

The table below sets out a summary of the Combined Group's combined changes in equity information for the years ended 31 December 2020, 2019 and 2018 extracted from the Carve-out Combined Financial Statements.

| **Changes in equity** | **Year ended 31 December** | | | | |
|---|---|---|---|---|---|
| *Amounts in NOK thousand* | **Contributed equity and retained** | **Currency translation reserve** | **Total equity attributable to parent** | **Non-controlling interest** | **Total equity** |
| Equity as of January 1, 2018 | 38,361 | - | 38,361 | - | 38,361 |
| **2018** | | | | | |
| Profit (loss) for the period | (4,669) | - | (4,669) | - | (4,669) |
| Changes in parent’s investment | 29,565 | - | 29,565 | - | 29,565 |
| **Equity as of December 31, 2018** | **63,257** | **-** | **63,257** | **-** | **63,257** |
| **2019** | | | | | |
| Profit (loss) for the period | (14,330) | - | (14,330) | - | (14,330) |
| Changes in parent's investment | 151,483 | - | 151,483 | - | 151,483 |
| **Equity as of December 31, 2019** | **200,410** | **-** | **200,410** | **-** | **200,410** |
| **2020** | | | | | |
| Profit (loss) for the period | (277,672) | - | (277,672) | (48,773) | (326,445) |
| Other comprehensive income | - | (22,998) | (22,998) | (8,662) | (31,660) |
| **Total other comprehensive income** | **(277,672)** | **(22,998)** | **(300,670)** | **(57,435)** | **(358,105)** |
| Increase equity | 1,498,235 | | 1,498,235 | 570,643 | 2,068,878 |
| Continuity difference | (1,807,325) | - | (1,807,325) | - | (1,807,325) |
| Loss sale of treasury shares | (558) | - | (558) | - | (558) |
| Changes in parent's investment | 216,059 | | 216,059 | | 216,059 |
| **Total equity** | **(170,850)** | **(22,998)** | **(193,848)** | **513,209** | **319,360** |

## 8.6 Selected Cash Flow Information

The table below sets out a summary of the Combined Group's cash flow information for the years ended 31 December 2020, 2019 and 2018 extracted from the Carve-out Combined Financial Statements.

| **Cash Flow** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
| Profit before tax | (326,441) | (14,330) | (4,669) |
| Adjustment for: | | | |
| *Depreciation* | 5,407 | - | - |
| *Share of loss equity-accounted investments* | 124,789 | 5,633 | - |
| *Accrued interest and foreign exchange* | 1,730 | - | - |
| *Lease interest payments* | (877) | | |
| *Changes in current operating assets and liabilities* | 95,822 | 13,502 | 8,560 |
| *Paid tax* | (4) | - | - |
| **Cash flow from operating activities** | **(99,575)** | **4,806** | **3,892** |
| Payments for property, plant and equipment | (2,910) | (96) | - |
| Payments for intangible assets | (3,666) | - | - |
| Payment for investment in equity-accounted investees | (570,399) | (156,941) | 0 |
| Payments for investment in non-current financial assets | | (18) | (31,300) |
| Payments for interest-bearing receivables | (17,542) | - | - |
| **Cash flow from investing activities** | **(594,517)** | **(157,036)** | **(31,300)** |
| Principle lease payments | (2,407) | - | - |
| Proceeds borrowings, related parties | 832,000 | - | - |
| Capital increase from NCI | 465,750 | - | - |
| Payments related to treasury shares | (558) | - | - |
| Net contribution from parent | 342,417 | 152,230 | 27,408 |
| **Cash flow from financing activities** | **1,637,203** | **152,230** | **27,408** |
| **Net cash flow** | **943,112** | **-** | **-** |
| | | | |
| **Cash and cash equivalent at the beginning of the period** | **-** | **-** | **-** |
| **Cash and cash equivalent at the end of the period** | **943,112** | **-** | **-** |

## 9. OPERATING AND FINANCIAL REVIEW

*The Company is assessed as having a complex financial history (see section 4.4.1 "Complex Financial History"), as it was not incorporated until November 2020, did not become parent of the Group until January 2021 and had no consolidated financial information for the Group for the years ended 31 December 2020, 2019 and 2018. In order to represent the Group's activity for the years ended 31 December 2020, 2019 and 2018, Carve-out Combined Financial Statements have been prepared on behalf of the Combined Group and are presented in this section.*

*The following selected financial information has been extracted from the Group's Carve-out Combined Financial Statements as of and for the years ended 31 December 2020, 2019 and 2018, which are included in Appendix A— Financial Statements to this Prospectus. The Carve-out Combined Financial Statements have been prepared in accordance with IFRS and are presented in NOK.*

*This operating and financial review should be read together with Section 4 "General Information", Section 8 "Selected Financial and Other Information", the Carve-out Combined Financial Statements and related notes which are included in Appendix A — "Financial Statements" to this Prospectus. The following discussion contains Forward-looking statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences to these Forward-looking Statements include those discussed in Section 2 "Risk Factors", see also Section 4.3 "Cautionary Note Regarding Forward-Looking Statements".*

### 9.1 Introduction

The Company, established in November 2020[30] as the principal platform for Aker's renewable and green tech investments, is a holding company for the Group's investments, owning a portfolio of companies in the renewable energy and green tech space comprising both private and public companies. In broad terms, the Company, as of the date of this document, distinguishes its holdings between platform investments and a "sunrise portfolio", with the latter comprising new ventures and other holdings and ongoing initiatives.

The Company owns through its subsidiaries 51% of the shares in each of ACC, AOW and 77.2% in ACH. In addition to this the Company holds an indirect ownership interest of 75% in Mainstream. These four holdings collectively represent the current platform investments of the Company.

Furthermore, as part of its sunrise portfolio, the Company holds a strategic position in REC Silicon representing an ownership interest of 24.7%. Additionally, in connection with the Mainstream Transaction, the Company acquired a 49.9% ownership interest in the company SuperNode.

The Company, through its subsidiary, has also acquired 100% of the issued shares in Rainpower.

The Company has prepared Carve-out Combined Financial Statements in NOK and in accordance with IFRS.

### 9.2 Principal Factors the Group's Financial Condition and Results of Operations

The business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the financial results of the Group, are affected by a number of factors, see Section 2 "Risk Factors". Some of the factors that have influenced the Group's financial condition and results of operations during the periods under review and which are expected to continue to influence the Group's business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the Group's financial results, are:

**The green shift**

The Company's investment mandate is grounded in eight of the SDGs and focuses on investments within renewable energy and decarbonisation, circular economy and disruptive technologies solving fundamental challenges to a sustainable existence on the planet. The Group's investment strategy is therefore linked to a sustained momentum towards the green energy transition and a low-carbon economy. A broad support in society for the SDGs and the Paris Agreement, especially among politicians at national and supranational level, is therefore an important factor to drive demand for the portfolio companies' products and services, investor sentiment supporting investment in renewable energy assets, decarbonizing technologies and supporting infrastructure, and how the Group can contribute to towards achieving those goals.

Political and regulatory frameworks in the Group's key markets are important for the demand of the portfolio companies' products and services. The Company expects that the EU Green Deal, the EU Taxonomy and the U.S.' return to the Paris agreement will increase the demand for renewable energy, carbon capture technology and the use of clean hydrogen in both these markets and globally. To reach their objectives the above-mentioned countries will have to make a transition

[30] The Company was formally incorporated in November 2020, however, Aker Horizons was launched by Aker in July 2020 through the Company's wholly owned subsidiary Aker Horizons Holding.

by decarbonizing their energy and transportation systems and energy intensive industry. The Group believes it is well positioned to provide wind, solar, carbon capture and hydrogen solutions and power that will contribute to reaching global goals to reduce greenhouse gas emissions.

General political support for expediting transformation of the energy systems through investments, licenses, subsidies, grants, and penalizing carbon emissions are important factors to increase the demand and competitiveness of renewable energy, carbon capture and hydrogen solutions. The Group believes this has been and will continue to be an important factor to stimulate demand for the Group's products and services. Countries will have to make significant investments in the power grid and infrastructure to accommodate the production and distribution of renewable energy and hydrogen. Countries will also need to open land and ocean areas to build solar and onshore and offshore wind farms, in addition to providing economic incentives and favorable regulatory frameworks for investments in renewable energy, carbon capture and hydrogen solutions.

**Capital and capital markets**

Access to capital and the cost of capital are important factors for the Group as it operates in asset heavy industries such as onshore and offshore wind, solar power, hydrogen technology, hydropower technology and carbon capture and storage. By being part of the Aker ecosystem, the Group has excellent financing capabilities and access to capital. The Group's access to capital impacts both its ability to fund and deliver existing projects as well as its ability to invest in new projects and new portfolio companies. The Company seeks to acquire or incubate companies within its investment mandate that may be value accreditive to the Company's existing portfolio and/or new platform companies that are exposed to global megatrends not currently in the Company's portfolio, further increasing the Company's diversification across industries. Investors' interest in investing in assets falling under the Group's investment mandate, and the intensity of competition for such investments, impacts the Group's access to and the cost of capital and is therefore an important driver for Company's ability to take advantage of future growth opportunities and related capital costs. The cost of capital is also an important driver for the valuation of the Company's portfolio companies and acquisition targets.

The Company will continuously evaluate and optimise the financing structure, through a variety of capital sources including, but not limited to, public equity capital raising through IPOs of underlying assets and equity issues, long-term pension and institutional capital, financial and industrial partnerships, as well as debt capital such as bank debt, direct lending, green bonds, and hybrid capital (equity linked). Accessing public markets via initial public offerings of portfolio companies will be a key part of the Company's strategy to raise capital to accelerate growth and show the fair value of its investments. In doing so, the Company will be able to draw upon and benefit from Aker's familiarity, presence and access to the capital markets.

The Group's projects are capital intensive and some of the portfolio companies will need to raise new debt and/or equity capital to fund the existing and expand the project portfolio. It is therefore important for future financial performance that the Company has the ability to participate in such capital increases to retain ownership and control over the portfolio companies. As the Group's projects are capital intensive, the cost of capital is also likely to have an impact on the Group's financial performance.

**M&A, incubation and portfolio development**

M&A and incubation of portfolio companies has been an important pillar of growth and shareholder value creation for the Combined Group. The Company believes that acquisitions and incubation of new companies will continue to be an important pillar for expanding the Company's current portfolio of industrial frontrunners and planet-positive companies. The Company seeks to deliver sustainable and long-term value creation through active ownership and by investing along global megatrends while ensuring diversification across a multitude of industries. Together with its wholly owned subsidiary Aker Horizons Holding, the Company has acquired three companies since its incorporation in November 2020; Mainstream, SuperNode and Rainpower, in addition to a minority stake in REC Silicon and majority stakes in ACC and AOW as a result of various internal transactions with subsidiaries of Aker. The Company continues to commercialize, grow and globalize ACC and AOW following their original incubation in Aker Solutions, and has incubated ACH from the idea stage. Through these acquisitions and incubations, the Company has acquired technological capabilities and platforms to further develop and commercialize planet positive companies.

Grounded in eight selected SDGs, the Company has established a framework for identifying opportunities with a broad set of defined investment criteria. The investment criteria of the Company include a strong growth outlook and profitability potential, a clear path to earnings, a unique capability set addressing global challenges close to the SDG investment theme, and that the respective company plays to Aker's strengths by leveraging its ecosystem to drive system value.

The Company utilises both its internal competencies and Aker's ecosystem to incubate new companies and pursue M&A opportunities by leveraging a unique deal sourcing capability. The Company has access to dedicated in-house resources comprising a team of professionals offering a broad combination of financial, industrial and operational experience. The Company's team currently comprises 22 professionals working in close collaboration with the executives and management in the portfolio companies. The Company is also supported by Aker which has a long track record of value accreditive acquisitions.

In terms of potential opportunities, the Company is experiencing strong momentum with a large number of actionable opportunities screened since inception, which demonstrates the strong deal flow capability of the Company which is essential to identify and close value accreditive acquisitions. These opportunities arise due to the attractive value proposition the Company may offer companies looking to grow and expand, further emphasised by being part of the broader Aker ecosystem.

In the subsequent phases of each investment, the Company aims to grow and develop its portfolio companies through interaction and commercial cooperation with the Aker ecosystem to enable scale in both capabilities and technology.

**Development of projects**

The Group aims to continuously increase the number of projects under development in each of its underlying portfolio companies. As the majority of the Group's revenue stems from projects, the ability to identify, secure and develop new projects is key to growing the business and growing revenues. Moreover, successful execution of ongoing engagements can be a major source of generating new business, through demonstrating both technical and financial viability of the Group's offerings. This can be exemplified by ACC being engaged in phase 2 of the Brevik CCS Project at the Norcem cement plant in Brevik, after a successful completion of the project's phase 1.

In addition to the ability to generate new projects, the Group and its underlying portfolio of companies is dependent on its ability to price its products and services appropriately to cover costs and earn profits. The value of the Group's products and services is subject to both internal and external factors. Internally, the Group is dependent on accurately estimating the resources required to successfully execute projects, ensuring it does not pursue projects with inadequate funding. Externally, the Group is dependent on the market's valuation of the products and services it provides, affected by the competitive landscape, regulatory environment and technological development within the areas the portfolio companies operate.

The Group is dependent on cost control and effective management of ongoing projects. The Group's projects require efficient management of time and resources. Being engaged in projects deploying innovative technology in new ways, further increases the need for this ability.

The overall size of the markets where the Group's portfolio companies operate, will have a substantial impact on the companies' business. Demand for renewable energy and decarbonizing technologies is expected to continue to grow, resulting in increased demand for the Group's products and services. At the same time, the demand for such sustainable solutions is dependent on the technological development and competitiveness compared to traditional sources of energy.

When executing projects, the Group seeks to enter partnerships where the partner contributes with capital while the Group, through its portfolio companies, contributes with technology and know-how. This relies on the portfolio companies developing offerings attractive to partners supplying capital to projects. Additionally, to be able to access the best technology, the Group aims at partnering with developers of sustainable technology, such as producers of wind turbines and industrial equipment for carbon capture and hydrogen solutions, and providers of engineering and construction services to implement projects. In sum, the identification and management of partnerships is key to secure project funding and access to leading technology.

Lastly, the Group relies on its ability to capitalize know-how and successfully market its patents. The Group's ability to successfully win, develop and execute projects will affect the value of the portfolio companies' know-how though proof of commercial application. The value of the Group's patents, such as those used in ACC's patented $CO_2$ absorption process, are dependent on the marketability of the technology as well as the availability of substitutional options.

**R&D, technology development and digitalization**

The green energy transition and a low-carbon economy requires scale up and interaction of existing technologies. The transition will require the installment of more onshore and offshore wind farms, solar power panels, hydrogen production facilities, hydropower plants and carbon capture and storage facilities. As a result, the Company is in the process of creating a portfolio of companies that meets these challenges.

The Group is incubating and acquiring companies with the aim of developing in-house know-how and technology of commercial value and creating market leaders within the sectors the incubated and acquired companies operate. The Group is dependent on the portfolio companies' ability and success in generating marketable patents and proprietary technology. This relies on the portfolio companies' efficient allocation of resources available for research and development.

A key aspect of technological development in the areas of which the Group operates, is efforts to reduce costs and increase efficiency of the technology offered by the portfolio companies. Adaptation of both offshore wind energy and decarbonization technology is largely influenced by the cost of installation and operation, and the commercial viability of the technology offered by the Group's portfolio companies will be directly affected by improvements in this area. As such, technological developments decreasing costs and increasing efficiency will not only gain the Group's portfolio companies a competitive advantage in the marketplace, but also influence the overall size of the available market.

Together with the green shift, the Group is aiming to capitalize on the digitalization across all industries and projects through big data and machine learning. The ability to efficiently gather data and generate insights through big data analytics and machine learning, as well as managing projects in the most efficient manner possible, is key for the company. Digitalization will not only represent potential gains in efficiency for the Group and its portfolio companies, but also a key area of success to remain competitive. The Group's portfolio companies must secure early adaptation of available tools within industrial digitalisation.

**Ability to attract and retain talent and key personnel**

The Group's activities can fundamentally be divided into four main areas of activity. These are the development of technology and engineering know-how, the business development and commercial capabilities needed to identify and successfully develop projects and partnerships, the investment activities, and administrative support. In all of these categories of activity, the nature of operations is of a technical and specialized nature, requiring skilled personnel. As such, the Group's ability to attract and retain personnel is vital to the Group's performance.

The Company's ability to identify and secure value accreditive investments rests on its ability to attract and retain management and professionals for the Company to effectively incubate or acquire and develop companies and technologies, and maximize the value potential. This includes, inter alia, investment professionals, business development, market, industry and technology specialists, and talent within the areas of digitalization, legal and regulatory, financial and risk management, investor relations, sustainability, communications, and people management.

The Group's ambition of being a technological leader and its ability to deliver its projects and ambitions rests on its ability to attract and retain leadership and specialist talent in the portfolio companies, including R&D, technology development, digitalization, business development, engineering, project management, financial and risk management.

**Aker Ecosystem**

The Group benefits from the financial and operational capabilities of Aker and the companies Aker is invested in (the "**Aker Ecosystem**"). Across the portfolio of companies in the Aker ecosystem, there are competencies, capacities and relationships that offers the Group a competitive advantage compared to on a stand-alone basis. Aker has vast competencies across a range of relevant industries that may enrich the Company's portfolio companies through cooperation and commercial agreements, such as in the field of industrial engineering (through its ownership interest in Aker Solutions) and industrial software (through its ownership in Cognite and Aize).

In relation to digitalisation, the Company aims to leverage the capabilities of Cognite and Aize, on the basis of arm's length commercial principles, to enhance the value creation in its portfolio companies. Cognite provides an industrial software platform that moves digitalisation beyond the proof-of-concepts, while Aize has developed technology to put to use industrial data to plan and execute complex projects and operations. In this regard, the Company sees vast potential to capture strategic data driven insights across the portfolio and reduce project costs and has initiated initiatives to pursue these opportunities.

In addition, the Company's portfolio companies are expected to also benefit from each other's competencies and derive synergies from cooperation and joint ventures, including in hybrid projects combining technologies and capabilities from different portfolio companies. In this context, the Mainstream Transaction represents a step change for the Company as it grants access to a major renewables developer and producer, with a clear plan to accelerate future initiatives in Mainstream. Furthermore, Mainstream will contribute to the Company's overall portfolio with its platform and competencies, which can be utilised to scale new ventures and geographies. As an example, competence sharing between the renewable power development of Mainstream within offshore wind and AOW, where in the commercial interest of both companies and permitted by applicable laws, rules and regulations, is one potential portfolio effect. Future opportunities combining renewable power and hydrogen, or renewable power and battery storage are other examples. The broader network of Aker will also be of value to the Company in the essence of attracting talent and resources to its portfolio companies, leveraging on existing customer and supplier relationships, and supporting the SDG focus of the Company via Aker's significant philanthropic efforts (e.g., Aker Scholarship, Ocean Data Platform, Plastic REVolution Foundation).

**Global economic development**

The Group is exposed to global economic development and growth, directly affecting the demand for the Group's portfolio companies' products and services. Engaging in the development and execution of large-scale industrial projects, the Group is exposed to the general global economic climate, hereunder both the private and governmental interest and ability to invest. Additionally, global economic activity will impact the overall demand for energy.

Additionally, the Group is exposed to the cost of competing energy sources. Adaptation of sustainable energy is impacted by the alternative cost of fossil fuels, though the cost premium of sustainable sources. All other factors equal, low prices of oil, gas and coal will negatively affect the demand for the Group's products and services and vice versa.

Fluctuations in foreign currency exchange rates affect the Group's results of operations. The Group's activities are spread across several countries, and as such, both costs and revenues are subject to the effects of fluctuations in foreign currencies. Exchange rate fluctuations impact the Group's income statement, balance and cash flows as a result of the reporting currency being NOK whilst part of the costs, revenues and the value of assets and liabilities are in other currencies. As the Group organises projects to be managed locally, some costs will offset potential revenues in the currency of operations for each development. The Company's main currency exposure in revenues are NOK, EUR, USD, GPB and operating expenses are currently NOK, USD, GBP and EUR. The Company's main balance sheet exposures are NOK, USD, GBP and EUR. As a result, the Company's results of operation and financial position are impacted by the value of NOK relative to such other currencies.

## 9.3 Reporting Segment

In the review of the Group's Carve-out Combined Financial Statements there are two segments comprising of ACC and AOW.

The Aker Carbon Capture segment comprises of ACC which conducts research, development and execution of projects providing technology to reduce $CO_2$ emissions across industries. The segment is focused on the preliminary research, development and execution of implementing solutions, and is not an operator of the installations developed.

The Aker Offshore Wind segment comprises of AOW which is a deep-water offshore wind developer. The segment also includes the associated companies Principle Power Inc., KFWind and Redwood Coast Offshore Wind LLC. The Aker Offshore Wind segment, sources, develops and structures offshore wind projects in Norway and internationally. The current portfolio consists of development projects and prospects located in South Korea (Ulsan), the United States (California), Norway and the UK (Scotland).

The Group's other equity accounted investments which currently comprise of the investment in the associate REC Silicon, are not within operating segments of the Group. The Group's share of profit or loss from REC Silicon is presented within Share of profit (loss) equity accounted invitees.

## 9.4 Recent Developments

Since the Company started trading on Euronext Growth (Oslo) on 1 February 2021 to 31 March 2021, the net asset value of the Group's portfolio has increased by NOK 3.1 billion from NOK 12.8 billion to NOK 15.9 billion.

Other highlights in the first quarter of 2021 included:

- The Mainstream Transaction;
- the Rainpower Transaction;
- the ACH Transaction;
- the Shareholder Loan;
- the Admission to trading on Euronext Growth (Oslo); and
- the partnership with Yara ASA and Statkraft ASA to establish Europe's first industrial scale green ammonia project

The Mainstream Transaction, the Rainpower Transaction, the Shareholder Loan and the ACH Transaction (as further described in Section 9.5 "Business Overview") and the admitting to trading on Euronext Growth (Oslo), have all represented a significant change in the financial or trading position of the Company since 31 December 2020 and up to the date of this Prospectus.

## 9.5 Results of Operations

### 9.5.1 Results of operation for the Year Ended 31 December 2020 Compared with the Year Ended 31 December 2019 extracted from the Carve-out Combined Financial Statements.

| Operating results | Year ended 31 December | | |
| --- | --- | --- | --- |
| | 2020 | Change in % | 2019 |

| Amounts in NOK thousand | | | |
|---|---|---|---|
| Revenues | 26,592 | (37.5) | 42,529 |
| Materials, goods and services | (17,232) | (52.5) | (36,244) |
| Salary and other personnel costs | (65,650) | 649.0 | (8,765) |
| Other operating expenses | (133,261) | 2,043.8 | (6,216) |
| Depreciation and amortisation | (5,407) | n.m | - |
| **Operating profit (loss)** | **(194,958)** | **2,141.8** | **(8,696)** |
| Financial income | 1,806 | n.m | - |
| Financial expenses | (8,501) | n.m | - |
| **Net financial items** | **(6,694)** | **n.m** | **-** |
| Share of profit (loss) equity accounted investees | (124,789) | 2,115.2 | (5,633) |
| **Profit (loss) before tax** | **(326,441)** | **2,178.1** | **(14,330)** |
| Tax benefit (expense) | (4) | n.m | - |
| **Profit (loss) for the period** | **(326,445)** | **2,178.1** | **(14,330)** |

*Revenues*

The Combined Group's revenues decreased by NOK 15,936 thousand, or 37.5%, from NOK 42,529 thousand for the year ended 31 December 2019 to NOK 26,592 thousand for the year ended 31 December 2020. The decrease was primarily due to reduced revenue streams within the Combined Group's Aker Carbon Capture segment and only marginally offset by revenue in the Aker Offshore Wind segment which was incubated in the fourth quarter of 2019 and earned its first revenues in 2020.

| **Revenues per segment** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **Change in %** | **2019** |
| **Revenues** | **26,592** | **(37.5)** | **42,529** |
| Of which Aker Carbon Capture | 23,739 | (44.2) | 42,529 |
| Of which Aker Offshore Wind | 1,705 | n.m | - |
| Of which group functions and other | 13,514 | n.m | - |
| Of which eliminations | (12,366) | n.m | - |

*Aker Carbon Capture segment*

The Aker Carbon Capture segment revenues decreased by NOK 18,790 thousand, or 44.2%, from NOK 42,529 thousand for the year ended 31 December 2019 to NOK 23,739 thousand for the year ended 31 December 2020. The decrease was primarily due to near completion and wind down of phase one of the Brevik CCS Project at the Norcem cement plant in Brevik, Norway in 2020 and completion of phase one of the Twence Project in November 2019 (see Section 5.3 "Principal Investments" for details). In 2020 with phase one completion of the Brevik CCS Project, the project generated less revenue contributing to NOK 17,616 thousand of the NOK 23,739 thousand revenue in 2020. In 2019, the same project at the height of the phase one activity contributed to NOK 30,271 thousand of the NOK 42,529 thousand 2019 revenue. Phase one of the Brevik CCS Project was a concept/front-end engineering design phase (the "**FEED phase**") with a three-year duration. Completion of this phase one provides the foundation for phase two commencing in Q1 2021 with the engineering, procurement and construction phase (the "**EPC phase**") that will result in Europe's first industrial demonstration of $CO_2$ capture, transport and storage with its completion in 2024. With the 2019 completion of phase one of the Twence Project there was no revenue contribution in 2020 compared to the NOK 9,402 thousand generated in 2019. Additionally, the Aker Carbon Capture segment is engaged in a number of paid studies involving inter alia their proprietary proven technology *Advanced Carbon Capture, ACC™* and these studies contributed NOK 6,123 thousand in revenue in 2020 compared to a revenue contribution in 2019 of NOK 2,855 thousand. Increased political and regulatory focus on carbon emissions, such as the EU Green Deal, EU Taxonomy and expectation of the US' return to the Paris Climate Agreement, were among contributing factors leading to increased interest in carbon capture projects.

*Aker Offshore Wind segment*

The Aker Offshore Wind segment revenues increased by NOK 1,705 thousand from no revenue generation for the year ended 31 December 2019 to NOK 1,705 thousand for the year ended 31 December 2020. The Aker Offshore Wind segment comprise of AOW which was incubated in the Aker Ecosystem in 2019 and earned its first revenues in 2020 primarily due to revenues generated from delivery of services to development projects within the deep water offshore wind industry.

*Group functions and other*

Group functions and other revenues increased by NOK 13,514 thousand from no revenue generation for the year ended 31 December 2019 to NOK 13,514 thousand for the year ended 31 December 2020. The increase was primarily due to fees for shared services by Aker Horizons Holding from August 2020 after establishment of the Combined Group and increased structural complexity.

*Elimination of segment revenue*

Elimination of segment revenues increased by NOK 12,366 thousand from no revenue elimination for the year ended 31 December 2019 to NOK 12,366 thousand in eliminations for the year ended 31 December 2020. The increase was solely due to the elimination of the fees for shared services from Aker Horizons Holding.

*Materials, goods and services*

The Combined Group's materials, goods and services expenses decreased by NOK 19,012 thousand, or 52.5%, from NOK 36,244 thousand for the year ended 31 December 2019 to NOK 17,232 thousand for the year ended 31 December 2020. The decrease was primarily due to activity in the Combined Group's Aker Carbon Capture segment with near completion and wind down of phase one of the Brevik CCS Project in October 2020 and completion of phase one of the Twence Project in 2019 leading to reduced materials, goods and services expenses. The Aker Carbon Capture segment's materials, good and services expenses decreased with NOK 19,025 thousand, or 52.5%, from NOK 36,244 thousand in 2019 to NOK 17,218 thousand in 2020. The percent reduction in materials, good and services expenses in excess of revenues, 52.5% versus 44.2% respectively, is due to the Brevik CCS Project and Twence Project operating on a fixed price contract basis, where materials, goods and services expenses at the FEED phase of the project predominantly consists of consultancy fees. Such fees are subject to a greater degree of dispersal variability in the life cycle of the project than revenues.

*Salary and other personnel costs*

The Combined Group's salary and other personnel costs increased by NOK 56,885 thousand, or 649.0%, from NOK 8,765 thousand for the year ended 31 December 2019 to NOK 65,650 thousand for the year ended 31 December 2020. Additionally, salary costs in relation to consultancy work on paid projects are included within materials, good and services. When these costs are taken into account the Combined Group's salary and other personnel costs increased by NOK 44,865 thousand, or 142.4%, from NOK 31,497 thousand in 2019 to NOK 76,362 thousand in 2020. The increase was primarily due to an increase in number of full-time equivalents ("**FTEs**") in Aker Horizons Holding and the Aker Offshore Wind segment both of which started engaging employees in 2020, in addition to the increase in FTEs in the Aker Offshore Wind segment. Aker Horizons Holding started to engage employees after its incorporation on 1 June 2020 and has continued to do so due to its increased investment activity combined with the role of providing shared services to an expanding Group. The Aker Offshore Wind segment also started engaging employees after its incubation primarily due to the initiation of operational activities and project development, but also as a result of it becoming its own legal entity and was admitted to trading on Euronext Growth (Oslo). Aker Carbon Capture increased its FTEs from 21 as of 31 December 2019 to 26 as of 31 December 2020 in line with their increased operational activity and becoming its own legal entity and admittance to trading on Euronext Growth (Oslo).

*Other operating expenses*

The Combined Group's other operating expenses increased by NOK 127,045 thousand, or 2,043.8%, from NOK 6,216 thousand for the year ended 31 December 2019 to NOK 133,261 thousand for the year ended 31 December 2020. The increase was primarily related to increased M&A, incubation and portfolio development activity in the second half of 2020. The Combined Group incurred transaction costs of NOK 44.1 million related to the preparations for the Mainstream Transaction. The Combined Group also incurred expenses related to the planning and preparations of the incubation of ACH (see Section 5.3 "Principal Investments" for more details). Additionally, AOW's project development expenses increased as a result of the development projects in Norway, Scotland, South Korea and California in 2020. ACC also increased its tender and business development activities. In 2020 the Companied Group also incurred expenses related to the preparation for the Company's listing on Euronext Growth (Oslo) of NOK 5.2 million and increased other operating expenses as a result of the establishment of the Group with related corporate functions, shared services and IT-systems supporting AOW and ACC in their operations and in connection with their admittance to trading on Euronext Growth (Oslo) and related continuing obligations. Generally increased activity in the Combined Group also increased the other operating expenses.

*Depreciation*

The Combined Group's depreciation increased by NOK 5,407 thousand from no depreciation expenses for the year ended 31 December 2019 to NOK 5,407 thousand for the year ended 31 December 2020. The increase was primarily due to IFRS 16 Leases adjustments related to lease of office premises from 17 August 2020.

*Operating profit (loss)*

The Combined Group's operating loss increased by NOK 186,261 thousand, or 2,141.8%, from a loss of NOK 8,696 thousand for the year ended 31 December 2019 to NOK 194,958 thousand for the year ended 31 December 2020. The increase in operating losses was primarily caused by the increase in other operating expenses as well as salary and personnel costs in line with the Combined Groups creation and growing complexity and discussed in more detailed above.

| **Operating profit (loss) per segment** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **Change in %** | **2019** |
| **Operating profit (loss)** | **(194,958)** | **2,141.8** | **(8,696)** |
| Of which Aker Carbon Capture | (53,743) | 518.0 | (8,696) |
| Of which Aker Offshore Wind | (78,341) | n.m | - |
| Of which group functions and other | (62,219) | n.m | - |
| Of which eliminations | (655) | n.m | - |

*Aker Carbon Capture segment*

The Aker Carbon Capture segment operating losses increased by NOK 45,046 thousand, or 518.0% from a loss of NOK 8,696 thousand for the year ended 31 December 2019 to a loss of NOK 53,743 for the year ended 31 December 2021. Increased losses were due to increased costs in the segment due to ACC's carve-out and incorporation as its own legal entity in June 2020, admission to trading on Euronext Growth (Oslo) 2020, a private placement of new shares and it becoming a subsidiary in the Combined Group, with increased reporting and organisational requirements with fees for shared-services, leading to increased salary and other personnel costs and increased other operational expenses as described above.

*Aker Offshore Wind segment*

The Aker Offshore Wind segment operating losses were NOK 78,341 thousand for the year ended 31 December 2021. Losses were primarily due to minimal revenue in 2020 as the Aker Offshore Wind segment is still in the early stages of its development and yet to fully commercialize its proprietary technologies. Additionally, there were increased costs in the segment due to AOW's carve-out and incorporation as its own legal entity in June 2020, admission to trading on Euronext Growth (Oslo) 2020, a private placement of new shares and it becoming a subsidiary in the Combined Group, with increased reporting and organisational requirements with fees for shared-services, leading to increased salary and other personnel costs and increased other operational expenses as described above. In 2019 the Aker Offshore Wind segment had no operational activity.

*Group functions and other*

Group functions and other losses were NOK 62,219 thousand for the year ended 31 December 2020. Losses were primarily due to increased other operating expenses in relation to third party consultancy fees in connection with planned M&A activities in 2021 (see Section 5.3 "Principal Investments" for more details). Prior to Aker Horizons Holding's incorporation 1 June 2020, the company had no operational activity.

*Elimination of segment operating profit (loss)*

Eliminations leading to an increased loss of NOK 655 thousand for the year ended 31 December 2020 were primarily due to eliminations of fees related to shared services revenues and expenses of NOK 12 366 thousand and additionally minor eliminations in connection with IFRS 16 lease reporting related to office premises. Prior to the Aker Horizons Holding's incorporation 1 June 2020, no such eliminations resulting from intercompany movements were registered.

*Net financial items*

The Combined Group's net financial expenses were NOK 6,694 thousand for the year ended 31 December 2020 was primarily a result of the interest expenses on borrowings from related parties, losses on foreign exchange due to unfavourable movements in the USD/NOK exchange rate related to the increase of the investment in PPI, which was only partly offset by of NOK 1,806 thousand in connection with lending to and interest income on bank deposits.

*Share of profit (loss) equity-accounted investees*

The Combined Group's share of loss equity-accounted investees increased from a NOK 5,633 thousand loss for the year ended 31 December 2019 to a loss of NOK 124,789 thousand for the year ended 31 December 2020. The increased loss was primarily due to increased losses in associate companies. Of the NOK 124,789 thousand losses in 2020, NOK 4,416 thousand stemmed from the associate KFWind where AOW held a 30.6% stake, NOK 13,241 thousand stemmed from the associate Principle Power Inc where AOW within the Combined Group for the year ended 31 December 2020 held a 47.1% ownership share and NOK 107,131 thousand stemmed from the associate REC Silicon where for the year ended 31 December 2020 the Combined Group held a 24.7% ownership share.

*Profit (loss) for the period*

The Combined Group's loss increased by NOK 312,115 thousand, or 2,178.12%, from a loss of NOK 14,330 thousand for the year ended 31 December 2019 to a loss of NOK 326,445 thousand for the year ended 31 December 2020. The increase in losses for the period were primarily due to increased operating expenses in line with the Combined Groups creation and growing complexity, limited revenues due to the Combined Group being in the early stages of commercialization of its proprietary technologies, as well as increased losses in equity-accounted investees, all of which are discussed in more detail above.

*EBITDA*

| **EBITDA** | **Year ended 31 December** | | |
|---|---|---|---|
| | **2020** | **Change in %** | **2019** |
| EBITDA | (189,551) | 2,079.6 | (8,696) |

The Combined Group's earnings before interest, taxes, depreciation and amortization decreased by NOK 180,854 thousand, or 2,079.6%, from NOK (8,696) thousand to NOK (189,551) thousand. The increased loss before interest, taxes, depreciation and amortization was mainly caused by increases in other operating expenses and salary and other personnel costs. Additionally, decreased revenues contributed to the losses. The loss was partially offset by the decrease in materials, goods and services.

9.5.2 Results of operations for the Year Ended 31 December 2019 Compared with the Year Ended 31 December 2018 extracted from the Carve-out Combined Financial Statements.

| **Operating results** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2019** | **Change in %** | **2018** |
| Revenues | 42,529 | 139.2 | 17,777 |
| Materials, goods and services | (36,244) | 178.9 | (12,995) |
| Salary and other personnel costs | (8,765) | 123.8 | (3,916) |
| Other operating expenses | (6,216) | 12.3 | (5,535) |
| **Operating profit (loss)** | **(8,696)** | **86.3** | **(4,669)** |
| Share of profit (loss) equity accounted investees | (5,633) | n.m | - |
| **Profit (loss) before tax** | **(14,330)** | **206.9** | **(4,669)** |
| Tax benefit (expense) | - | n.m | - |
| **Profit (loss) for the period** | **(14,330)** | **206.9** | **(4,669)** |

*Revenues*

The Combined Group's revenues increased by NOK 24,751 thousand, or 139.2%, from NOK 17,777 thousand for the year ended 31 December 2018 to NOK 42,529 thousand for the year ended 31 December 2019. The increase was solely due to revenue streams within the Combined Group's Aker Carbon Capture segment. The Aker Offshore Wind segment nor the Group functions and other existed in 2019 or 2018.

| **Revenues per segment** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2019** | **Change in %** | **2018** |
| **Revenues** | **42,529** | **139.2** | **17,777** |
| Of which Aker Carbon Capture | 42,529 | 139.2 | 17,777 |

*Aker Carbon Capture segment*

The revenue increases of NOK 24,751 thousand in 2019 in the Aker Carbon Capture segment were predominantly due to increased revenue in connection with phase one of the Brevik CCS Project at the Norcem cement plant in Brevik, Norway (see Section 5.3 "Principal Investments" for details). This project made up NOK 30,271 thousand of the NOK 42,529 thousand 2019 revenue compared to NOK 14,172 thousand of the 2018 revenue and contributed NOK 16,099 thousand to the 2019 revenue increase. In 2019 the Brevik CCS Project completed year two and entered into year three of phase one of the project. Phase one is a FEED phase with a three-year duration. Its completion will provide the foundation for phase two, the EPC phase and will be Europe's first industrial demonstration of $CO_2$ capture, transport and storage (see Section 5.3 "Principal Investments" for further details).

Additional revenue was generated in 2019 in connection with completion of the FEED phase of the Twence Project of NOK 9,402 thousand, compared to NOK 3,605 thousand of the 2018 revenue and contributed to NOK 5,797 thousand of the 2019 revenue increase. The Twence Project comprises the delivery of a carbon capture and liquefaction plant at Twence's waste-to-energy plant in Hengelo in the Netherlands based on ACC's Just Catch technology. Completion of the FEED phase in 2019, where the concept engineering work has been executed, is the early first phase of the project and continuance to the EPC phase is subject to inter alia government funding (see Section 5.3 "Principal Investments" for further details). Additionally, the Aker Carbon Capture segment is engaged in a number of paid studies involving inter alia their proprietary proven technology *Advanced Carbon Capture, ACC™* and these studies contributed NOK 2,855 thousand in revenue in 2019.

*Materials, goods and services*

The Combined Group's materials, goods and services expenses increased by NOK 23,249 thousand, or 178.9%, from NOK 12,995 thousand for the year ended 31 December 2018 to NOK 36,244 thousand for the year ended 31 December 2019. The increase was primarily caused by increased materials, goods and services expenses and related to the Brevik CCS Project FEED phase and the Twence Project phase one. The Brevik CCS project and the Twence Project operate on a fixed price contract basis where materials, goods and services expenses at the FEED phase of the project predominantly consists of consultancy fees. Such fees are subject to a greater degree of dispersal variability in the life cycle of the project than revenues.

*Salary and other personnel cost*

The Combined Group's salary and other personnel costs increased by NOK 4,849 thousand, or 123.8%, from NOK 3,916 thousand for the year ended 31 December 2018 to NOK 8,765 thousand for the year ended 31 December 2019. Additionally, salary costs in relation to consultancy work on paid projects are included within materials, good and services. When these costs are taken into account in the Combined Group's salary and other personnel costs increased by NOK 15,326 thousand, or 94.8%, from NOK 16,171 thousand in 2018 to NOK 31,497 thousand in 2019. The increase was solely due to an increase in number of employees in the Aker Carbon Capture segment, in line with increased operations in 2019 and leading to increased employee expenses in the period.

*Other operating expenses*

The Combined Group's other operating expenses increased by NOK 681 thousand, or 12.3%, from NOK 5,535 thousand for the year ended 31 December 2018 to NOK 6,216 thousand for the year ended 31 December 2019. The increase was primarily due to increased provision of third-party central function services, in line with increased operational activity, as well as other standard operating overheads.

*Operating loss*

The Combined Group's operating loss increased by NOK 4,028 thousand, or 86.3%, from a loss of NOK 4,669 thousand for the year ended 31 December 2018 to a loss of NOK 8,696 thousand for the year ended 31 December 2019. The increased loss was primarily due to the Combined Group's Aker Carbon Capture segment being in the early phases of commercialisation where revenue streams are expected to be limited and offset against operational and development costs.

| **Operating profit (loss) per segment** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2019** | **Change in %** | **2018** |
| **Operating profit (loss)** | **(8,696)** | **86.3** | **(4,669)** |
| Of which Aker Carbon Capture | (8,696) | 86.3 | (4,669) |

*Aker Carbon Capture segment*

Operating losses in the Aker Carbon Capture segment increased by NOK 4,028 thousand, or 86.3%, from a loss of NOK 4,669 thousand for the year ended 31 December 2018 to a loss of NOK 8,696 thousand for the year ended 31 December 2019. The increased loss was primarily due to the Aker Carbon Capture segment being in the early stages of its development with minimal commercialisation of its proprietary technology being available to offset operational costs.

*Share of profit (loss) equity-accounted investees*

The Combined Group's share of profit (loss) equity-accounted investees registered a loss of NOK 5,633 thousand in 2019. The Combined Group increased its ownership in PPI from 11% to 22.7% during the year and started accounting for the investment as equity-accounted investee. Prior to the increase in ownership PPI had been accounted in the balance sheet as "Financial investments" and measured at fair value through profit or loss.

*Profit (loss) for the period*

The Combined Group's loss for the period increased by NOK 9,543 thousand, or 206.9%, from a loss of NOK 4,669 thousand for the year ended 31 December 2018 to a loss of NOK 14,330 thousand for the year ended 31 December 2019. The increase in losses for the period were primarily due to the reasons described above where operating costs exceed revenues as the Combined Group is still in the early phases of commercialization.

## 9.6 Liquidity and Capital Resources

### 9.6.1 Overview; Sources and Uses of Funds

The Company and the Group's primary sources of liquidity is equity injected by its shareholders and long-term borrowings. The Company's liquidity requirements consist primarily of funding of the Company's investment strategy, a liquidity buffer to ensure flexibility to seize opportunities as they arise, participate in equity injections in the Company's portfolio companies in order to retain ownership interests, the servicing of debt obligations, to support working capital requirements and operations of the Company.

The Group's liquidity requirements consist primarily of funding of the Group's growth strategy and current operations, the servicing of the Group's debt, funding of acquisitions to expand and improve the Group's offerings, operational costs and other working capital requirements.

As of 31 December 2020, Company was a dormant shelf company with no material assets. The Combined Group as of 31 December 2020 had cash and cash equivalents of NOK 943,112 thousand. After 31 December 2020 additional funds were transferred through the Amended RCF, the Convertible Bond Issue, the Green Bond Issue and the Shareholder Loan as detailed in Section 9.6.2 "Borrowings" which also includes the maturity overview for these arrangements. These funds were mainly related to the Mainstream Transaction whereas the Shareholder Loan was related to the Internal Reorganisation. The Group's estimated equity ratio and cash and cash equivalents as of 31 December 2020, as adjusted for the Mainstream Transaction, Rainpower Transaction, Shareholder Loan, Internal Reorganisation and the ACH Transaction was 34% and NOK 10,557,032 thousand of which NOK of which NOK 3,154,276 thousand were restricted by Mainstream related to underwriting financing of third-party projects. The cash and cash equivalents is primarily held in cash with reputable banks in NOK and EUR, but may also invest in money market funds and short term investment grade bonds. Interest coverage ratio for the year ended 31 December 2020, defined as EBIT of NOK (906,197) thousand divided by interest expenses totalling NOK 363,797 thousand, was (2.49) on a pro forma adjusted basis. The Group's pro forma adjusted cash ratio, defined as Cash and Cash Equivalents divided by the Company's current liabilities, was 4.9. For more information about the capitalization and net financial indebtedness and Borrowings of the Group, see Section 7 "Capitalization and Indebtedness" and Section 9.6.2 "Borrowings". As of the date of the Prospectus the Group was in compliance with all financial covenants. The Group's covenant requirements stem from the RCF under the Senior Facilities Agreement and the Green Bond Issue as further set out below in section 9.6.2.

The Group's future ability to generate cash from its operations depends on the Group's future operating performance, which is in turn is dependent, to some extent, on general economic, financial, competitive, market, political, regulatory and other factors, many of which are beyond the Group's control. See Section 2 "Risk Factors" for further information.

The Group's expected liquidity needs for the 12-month period following the date of this Prospectus primarily relate to:

- Operating cashflows to fund ongoing business activities in the portfolio companies and group functions in the parent company
- Investing cashflows to finance acquisition of assets
- Financing cashflows to cover repayments of debts (see maturity overview table in Section 9.6.2

The Group's objective when managing its capital is to optimize the capital structure to ensure sufficient and timely funding over time to finance its activities at the lowest cost, in addition to investing in projects and technology which will increase the Group's return on capital employed over time.

### 9.6.2 Borrowings

*Senior Facilities Agreement*

In connection with the Mainstream Transaction, the Company has obtained a EUR 510,000,000 (or NOK equivalent) senior secured multicurrency term and revolving credit facilities agreement dated 18 January 2021 with DNB Bank ASA and Nordea Bank Abp, Filial i Norge as original lenders (the "**Senior Facilities Agreement**"). The Senior Facilities Agreement consisted of two acquisition bridge term loan facilities of EUR 170,000,000 (or NOK equivalent) each, and a EUR 170,000,000 (or NOK equivalent) revolving credit facility (the "**RCF**"). All the facilities are non-amortising and without scheduled reductions. On 3 February 2021 the Company cancelled the two acquisition bridge term loan facilities, reducing the Senior Facilities Agreement to consist of the RCF of EUR 170,000,000 (or NOK equivalent). On 29 April 2021, the RCF was amended and restated into a EUR 400,000,000 multicurrency revolving credit facility (the "**Amended RCF**") with the Company as borrower, and certain Group subsidiaries as guarantors and security providers. The Amended RCF can be drawn for general corporate purposes of the Group, including for the purpose of funding capex and acquisition costs and expenses (for the avoidance of doubt also with respect to the Mainstream Transaction) in addition to payment of dividend. The Amended RCF matures three years from its effective date (i.e. on 29 April 2024), however, the Company has the possibility to ask the lenders to extend its commitment for two additional terms of 12 months each beyond the initial three years, each such extension request will, however, be subject to credit approval from each lender (in its sole discretion). The Amended RCF includes customary financial covenants such as a maintenance based loan to value covenant and a minimum liquidity covenant. The Amended RCF also include an option for the lenders to cancel their commitment in the event that Aker ceases to own or control directly or indirectly, minimum 50.1% of the Company, or a sale of all or substantially all of the assets of Mainstream or its subsidiaries. The Amended RCF is secured by (i) share pledges on the Company's indirect shareholding in its current portfolio companies, in addition to certain other subsidiaries, and (ii) assignments of certain intra-group loans. Pursuant to the Amended RCF, the Company is restricted from paying dividend to its shareholders.

*The Convertible Bond Issue*

As part of the financing of the Mainstream Transaction, the Company has issued unsecured convertible bonds in the amount of NOK 1,500,000,000 on 5 February 2021 (the "**Convertible Bond Issue**") with a tenor of 5 years, a bullet amortisation and carry a 1.5% p.a. payment in kind (PIK) interest. 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% above the offer price of NOK 35 per share in the Private Placement. The Convertible Bond Issue is subject to normal provisions for adjustment of the conversion price, and include standard undertakings for this type of convertible bond, including a change of control provision whereby each bondholder may put the bonds at 101% if any shareholder of the Company, other than Aker Capital and its affiliates, obtains a majority ownership interest in the Company. The bonds issued under the Convertible Bond Issue ranks pari passu with other subordinated debt of the Company but is subordinated to senior debt of the borrower in the event of a default under any of the Company's financial arrangements.

Aker Capital underwrote the Convertible Bond Issue in full, and were allocated NOK 1,200 million in the Convertible Bond Issue.

*The Green Bond Issue*

The financing of the Mainstream Transaction is also partially made by an unsecured green bond issue in an amount of NOK 2,500,000,000 (the "**Green Bond Issue**") with a tenor of 4 years, a bullet amortisation and carry an interest rate of 3M NIBOR + 3.25% margin. The terms of the Green Bond Issue include customary financial covenants such as an incurrence based loan to value covenants and a minimum liquidity covenant. The net proceeds from the Green Bond Issue shall be applied towards eligible green projects, including acquisitions, in accordance with the green finance framework of the

Company of January 2021, which captures the Mainstream Transaction. The Green Bond Issue is subject to customary green bond terms in the Norwegian bond market. The Company may exercise call option for outstanding bonds, subject to a redemption premium, but in any event no earlier than the interest payment date in August 2023. The bond terms also include a change of control provision whereby each bondholder may put the bonds at 101% if (i) any shareholder of the Company, other than Aker and its affiliates, obtains a majority ownership interest in the Company, or (ii) if the Company's shares are de-listed from Euronext Growth (Oslo) or Oslo Børs, without the shares being listed on another recognised stock exchange acceptable to the bond trustee. The bonds issued under the Green Bond Issue constitute senior debt obligations and ranks pari passu with all other senior debt obligations of the Company.

*Aker Shareholder Loan*

As part of the Internal Reorganisation, the Company obtained an unsecured shareholder loan from Aker Capital in the amount of NOK 2,000 million (the "**Shareholder Loan**"). The Shareholder Loan has a tenor of 5 years without scheduled amortisation, and carry a 6.0% p.a. fixed interest. Under the Shareholder Loan, the Company has an option to elect to defer any interest payment (in whole or in part), at which all deferred interest shall accumulate and remain outstanding until paid in full, at the latest on the maturity date. If any interest is deferred, the interest rate for the principal amount will increase to 7.0 % p.a. for as long as any deferred interest is outstanding. Deferred interest will not accumulate any interest, and the Company may elect when the deferred interest is paid (up until the maturity date). The Company shall however pay any deferred interest prior to paying any dividend. The Shareholder Loan is a subordinated loan, ranking pari passu with other subordinated debt of the Company but is subordinated to senior debt of the borrower in the event of a default under any of the Company's financial arrangements.

*Mainstream Borrowings*

Mainstream and its subsidiaries are parties to several loan arrangement relating to, inter alia, project financings and general corporate purposes. Mainstream Renewable Power Mezzanine Finance DAC ("**Mainstream Finance**") is the borrower under a USD 250,000,000 credit agreement with, among others for the purpose of financing the Condor and Huemul projects, of which USD 250,000,000 was drown dawn at 31 December 2020. The loan accrues interest at 8.25% which is payable quarterly. The loan has a term of five years at which date the principal is due for repayment. In relation to the Condor project, the Mainstream subsidiary Condor Energia SpA entered into a loan agreement with total committed credit and letter of credit amount of USD 552,000,000, of which USD 485,500,000 was drawn down at 31 December 2020. The loan accrues interest at 4.12% which is payable monthly. The loan has a term of nineteen years at which date the principal is due for repayment. In relation to the Huemul project, the Mainstream subsidiary Huemul Energia SpA has entered into a loan agreement with total committed credit and letter of credit amount of USD 542,000,000, of which USD 150,000,000 was drawn down at 31 December 2020. The loan accrues interest at 4.06% which is payable monthly. The loan has a term of nineteen years at which date the principal is due for repayment.

Mainstream is the borrower under a EUR 10,400,000 loan from a joint venture party, which is repayable in 2021, and does not attract interest. A subsidiary of Mainstream entered into a project financing VAT loan agreement for EUR 44,500,000 of which 7,400,000 was drown down in 2020 in connection with the Condor projects, and which has a term of 18 months. The loan accrues interest at 3.57% which is payable 6 monthly. A subsidiary of Mainstream also entered into a loan agreement for EUR 800,000, which was drawn down in 2020 in connection with the Cerro Tigre project. The loan accrues interest at 2.5% which is payable annually and has a term of 1 year.

*Rainpower Borrowings*

It was a condition for the Rainpower Transaction that i.a. Aker Horizons Holding and Rainpower and certain of its subsidiaries would enter into a recapitalisation agreement with respect to the recapitalisation of Rainpower and its subsidiaries. The recapitalisation agreement is the main agreement which regulates the recapitalisation process of Rainpower group. The purpose of the recapitalisation agreement is to govern the rights and interest of the parties in order to secure going concern of the Rainpower group, to secure value creation in the Rainpower group going forward and a fair distribution between the stakeholders of the net proceeds from such value creation in accordance with the agreed proceeds waterfall.

Pursuant to the recapitalisation agreement, the parties agreed that, simultaneously with entering into the Rainpower SPA, the parties would at the same time enter into (i) a subordinated loan agreement (ii) a senior secured facilities agreement and (iii) that Aker Horizons Holding (through its subsidiary AH ÅTTE AS), would contribute NOK 100,000,000 in new equity by way of subscribing for preference shares in Rainpower. Further, the parties agreed that the existing bank guarantee facility and overdraft facility of Rainpower would be continued on existing terms, save that tenor and covenants were aligned with the senior secured facilities agreement.

As part of the recapitalisation of Rainpower group, Rainpower as borrower entered into a NOK 112,664,928 subordinated perpetual equity linked loan agreement. The existing lenders agreed to ease the Rainpower and its subsidiaries' existing debt obligations in order to improve the group's liquidity by amending and restating existing facilities agreements into the subordinated loan agreement under which the lenders became holders of subordinated perpetual debt with no instalments or scheduled maturity date.

As further contemplated by the recapitalisation agreement, Rainpower entered into a new NOK 53,000,000 senior secured facilities agreement, the purpose of which is to provide financial support to Rainpower and certain of its subsidiaries through both existing and new credit facilities.

**Maturity Overview**

The table below shows the contemplated contractual maturities of financial liabilities of (i) the Company as of 30 April 2021 after closing of the Mainstream Transaction, and (ii) Mainstream and Rainpower as of 31 December 2020, including estimated interest payments, specified per category of estimated interest-bearing liabilities.

| *NOK thousand* | **Original Loan** | **Outstanding** | **Payments Due by Period** | | | |
|---|---|---|---|---|---|---|
| **Loan** | **Amount** | **Principal** | **2021** | **2022** | **2023** | **2024—** |
| Green bond .................................... | 2,500,000 | 2,500,000 | 73,973 | 93,750 | 97,750 | 2,659,933 |
| Convertible bond .................................... | 1,500,000 | 1,500,000 | - | - | - | 1,616,373 |
| Aker Shareholder Loan .................................... | 2,000,000 | 2,000,000 | 10,000 | - | - | 2,808,196 |
| EUR 170 Million Senior Facilities Agreement .................................... | 1,703,400 | 1,703,400 | 35,397 | 52,734 | 52,374 | 1,720,811 |
| Total interest bearing borrowings, the Company .................................... | 7,703,400 | 7,703,400 | 119,370 | 146484 | 146484 | 8805313 |
| Interest bearing borrowings, Mainstream .................................... | - | 7,315,933 | 507,491 | 490,488 | 342,585 | 9,702,385 |
| Interest bearing borrowings, Rainpower .................................... | - | 18,900 | - | - | - | - |

## 9.7 Cash Flows

9.7.1 Cash flow for the Year Ended 31 December 2020 Compared with the Year Ended 31 December 2019 extracted from the Carve-out Combined Financial Statements.

| **Cash Flow** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **Change in %** | **2019** |
| Profit before tax | (326,441) | 2,178.1 | (14,330) |
| Adjustment for: | | n.m | - |
| *Depreciation* | 5,407 | n.m | - |
| *Share of loss in equity-accounted investees* | 124,789 | 2,115.2 | 5,633 |
| *Accrued interest and foreign exchange* | 1,730 | n.m | - |
| *Lease interest payments* | (877) | n.m | - |
| *Changes in current operating assets and liabilities* | 95,822 | 609.7 | 13,502 |
| *Paid tax* | (4) | n.m | - |

| | | | |
|---|---|---|---|
| **Cash flow from operating activities** | **(99,575)** | **(2,171.9)** | **4,806** |
| Payments for property, plant and equipment | (2,910) | 2,942.2 | (96) |
| Payments for intangible assets | (3,666) | n.m | - |
| Payment for investment in equity accounted investees | (570,399) | 262.0 | (156,922) |
| Payments for investment in non-current financial assets | - | (100.0) | (18) |
| Payments for interest-bearing receivables | (17,542) | n.m | - |
| **Cash flow from investing activities** | **(594,517)** | **278.6** | **(157,036)** |
| Principal lease payments | (2,407) | n.m | - |
| Proceeds borrowings, related parties | 832,000 | n.m | - |
| Capital increase from NCI | 465,750 | n.m | - |
| Payments related to treasury shares | (558) | n.m | - |
| Net contribution from parent | 342,417 | 124.9 | 152,230 |
| **Cash flow from financing activities** | **1,637,203** | **975.5** | **152,230** |
| **Net cash flow** | **943,112** | **n.m.** | **0** |
| | | | |
| **Cash and cash equivalent at the beginning of the period** | **-** | **n.m** | **-** |
| **Cash and cash equivalent at the end of the period** | **943,112** | **n.m.** | **0** |

*Cash flow from operating activities*

Combined Group's cash outflow from operating activities for the year ended 31 December 2020 was NOK 99,575 thousand compared to an inflow of NOK 4,806 thousand for the year ended 31 December 2019. The increased outflow of NOK 104,381 thousand was principally due to the increase in operating costs and decrease in revenues which were only were partially offset by the changes in current operating assets and liabilities of NOK 82,320 thousand, from NOK 95,822 thousand for the year ended 31 December 2020 compared to NOK 13,502 thousand for the year ended 31 December 2019. The change in current operating assets and liabilities was primarily due to increased accruals because the Combined Group had higher operational expenses at the end of 2020 than compared to 2019, where transaction costs related to preparations for the Mainstream Transaction were the main contributor.

*Cash flow from investing activities*

The Combined Group's cash outflow from investing activities increased by NOK 437,480 thousand, or 278.6%, from NOK 157,036 thousand for the year ended 31 December 2019 to NOK 594,517 thousand for the year ended 31 December 2020. The increase in cash outflows were primarily due to payments for investments in associates which increased with NOK 413,476 thousand, from NOK 156,922 thousand for the year ended 31 December 2019 to NOK 570,399 thousand for the year ended 31 December 2020. The increased outflow in investment in associates primarily relates to increases in ownership holdings in REC Silicon, which went from 23.0% in 2019 to a 24.7% ownership holding in 2020 through a capital increase and in PPI which went from 24.5% in 2019 to a 47% ownership holding in 2020 through a share purchase. REC Silicon accounted for NOK 214,741 thousand of the increase and PPI accounted for NOK 194,337 thousand of the increase (see Section 5.3 "Principal Investments" for further details). Further, increased outflows were due to payments for interest-bearing receivables of NOK 17,542 thousand related to short-term lending to an equity accounted investee of AOW, the associate KFWind.

*Cash flow from financing activities*

The Combined Group's cash inflow from financing activities increased by NOK 1,484,972 thousand, or 975.5%, from NOK 152,230 thousand for the year ended 31 December 2019 to NOK 1,637,203 thousand for the year ended 31 December 2020. The increase in cash inflows was primarily due to inflows from proceeds of borrowings from Aker Capital, a related party, of NOK 832,000 thousand to Aker Horizons Holding, where NOK 650,000 thousand was subsequently converted to equity without cash effect. Additionally, the Combined Group had cash inflows in 2020 from the capital increase in ACC and AOW of NOK 465,750 thousand from non-controlling interests and inflows from net contribution from parent of NOK 342,417 thousand. The net contribution from parent reflects carve-out allocations in the period that have not been paid by the Combined Group to, Aker Solutions and Aker and no payables have been established, and thereby these carve-out allocations have effectively been paid by Aker Solutions and Aker as a capital contribution.

*Net Cash Flow*

The Combined Group's net cash inflow increased by NOK 943,112 thousand, from nil for the year ended 31 December 2019 to NOK 943,112 thousand for the year ended 31 December 2020. The increase was a composite of cash inflows from financing activities of NOK 1,637,203 thousand, primarily from funding from Aker Capital and capital increases in ACC and AOW, which were partially offset by cash outflows from operating activities of NOK 99,575 thousand and cash outflows from investing activities of NOK 594,517 thousand as described above. As there existed no legal entities in the Combined Group as of 31 December 2019, cash and cash equivalents was nil at this date.

### 9.7.2 Cash flow for the Year Ended 31 December 2019 Compared with the Year Ended 31 December 2018 extracted from the Carve-out Combined Financial Statements.

| **Cash Flow** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2019** | **Change in %** | **2018** |
| Profit before tax | (14,330) | 206.9 | (4,669) |
| Adjustment for: | - | | - |
| *Share of loss in equity-accounted investments* | 5,633 | n.m | - |
| *Changes on current operating assets and liabilities* | 13,502 | 57.7 | 8,560 |
| **Cash flow from operating activities** | **4,806** | **23.5** | **3,892** |
| Payments for property, plant and equipment | (96) | n.m | - |
| Payment for investment in equity accounted investees | (156,922) | n.m. | - |
| Payments for investment in non-current financial assets | (18) | (99.9) | (31,300) |
| **Cash flow from investing activities** | **(157,036)** | **401.7** | **(31,300)** |
| Net contribution from parent | 152,230 | 455.4 | 27,408 |
| **Cash flow from financing activities** | **152,230** | **455.4** | **27,408** |
| **Net cash flow** | **-** | **n.m** | **-** |
| | | | |
| **Cash and cash equivalent at the beginning of the period** | **-** | **n.m** | **-** |
| **Cash and cash equivalent at the end of the period** | **-** | **n.m** | **-** |

*Cash flow from operating activities*

The Combined Group's cash inflow from operating activities increased by NOK 914 thousand, or 23.5%, from NOK 3,892 thousand for the year ended 31 December 2018 to NOK 4,806 thousand for the year ended 31 December 2019. The increase in outflows from losses before tax adjusted for share of loss in equity accounted investees of NOK 5,633 thousand from a loss of NOK 4,699 thousand in 2018 to a loss of NOK 8,697 thousand in 2019 was more than offset by the changes in current operating assets and liabilities of NOK 4,942 thousand from NOK 8,560 in 2018 to NOK 13,502 in 2019. Changes in current operating assets and liabilities was primarily due to increased current operating liabilities of NOK 9,421 thousand for the year ended 31 December 2019 compared to the year ended 31 December 2018, mainly due to customer advances in relation to the Aker Carbon Capture Segment's Brevik CCS Project phase one (see Section 5.3 "Investment Portfolio" for further details), and employee related accruals. Decreases in current operating assets of NOK 4,829 thousand for the year ended 31 December 2019 compared to the year ended 31 December 2018, was primarily due to decreased trade receivables within the Aker Carbon Capture Segment as outstanding balances on their largest ongoing commercialised project were settled prior to the year ended 31 December 2019.

*Cash flow from investing activities*

The Combined Group's cash outflow from investing activities increased by NOK 125,736 thousand, or 401.7%, from NOK 31,300 thousand for the year ended 31 December 2018 to NOK 157,036 thousand for the year ended 31 December 2019. The increase in cash outflows from investing activities was primarily due to increased outflow in payments for investments in associates concerning REC Silicon and PPI. NOK 85,259 thousand of the increase related to REC Silicon (whereby as part of internal restructuring the Combined Group acquired a 23.0% ownership interest in the company). NOK 71,664 thousand related to the Combined Group's increased ownership interest in PPI (through Combined Group's subsidiary AOW) which went from 11% in 2018 to 22.7% in 2019 and whereby it became an associate . Additionally, the NOK 96 thousand increased outflow in payments for property, plant and equipment was related to the capitalized purchase of the MTU in ACC (see Section 5.3 "Principal Investments" for further details).

*Cash flow from financing activities*

The Combined Group's cash inflow from financing activities increased by NOK 124,882 thousand, or 455.4% from NOK 27,408 thousand for the year ended 31 December 2018 to NOK 152,230 thousand for the year ended 31 December 2019. The increase in cash inflows primarily related to the financing of investments in associates through net contribution from parent for the increased ownership holdings in REC Silicon with NOK 85,259 thousand and PPI with NOK 71,664 thousand for the year ended 31 December 2019. Net contribution from parent reflects carve-out allocations in the period that have not been paid by the Combined Group to, Aker Solutions and Aker and no payables have been established. And thereby these carve-out allocations have effectively been paid by Aker Solutions and Aker, as a capital contribution.

*Net Cash Flow*

The Combined Group's net effect of cash flow changes from operating activities, investing activities and financing activities for the year ended 31 December 2019 and the year ended 31 December 2018 was nil. As there existed no legal entities in the Combined Group at 31 December 2019 and 2018, cash and cash equivalents were nil at these dates.

## 9.8 Balance Sheet Data

9.8.1 Balance Sheet Data for the Year Ended 31 December 2020 Compared with the Year Ended 31 December 2019 extracted from the Carve-out Combined Financial Statements.

| **Balance sheet** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2020** | **Change in %** | **2019** |
| **Assets** | | | |
| Intangible assets | 3,801 | n.m | - |
| Right-of-use assets | 37,564 | n.m | - |
| Property, plant and equipment | 3,147 | 3,189.6 | 96 |
| Equity accounted investees | 620,254 | 188.4 | 215,089 |
| Financial investments | - | (100.0) | 18 |
| **Total non-current assets** | **664,766** | **208.9** | **215,203** |
| Interest bearing receivables | 24,867 | n.m | - |
| Current operating assets | 17,584 | 396.8 | 3,539 |
| Cash and cash equivalents | 943,112 | n.m | - |
| **Total current assets** | **985,562** | **27,745.3** | **3,539** |
| **Total assets** | **1,650,328** | **654.5** | **218,742** |
| | | | |
| **Equity and liabilities** | | | |

| | | | |
|---|---|---|---|
| **Parent company investment** | | | |
| Contributed equity and retained earnings | (170,850) | (185.3) | 200,410 |
| Other reserves | (22,998) | n.m | - |
| **Equity attributable to equity holders of parent company** | **(193,848)** | **(196.7)** | **200,410** |
| Non-controlling interest | 513,209 | n.m | - |
| **Total equity** | **319,360** | **59.4** | **200,410** |
| Pension liabilities | 5,430 | n.m | - |
| Non-current borrowings, related party | 1,000,000 | n.m | - |
| Non-current lease liabilities | 28,451 | n.m | - |
| **Total non-current liabilities** | **1,033,882** | **n.m** | **-** |
| Current borrowings, related party | 183,650 | n.m | - |
| Current lease liabilities | 12,064 | n.m | - |
| Current operating liabilities | 101,372 | 453.5 | 18,332 |
| **Total current liabilities** | **297,086** | **1,522.0** | **18,332** |
| **Total equity and liabilities** | **1,650,328** | **654.5** | **218,742** |

*Non-current assets*

The Combined Group's non-current assets increased by NOK 449,563 thousand, or 208.9%, from NOK 215,203 thousand for the year ended 31 December 2019 to NOK 664,766 thousand for the year ended 31 December 2020. The increase was a composite of increases in property, plant and equipment of NOK 3,051 thousand, increases in right-of-use assets of NOK 37,564 thousand, increases in intangible assets of NOK 3,801 thousand and increases in equity-accounted investees of NOK 405,165 thousand. The NOK 3,051 thousand increase in property, plant and equipment was due to increased capitalization of the MTU in ACC (see Section 5.3 "Principal Investments"). The NOK 37,564 thousand increase in right-of-use assets was related to a new lease agreement for office premises for the Combined Group. The NOK 3,801 thousand increase in intangible assets primarily related to capitalisation of proprietary technologies within ACC. The NOK 405,165 thousand increase in equity-accounted investees related to a capital contribution to and increases in ownership holdings in REC Silicon from 23.0% in 2019 to a 24.7% ownership holding in 2020 and in purchase of additional shares in PPI which increased the ownership from 24.5% in 2019 to 47% ownership in 2020. REC Silicon accounted for NOK 170,714 thousand of the increase and PPI accounted for NOK 234,451 thousand of the increase (see 5.3 "Investment Portfolio" for further details).

*Current assets*

The Combined Group's current assets increased by NOK 982,023 thousand, or 27,745.3 %, from NOK 3,539 thousand for the year end 31 December 2019 to NOK 985,562 thousand for the year ended 31 December 2020. The increase was a composite of increases in interest bearing receivables of NOK 24,867 thousand, increases in current operating assets of NOK 14,045 thousand and increases in cash and cash equivalents of NOK 943,112 thousand. The NOK 24,867 thousand increase in interest bearing receivables relates to short-term shareholder loan to the AOW associate KFWind which is expected to be paid back in 2021. The NOK 14,045 thousand increase in current operating assets primarily relates to NOK 6,316 thousand receivable against the AOW joint venture Redwood Coast Offshore Wind LLC for payments made on behalf of the joint venture and NOK 3,166 thousand relates to VAT receivables in AOW and ACC. The remaining increase of NOK 4,563 thousand is primarily due to increases in trade receivables. In AOW this is due to increased operational activity, and in ACC this is due to outstanding balances on their largest project (the Brevik CC Project) not being settled until after the year end in 2020 as opposed to before year end in 2019. The NOK 943,112 thousand increase in cash and cash equivalents partially relates to received funds in connection with the share issue in ACC and AOW in 2020 and proceeds from borrowings, see discussion of cash flows above.

*Total equity*

The Combined Group's total equity increased by NOK 118,950 thousand, or 59.4% from NOK 200,410 for the year ended 31 December 2019 to NOK 319,360 thousand for the year ended 31 December 2020. Total equity of NOK 319,360 thousand consists of contributed equity and retained earnings of NOK (170,850) thousand, currency translation reserves of NOK (22,998) and non-controlling interests of NOK 513,209 thousand. Of the NOK 118,950 thousand in total equity increases NOK (326,445) thousand related to losses for the period (of which NOK (48,773) were non-controlling interests), NOK (31,660) thousand related to other comprehensive income currency losses (of which NOK (8,662) thousand were non-controlling interests), NOK 2,068,878 thousand related to increases in equity (of which NOK 570,643 thousand were non-controlling interests), NOK (1,807,325) related to continuity differences arising from fair value differences with acquisition of the Combined Groups subsidiaries, NOK (558) thousand related to loss on sale of treasury shares and NOK 216,059 thousand related to changes in parents investment. Changes related to changes in parent's investment concern carve-out adjustments recognised during the period to reflect contribution from Aker Solutions and Aker to the Combined Group which are not settled and generate intercompany positions between the companies.

For the Carve-out Combined Financial Statements, non-controlling interests represent shares in ACC and AOW that have not been controlled by Aker ASA and subsidiaries subsequent to the distribution of the shares in ACC and AOW as dividends to shareholders of Aker Solutions ASA and the private placement of shares in ACC and AOW in July 2020. No non-controlling interests have been presented for the periods before the private placement of shares in ACC and AOW in July 2020. Non-controlling interests include some shares that Aker Solutions ASA purchased in the private placement of shares in ACC and AOW, after the dividend distribution of shares. Aker Solutions ASA was no longer a subsidiary of the Aker ASA Group from December 2020, and these shares have not been transferred to the Company in 2021.

*Non-current liabilities*

The Combined Group's non-current liabilities increased by NOK 1,033,882 thousand, from NOK nil for the year ended 31 December 2019 to NOK 1,033,882 thousand for the year ended 31 December 2020. The increase is primarily due to increases in non-current borrowing, related party of NOK 1,000,000 thousand related to a loan facility from Aker Capital to Aker Horizons Holding in connection with financing of acquisition of shares in the Combined Groups subsidiaries ACC and AOW. Pension liabilities accounted for NOK 5,430 thousand of the increase and stems from new hires coming in from Aker Solutions who were entitled to transfer their pension rights from defined contribution plans established prior to 2008. Non-current lease liabilities accounted for NOK 28,451 thousand of the increase and are a result of a new lease contract for office premises for the Combined Group .

*Current liabilities*

The Combined Group's current liabilities increased by NOK 278,754 thousand, or 1,520.6%, from NOK 18,332 thousand for the year ended 31 December 2019 to NOK 297,086 thousand for the year ended 31 December 2020. The NOK 278,754 thousand increase in current liabilities consisted of a NOK 183,650 thousand increase in current borrowings, related party, a NOK 12,064 thousand increase in current lease liabilities and a NOK 83,040 thousand increase in current operating liabilities. The NOK 183,650 thousand increase in current borrowings, related party is a loan from Aker Capital to Aker Horizons Holding relating to financing of operations and acquisition of shares in AOW. The NOK 12,064 thousand increase in current lease liabilities is the current portion of the lease liability related to the new office premises for Combined Group. The NOK 83,040 thousand increase in current operating liabilities was primarily due to accrued and invoiced costs in relation to M&A activities (see Section 5.3 "Principal Investments" for details), reimbursement to Aker Solutions for payment of third party services provided to ACC and AOW during 2020 and prior to these entities establishing their own infrastructure and systems to handle payments and other employee related accruals.

### 9.8.2 Balance Sheet Data for the Year Ended 31 December 2019 Compared with the Year Ended 31 December 2018 extracted from the Carve-out Combined Financial Statements.

| **Balance sheet** | **Year ended 31 December** | | |
|---|---|---|---|
| *Amounts in NOK thousand* | **2019** | **Change in %** | **2018** |
| **Assets** | | | |
| Intangible assets | - | n.m | - |
| Right-of-use assets | - | n.m | - |
| Property, plant and equipment | 96 | n.m | - |
| Equity accounted investees | 215,089 | n.m | - |
| Financial investments | 18 | (100.0) | 63,800 |
| **Total non-current assets** | **215,203** | **237.3** | **63,800** |
| Interest bearing receivables | - | n.m | - |

| | | | |
|---|---|---|---|
| Current operating assets | 3,539 | (57.7) | 8,368 |
| Cash and cash equivalents | - | n.m | - |
| **Total current assets** | **3,539** | **(57.7)** | **8,368** |
| **Total assets** | **218,742** | **203.1** | **72,168** |
| | | | |
| **Equity and liabilities** | | | |
| **Parent company investment** | | | |
| Contributed equity and retained earnings | 200,410 | 216.8 | 63,257 |
| Other reserves | - | n.m | - |
| **Equity attributable to equity holders of parent company** | **200,410** | **216.8** | **63,257** |
| Non-controlling interest | - | n.m | - |
| **Total equity** | **200,410** | **216.8** | **63,257** |
| Pension liabilities | - | n.m | - |
| Non-current borrowings, related party | - | n.m | - |
| Non-current lease liabilities | - | n.m | - |
| **Total non-current liabilities** | **-** | **n.m** | **-** |
| Current lease liabilities | - | n.m | - |
| Current operating liabilities | 18,332 | 105.7 | 8,911 |
| **Total current liabilities** | **18,332** | **105.7** | **8,911** |
| **Total equity and liabilities** | **218,742** | **203.1** | **72,168** |

*Non-current assets*

The Combined Group's non-current assets increased by NOK 151,403 thousand, or 237.3% from NOK 63,800 thousand for the year ended 31 December 2018 to NOK 215,203 thousand for the year ended 31 December 2019. The increase was primarily related to changes in equity-accounted investees from investments in associates concerning REC Silicon and PPI. Of the NOK 215,089 thousand increase in equity accounted investees, NOK 85,259 thousand of the increase relates to REC Silicon (whereby as part of internal restructuring the Combined Group acquired a 23.0% ownership interest in the company) and NOK 66,030 thousand relates to the Combined Group's increased ownership interest in PPI (through its subsidiary AOW) which went from 11% in 2018 to 24.5% in 2019 whereby it became an associated company. This change in status from investment to associate further required the previous holding of NOK 63,800 thousand in financial investments to be reclassified as an equity-accounted investee. Additionally, the NOK 96 thousand increase in property, plant and equipment was related to capitalisation of the MTU in ACC (see Section 5.3 "Investment Portfolio" for further details).

*Current assets*

The Combined Group's current assets decreased by NOK 4,829 thousand, or 57.7% from NOK 8,368 thousand for the year ended 31 December 2018 to NOK 3,539 thousand for the year ended 31 December 2019. The decrease was solely due to changes in current operating assets, primarily as a result of reduced trade receivables within the Aker Carbon Capture Segment as outstanding balances on their largest ongoing commercialised project (the Brevik CCS Project phase one (see Section 5.3 "Investment Portfolio" for further details) were settled prior to the year ended 31 December 2019.

*Total equity*

The Combined Group's total equity increased by NOK 137,154 thousand, or 216.8%, from NOK 63,257 thousand for the year ended 31 December 2018 to NOK 200,410 thousand for the year ended 31 December 2019. The changes primarily related to changes in parent's investment stemming from carve-out adjustments recognised during the period to reflect the contribution from Aker Solution and Aker to the Combined Group which are not settled and generate intercompany positions between the companies. These positions are recognised in equity as contributions from the parent and are presented as changes in parent's investment. Increases in equity for 2019 were marginally offset by losses for the period of NOK 14,330 thousand within the Combined Group.

*Non-current liabilities*

The Combined Group had no non-current liabilities for the year ended 31 December 2018 nor the year ended 31 December 2019.

*Current liabilities*

The Combined Group's current liabilities increased by NOK 9,421, or 105.7%, from NOK 8,911 thousand for the year ended 31 December 2018 to NOK 18,332 thousand for the year ended 31 December 2019. The increase was solely due to changes in current operating liabilities and primarily due to customer advances in relation to the Aker Carbon Capture Segment Brevik CCS Project phase one (see Section 5.3 "Investment Portfolio" for further details), and employee related accruals.

## 9.9 Restriction on Transfer of Funds

The Company does not have any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Company's operations

## 9.10 Funding and Treasury Policies

The Company is an investment company owning portfolio companies within the renewable energy and green tech space. The Group consist of various operations and companies that are exposed to different types of financial risk, including credit-, liquidity- and market risk (e.g currency- and interest rate risk). The purpose of risk management is to measure and mange financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on the Group's financial results. The Group uses different financial instruments to manage its financial exposure actively. The Company and the operational companies in the group have prepared guidelines on the management of interest risks and currency risks, including hedging of expected future cash flows and value of assets and liabilities in foreign currencies.

**Management of capital**

The overall objective of the Company's capital management policies is 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, the Company pursues a conservative placement strategy with minimal risk. The placements needs to be flexible in terms of liquidity.

The Company's capital management is based on a rigorous investment selection process which considers the weighted average cost of capital and strategic orientation in addition to external factors such as market expectations and extrinsic risk factors.

For the Group the objective of the capital management is to optimize the capital structure to ensure sufficient and timely funding over time to finance its activities at the lowest cost, in addition to investing in projects and technology which will increase the Group's return on capital employed over time.

**Management of financial risks**

*Management of liquidity risk*

Liquidity is monitored separately at each portfolio company and centrally in the Company. The liquidity risk is monitored through a short-term and a long-term liquidity forecast. The Group has a strong focus on its liquidity situation in order to meet its short-term working capital needs and to be able to seizure opportunities as they arise. The Company and the Group's liquidity reserve is primarily held in cash in NOK and EUR with reputable banks, but may also invest in money market funds and short term investment grade bonds.

*Management of currency risk*

The Group presents its financial statements in NOK which also is the functional currency for the parent company and a majority of the Group's entities. The Group's activities are spread across several countries, and as such, both costs and revenues are subject to the effects of fluctuations in foreign currencies. The Group's main currency exposure in revenues are NOK, EUR, USD, GPB and operating expenses are currently NOK, USD, GBP and EUR. The Group's main balance sheet exposures are NOK, USD, GBP and EUR. As a result, the Group's results of operation and financial position are impacted by the value of NOK relative to such other currencies. The Group exchanges cash into foreign currency it has material and committed cash outflows. Starting 2021, the Group also uses call options and put options to limit part of the remaining down-side risk on material cash flows with a certain duration, depending on the fluctuations in the market. These cash flows include cash flows related to acquisitions and operations. The Group does not hedge net investment exposure.

*Credit risk*

The Group is exposed to credit risk if a customer or counterparty to financial receivables or financial instruments fails to meet contractual obligations. The Group's surplus liquidity and transactions involving derivative financial instruments are with counterparties with sound credit ratings. The Group assess the credit risk of its customers prior to entering contracts.

Such assessments are based on credit ratings, income statements and balance sheet reviews and using credit assessment tools available (e.g. Dun & Bradstreet). Revenues are mainly related to large and long-term projects closely followed up in terms of payments up front and in accordance with agreed milestones.

## 9.11 Investing Activities

Aker Horizons is Aker's principal green tech and renewable energy investment platform. The Company was incorporated in November 2020 and was a dormant shelf company with no material assets until the Internal Reorganisation.

Following the Internal Reorganisation in January 2021, Aker Horizons became the legal parent of ACC and AOW, acquired a 24.7% interest in Rec Silicon and the Aker Horizons group was formed. After the Aker Horizons group was formed, additional investments have been made in public and private companies, through the Mainstream Transaction, the Rainpower Transaction and the participation in the private placement in ACH in relation to its admission to trading on Euronext Growth (Oslo).

**The Mainstream Transaction**
The Mainstream Transaction resulted in the Group owning 75% of the shares in Mainstream. The preliminary cash consideration for the 75% stake in Mainstream is approximately EUR 667,1 million. In addition, the share purchase agreement contains a potential future earn-out element payable at the earliest in 2023 of up to EUR 100 million based on secured or formally awarded additional project capacity to Mainstream in certain future bidding rounds. The Mainstream Transaction was completed on 11 May 2021.

The financing of the transaction was made through (i) a Private placement of 118,571,428 new Shares at a price per share of 35 NOK completed on 27 January 2021 and related greenshoe option with 11,857,142 new Shares at a price per share of 35 NOK, raising a total gross proceeds of NOK 4.57 billion or net proceeds of NOK 4.43 billion, net of transaction costs of approximately NOK 138 million (together the **"Private Placement and Greenshoe"**) (see also Section 5.4 "History and Development"); and (ii) issuance of convertible bonds with nominal amount of NOK 1,500 million (or NOK 1,493.3 million, net of issuance costs of NOK 6.75 million), the "**Convertible Bond Issue**"; and (iii) issuance of green bond with nominal amount of NOK 2,500 million (or NOK 2,467.5 million, net of issuance costs of NOK 32.5 million), the "**Green Bond Issue**". Further and in connection with the Mainstream Transaction, the Company entered into a revolving credit facility (RCF) with nominal amount of EUR 170 million (NOK 1,779.9 million, or NOK 1,751.6 million net of issuance costs of NOK 28.3 million) which is assumed to be utilised at the closing of the Mainstream Transaction. For an overview of those financing agreements, see further Section 9.6.2 "Borrowings".

Also, and in connection with the Mainstream Transaction, the Company used available cash reserves to settle the outstanding Mezzanine loan note in Mainstream, amounting to approximately EUR 39 million (or NOK 409.3 million).

**The Rainpower Transaction**
The Rainpower Transaction resulted in the Group owning 100% of the shares in Rainpower for a cash consideration of NOK 8.5 million. The Rainpower Transaction was completed on 26 March 2021.

**ACH Transaction**
In March 2021 the Company invested NOK 500 million in ACH through a private placement of new shares in relation to the admission to trading on Euronext Growth (Oslo) of ACH. The private placement in ACH raised gross proceeds of approximately NOK 3 billion (or NOK 2,933.5 million, net of transaction costs of NOK 66.5 million). The net effect for the Combined Group was NOK 2,434 million in cash and cash equivalents. The investment of NOK 500 million was funded through the Private Placement. The Company currently has an indirect ownership interest in ACH of 77.2%.

For further details on the above transactions see Section 5.3 "Principal Investments".

For further information related to historical investment activities for the Combined Group, please see Section 9.7 "Cash Flows" for descriptions on cash flow related to investments and Note 8 in the Carve-out Combined Financial Statements.

**Property, Plant and Equipment**

The Company is currently not aware of any environmental issues that may affect the Company and the Company's portfolio companies' utilization of their sites, equipment or other assets.

**Regulatory Environment**

The Group's business is subject to several regulatory requirements pertaining to the business in general and specific requirements relating to the projects/operation of the portfolio companies. These comprise among others, national and international HSE and environmental laws and regulations, planning, zoning and building regulations, privacy and data protection regulations and other project site specific local laws and regulations. Any breach of these laws and regulations can be costly, can expose the Company's portfolio companies to liability that may result in damages, fines and other civil, administrative or criminal sanctions as well as damage the Group's reputation and customer relationships. Any such developments could have a material adverse effect on the utilization of the Group's tangible fixed assets.

Furthermore, the Company's portfolio companies are required to obtain certain permits and approvals from governmental authorities and regulators such as general business licenses, energy and facility licenses, concessions and permits, construction and building permits, emission permits, etc., to operate and execution of business plans. This applies for many of the projects which the Company's portfolio companies intend to execute.

The regulatory framework for the Group is in its early stages and the business segments which the Group operates may be dependent on certain fiscal and other support schemes to achieve a sufficiently financially sustainable basis for operations. Furthermore, new requirements introduced in an evolving regulatory landscape may limit operational capabilities and/or increase costs for the Group.

## 9.12 Significant Recent Trends

As further described in this Prospectus in Section 5 "Business Overview" the Company has recently engaged in the Internal Reorganisation, the Mainstream Transaction, the ACH Transaction and the Rainpower Transaction. The Group continues to view the market with optimism based on ongoing positive interest for the green economy, strong interest for sustainable investment opportunities and the positive development of the financial markets. For an overview of market trends please also refer to Section 6.2 "Overall Renewable Energy Market Trends".

Other than the above-mentioned, there have been no significant changes in the financial position or performance of the Group since the end of the last financial period.

## 9.13 Off-Balance Sheet Arrangements

The Group is party to off-balance sheet arrangements that are reasonably likely to have, current or future material effect on the Group's financial condition, results of operations, liquidity, capital expenditure or capital resources.

In addition to the items described in the Unaudited Pro Forma Condensed Financial Information in relation to Mainstream Transaction, the Rainpower Transaction, the ACH Transaction and the Shareholder Loan, the following items are not recognised in the Group's balance sheet:

**Aker Horizons**

- **Debt guarantees**: A guarantee is provided for debt in issue in relation to AMP loan, Condor project financing loan & Huemul project financing loan. Assets of 17 entities are charged in favour of the debt holder.

**Aker Mainstream Renewables AS** (a wholly and directly owned subsidiary of the Group)

- **Earn-out:** The Group has entered into a share purchase agreement in relation to the Mainstream Transaction that contains a potential future earn-out element payable at the earliest in 2023 of up to EUR 100 million based on secured or formally awarded additional project capacity to Mainstream in certain future bidding rounds. The earn-out is valued at a fair value of approximately EUR 16 million in the preliminary purchase price allocation.

**Mainstream**

- **EUR 167 million letter of credit and bonding facility:** this is used to provide a construction equity guarantee of approximately NOK 1,673 million, supporting Mainstream's construction equity commitments for the Condor portfolio of projects in Chile.

- **Land bonds Chile:** Land Ministry Bonds to the total value of EUR 12.7 million (approximately NOK 127 million) are in issue, guaranteeing the performance of land agreements for ten Chilean projects.

- **Grid bonds Chile**: On being awarded a grid agreement for a Chilean project, bonds to the total value of EUR 3.1 million (approximately NOK 31 million) were issued.

- **Bid bonds and performance bonds Chile**: On being awarded bids in the Distribution Company tender for seven Chilean projects, bid bonds and performance bonds to the total value of EUR 1 million (approximately NOK 10 million) and EUR 34.0 million (approximately NOK 340 million) were issued. The bid bonds are cash backed.

- **Other performance guarantees Chile:** The Company has issued several other performance guarantees, all issued in the normal course of business for a total of EUR 1.3million (approximately NOK 13 million).

- **Condor portfolio main contracts**: Turbine supply agreements, balance of plant agreements, transformer and grid connection agreements are in place to the value of EUR 104 million (approximately NOK 1,042 million).

- **Huemul portfolio main contracts**: Turbine supply agreements, balance of plant agreements, transformer and grid connection agreements are in place to the value of EUR 431 million (approximately NOK 4,319 million).

# 10. UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

## 10.1 Introduction

During the course of 2021, the Company has completed certain transactions which are regarded as transactions that constitute significant gross changes or significant commitments, and includes the Mainstream Transaction, the Rainpower Transaction, the Shareholder Loan and the ACH Transaction, together the "**Transactions**", as explained below.

The Transactions represents "significant gross changes" and give rise to prepare pro forma financial information to comply with the requirements of the Norwegian Securities Trading Act by reference to the EU Prospectus Regulation regarding information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements. As such, the Company has included Unaudited Pro Forma Condensed Financial Information in this Section 10 "Unaudited Pro Forma Condensed Financial Information" and in Appendix C to this Prospectus. KPMG AS has issued an independent assurance report on the Unaudited Pro Forma Condensed Financial Information included in Appendix D to this Prospectus.

## 10.2 The Internal Reorganisation

The Company was incorporated on 1 November 2020 and became the parent of the Group through the Internal Reorganisation in January 2021.

Prior to the Internal Reorganisation, the Company was a dormant shelf company with no material assets. In connection with, and as a result of the Internal Reorganisation, the Company acquired through its subsidiaries 51% of ACC and AOW, in addition to a 24.7% ownership interest in REC Silicon. Those acquisitions involved entities under common control. Under IFRS, the net assets and results of those entities, accounted for and disclosed in the Carve-out Combined Financial Statements for the year ended 31 December 2020 are referred to as the "**Combined Group**".

For further information regarding the Company, the Internal Reorganisation and the Carve-out Combined Financial Statements, please see Section 4.4 "Presentation of Financial Information" and Appendix A of the Prospectus.

## 10.3 The Mainstream Transaction

On 19 January 2021, the Company's subsidiary Aker Mainstream Renewables AS (then named Danu Bidco AS) entered into the Mainstream SPA.

The Mainstream Transaction was completed on 11 May 2021 and resulted in the Group owning 75% of the shares in Mainstream. For further details, see also Section "Principal Investments" and Section 5.4 "History and Development".

The cash consideration for the 75% stake in Mainstream is approximately EUR 667.1 million (or NOK 6,984.5 million) and the remaining 25% is EUR 222.4 (or NOK 2,328.3 million), representing the fair value of the Non-controlling interest's contribution in kind. In addition to the consideration payable on closing, the share purchase agreement contains a potential future earn-out payment payable at the earliest in 2023 of up to EUR 100 million based on secured or formally awarded additional project capacity to Mainstream in certain future bidding rounds. The earn-out element has been valued by the Company to approximately EUR 16 million (or NOK 167.5 million) on a 100% basis (whereas EUR 12 million or NOK 125.7 million on a 75% basis) in the preliminary purchase price allocation.

Transaction costs related to the Mainstream Transaction are approximately EUR 25.6 million.

The financing of the Mainstream Transaction is made through (i) the Private Placement and Greenshoe (see also Section 5.4 "History and Development"); and (ii) issuance of convertible bonds with nominal amount of NOK 1,500 million (or NOK 1,493.3 million, net of issuance costs of NOK 6.75 million), the "**Convertible Bond Issue**"; and (iii) issuance of green bond with nominal amount of NOK 2,500 million (or NOK 2,467.5 million, net of issuance costs of NOK 32.5 million), the "**Green Bond Issue**". Further and in connection with the Mainstream Transaction, the Company entered into the EUR 510 million Senior Facilities Agreement which was later partially cancelled to only comprise of a revolving credit facility (the "**RCF**") with a nominal amount of EUR 170 million. On 29 April 2021, the Senior Facilities Agreement, including the RCF was amended to comprise only of a EUR 400 million multicurrency revolving credit facility (the "**Amended RCF**") pursuant to an amendment and restatement agreement. It is assumed that a nominal amount of NOK 560 million (or NOK 495.1 million net of issuance costs of NOK 64.9 million) is drawn down on the Amended RCF at the closing of the Mainstream Transaction. For more details on these financing agreements, see Section 9.6 "Liquidity and Capital Resources".

The issuance costs are all assumed being cash settled in the Unaudited Pro Forma Condensed Financial Information.

Also, and in connection with the Mainstream Transaction, the Company will use available cash reserves to settle the outstanding Mezzanine loan note in Mainstream, amounting to approximately EUR 39 million (or NOK 409.3 million).

## 10.4 The Rainpower Transaction

The Company, through its subsidiary, has also acquired Rainpower in 2021 for a cash consideration of NOK 8.5 million. In connection with this acquisition, NOK 104.2 million in existing debt in Rainpower have been refinanced (whereas part of the NOK 50 million in Non-current borrowings and part of the NOK 73.1 million in Current borrowings) with a subordinated perpetual equity linked loan agreement (assessed as hybrid capital within equity for pro forma purposes). Also, Rainpower have entered into a new NOK 53,000,000 senior secured facilities agreement, the purpose of which is to provide financial support to Rainpower and certain of its subsidiaries through both existing and new credit facilities. For the purpose of the Unaudited Pro Forma Condensed Financial Information, it is assumed that this facility has not been utilized, and as such no pro forma adjustments have been performed.

For further information on the Rainpower Transaction, see Section 5.3 "Principal Investments" and Section 5.4 "History and Development". For an overview of the subordinated perpetual equity linked loan agreement and the NOK 53,000,000 senior secured facilities agreement, see further Section 9.6.2 "Borrowings".

Transaction costs related to the Rainpower Transaction are approximately NOK 9 million.

## 10.5 The Shareholder Loan

On 27 January 2021, the Company entered into a subordinated loan agreement of NOK 2 billion with Aker Capital to replace a Seller's credit of NOK 800 million arising in connection with the transfer of the shares of REC Silicon in 2021 into the Company, and the loan agreement of NOK 1,200 million entered in 19 January 2021 which in its turn replaced the loan agreement of NOK 1,200 million entered into in the end of 2020, related to the transfer of ACC and AOW in that year.

The Shareholder Loan bears an interest of 6% and has maturity date in 2026. Issuance costs related to the Shareholder Loan of NOK 10 million are payable in July 2021.

## 10.6 The ACH Transaction

ACH is a newly formed entity (1 January 2021) and subsidiary of the Company. ACH was admitted to trading on Euronext Growth (Oslo) on 11 March 2021, and raised new equity through a private placement of 187,500,000 shares with offer price of NOK 16 per share, raising gross proceeds of approximately NOK 3 billion (or NOK 2,933.5 million, net of transaction costs of approximately NOK 66.5 million). The Company participated in the private placement with NOK 500 million, and the net effect for the Combined Group was NOK 2,433.5 million.

## 10.7 Cautionary note regarding the Unaudited Pro Forma Condensed Financial Information

The Unaudited Pro Forma Condensed Financial Information has been prepared solely for illustrative purposes to show how the Transactions might have affected the Carve-out Combined Income Statement for the year ended 31 December 2020, had the Transactions occurred on 1 January 2020, and the Carve-out Combined Balance Sheet as of 31 December 2020, had the Transactions occurred on 31 December 2020.

The Unaudited Pro Forma Condensed Financial Information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Combined Group might have been, had the Combined Group completed the Transactions at an earlier point in time. For further information, see also Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

Although the Unaudited Pro Forma Condensed Financial Information is based on estimates and assumptions based on current circumstances believed to be reasonable, actual results could materially differ from those presented herein. Because of its nature, the Unaudited Pro Forma Condensed Financial Information addresses a hypothetical situation, and therefore, does not represent the Combined Group's actual financial position or results of operations if the Transactions and the Internal Reorganisation had in fact occurred on those dates, and is not representative of the results of operations for any future periods. It should be noted that greater uncertainty is attached to the Unaudited Pro Forma Condensed Financial Information than actual historical financial information. Investors are cautioned against placing undue reliance on this Unaudited Pro Forma Condensed Financial Information.

The unaudited pro forma adjustments are based on information currently available (see also Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information"). The assumptions and estimates underlying the pro forma adjustments applied to the historical financial information are described in the notes to the Unaudited Pro Forma Condensed Financial Information. Neither these adjustments nor the resulting pro forma financial information have been audited in accordance with Norwegian or United States generally accepted auditing standards. In evaluating the Unaudited Pro Forma Condensed Financial Information, each reader should carefully consider the historical financial statements of the Company, the Carve-out Combined Financial Statements and the notes thereto and the notes to the Unaudited Pro Forma Condensed Financial Information as well as other information included elsewhere in this Prospectus.

The Unaudited Pro Forma Condensed Financial Information has been compiled to comply with the requirements as set forth in Annex 20 of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

It should be noted that the Unaudited Pro Forma Condensed Financial Information was not prepared in connection with an offering registered with the U.S. Securities and Exchange Commission ("**SEC**") under the U.S. Securities Act and consequently is not compliant with the SEC's rules on presentation of pro forma financial information (SEC Regulation S-X) and had the securities been registered under the U.S. Securities Act of 1933, this Unaudited Pro Forma Condensed Financial Information, including the report by the auditor, would have been amended and / or removed from the Prospectus. As such, an U.S. investor should not place reliance on the Unaudited Pro Forma Condensed Financial Information included in this Prospectus.

## 10.8 Basis of preparation of the Unaudited Pro Forma Condensed Financial Information

To account for the Internal Reorganisation and the Transactions in the Unaudited Pro Forma Condensed Financial Information, the starting point for the pro forma information is the Carve-out Combined Financial Statements as of and for the year ended 31 December 2020.

The Unaudited Pro Forma Condensed Financial Information has been prepared solely for illustrative purposes to show how the Transactions might have affected the Carve-out Combined income statement for year ended 31 December 2020, had the Transactions occurred on 1 January 2020, and the Carve-out Combined balance sheet as of 31 December 2020, had the Transactions occurred on 31 December 2020.

The IFRS accounting policies adopted in the preparation of the Unaudited Pro Forma Condensed Financial Information are consistent with those followed in the preparation of the audited Carve-out Combined Financial Statements as of and for the year ended 31 December 2020. The Unaudited Pro Forma Condensed Financial Information does not include all information required for financial statements under IFRS and should be read in conjunction with the historical information of the Company and of the Combined Group as well as other information included elsewhere in this Prospectus.

The Unaudited Pro Forma Condensed Financial Information has been prepared under the assumption of going concern.

The pro forma adjustments related to the Unaudited pro forma condensed income statement have all continuing impact, unless otherwise stated.

**Sources of the Unaudited Pro Forma Condensed Financial Information**

The Unaudited Pro Forma Condensed Financial Information is prepared using (i) the audited Carve-out Combined Financial Statements as of and for the year ended 31 December 2020, which have been prepared in accordance with IFRS as adopted by the EU (IFRS) and included in Appendix A of the Prospectus; and (ii) unaudited management accounts of Mainstream as of and for the year ended 31 December 2020, which have been prepared on the same accounting principles as the Mainstream's audited financial statements as of and for the year ended 31 December 2019 (IFRS); and (iii) unaudited management accounts of Rainpower as of and for the year ended 31 December 2020, which have been prepared on the same accounting principles as the Rainpower's audited financial statements as of and for the year ended 31 December 2019 (prepared in accordance with regulation on simplified application of international financial reporting standards, set by Fin.dept 21 January 2008, or "Simplified IFRS").

For the purpose of the preparation of the Unaudited Pro Forma Condensed Financial Information, management of the Company has not identified material adjustments related to the management accounts of Mainstream and Rainpower in order for them to comply with the accounting policies used in preparation of the Carve-out Combined Financial Statements for the year ended 31 December 2020 (IFRS).

**Exchange rates**

For the purposes of the preparation of the Unaudited Pro Forma Financial Information, the following exchange rates have been applied to convert the management accounts of Mainstream with presentation currency EUR to NOK, which is the presentation currency of the Combined Group (source: www.norges-bank.no):

EUR/NOK exchange rate of 10.72 for the year ended 31 December 2020;

EUR/NOK exchange rate of 10.47 as of 31 December 2020.

Also, all EUR amounts where the purchase price and other financing agreements are in this currency have been translated to NOK using the EUR/NOK exchange rate of 10.47 as of 31 December 2020, unless otherwise stated.

**Accounting treatment Mainstream Transaction and Rainpower Transaction**

Those transactions have been assessed by management of the Company to be within the scope of IFRS 3 *Business Combinations*. In connection with those transactions, management of the Company has performed a preliminary purchase price allocation (PPA) for each of the Mainstream Transaction and the Rainpower Transaction. Detail of the preliminary PPA for the Mainstream Transaction and the Rainpower Transaction are included in Section 10.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information". See also "Accounting treatment Subordinated perpetual equity linked loan agreement" below regarding the refinancing of Rainpower.

**Accounting treatment Subordinated perpetual equity linked loan agreement**

In connection with the Rainpower Transaction, certain debt in Rainpower totaling NOK 104.2 million have been refinanced by existing lender through issuance of a subordinated perpetual equity linked loan (see also above Section 10.4 The Rainpower Transaction). This loan agreement is perpetual with no scheduled maturity date and is not subject to any instalments. The Company has, for pro forma purposes, assessed that the NOK 104.2 million loan which have been refinanced by existing lenders is to be classified as hybrid capital within equity, based on IAS 32 *Financial instruments: presentation*.

**Accounting treatment Convertible Bond Issue**

The Company has preliminary assessed that the Convertible Bond Issue is a compound financial instrument in accordance with IAS 32 *Financial instruments: presentation,* with both an equity component and a liability component. Issuance costs (NOK 6.8 million) are allocated to the liability and equity component in proportion to the allocation of proceeds. For the purpose of the preparation of the Unaudited Pro Forma Condensed Financial Information, the Company has assessed that the fair value of the liability component, including its share of issuance costs to be approximately NOK 1,147.3 million (assuming an interest rate of 7% and where the issuance cost element has been calculated to NOK 5.2 million), and the equity element to be NOK 346 million. The equity element corresponds to the difference between the net proceeds of the Convertible Bond Issue of NOK 1,493.3 million and the fair value of the liability component (including its share of issuance costs) of NOK 1,147.3 million.

**Accounting treatment Shareholder Loan**

In connection with the Internal Reorganisation, the shares in REC Silicon were partially transferred as a contribution in kind into the Company, and partially with establishment of a "Seller's Credit" of approximately NOK 800 million in 2021. In addition to the Seller's Credit, the Company entered in 2021 into a loan agreement of approximately NOK 1,200 million towards Aker Capital. This loan agreement was replacing a loan agreement entered in 2020 with approximately the same amount (NOK 1,200 million) in connection with the transfer of ACC and AOW at the end of 2020. As the transfer of the REC Silicon shares was part of the Internal Reorganisation, involving entities under common control, they were transferred at their carrying value in the Carve-out Combined Financial Statements. The loan agreement established in connection with the transfer of ACC and AOW at the end of 2020 is also reflected in the Carve-out Combined Financial Statements. The Seller's Credit of approximately NOK 800 million and the loan agreement towards Aker Capital of NOK 1,200 million were established in 2021, and as such not included in the Carve-out Combined Financial Statements. The Shareholder Loan of NOK 2,000 million, entered into on 27 January 2021 with Aker Capital, is replacing both the Seller's Credit of NOK 800 million and the NOK 1,200 million loan agreement.

Further and as the transferred shares of REC Silicon have been reflected in the Carve-out Combined Financial Statements at their historical carrying value, the NOK 800 million reflected in the Seller's Credit (not included in the Carve-out Combined Financial Statements) is deemed to be a continuity difference and is therefore presented as a reduction in equity in the Unaudited Pro Forma Condensed Financial Statements. Also, the difference between the NOK 1,200 million loan (with booked value NOK 1,183.7 million as of 31 December 2020) and the Shareholder Loan of NOK 2,000 million, totaling NOK 816.4 million is presented as a pro forma increase in Non-current borrowings of NOK 1,000 million and a pro forma decrease in Current borrowings of NOK 183.7 million (representing reversal of Current borrowings as presented in the Carve-out Combined Financial Statements as of and for the year ended 31 December 2020), while the remaining amount of NOK 16.4 million is presented as Cash and cash equivalent. In the Unaudited pro forma income statement, the resulting pro forma effect is to eliminate historical interest expenses (included in the Carve-out Combined Financial Statements) related on the NOK 1,200 million loan, and replace with estimated interest expenses on the NOK 2,000 million Shareholder Loan.

**Tax treatment**

Fair value adjustments in the purchase price allocation normally give rise to deferred tax. Fair value adjustments in the preliminary purchase price allocation in the Unaudited Pro Forma Condensed Financial Information relates to the Mainstream Transaction. The Mainstream group had significant tax reducing temporary differences at 31 December 2020 for which no deferred taxes are recognised. Such unrecognized tax reducing temporary differences may have to be netted against the identified positive fair value adjustments of assets that relates to the same tax regimes, and consequently should not give rise to net deferred tax liability in the preliminary purchase price allocation. However, for the purpose of the preliminary purchase price allocation the Company does not have sufficient information, and it is assumed that there are no significant tax reducing temporary differences that can be netted against the tax effects on identified fair value adjustments.

## 10.9 Independent practitioner's assurance report on the compilation of unaudited pro forma financial information included in a prospectus

With respect to the Unaudited Pro Forma Condensed Financial Information included in this Prospectus, KPMG applied assurance procedures in accordance with ISAE 3420 "Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus" in order to express an opinion as to whether the Unaudited Pro Forma Condensed Financial Information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Combined Group. KPMG has issued an independent assurance report on the Unaudited Pro Forma Condensed Financial Information included in Appendix D to this Prospectus. KPMG's procedures on the Unaudited Pro Forma Financial Information have not been carried out in accordance with attestation standards and practices generally accepted in the United States of America, and accordingly, should not be relied on as if they had been carried out in accordance with those standards.

## 10.10 Unaudited pro forma condensed income statement for the year ended 31 December 2020

The table below sets out the Unaudited pro forma condensed income statement for the year ended 31 December 2020, as if the Transactions had occurred 1 January 2020.

| *(NOK thousands)* | **Basis for pro forma** | | | **Pro forma adjustments** | | | **Pro forma for the Combined Group** |
|---|---|---|---|---|---|---|---|
| | Combined Group | Mainstream | Rainpower | A | B | C | |
| **Revenues** | **26,592** | **60,632** | **537,852** | | | | **625,077** |
| Depreciation and amortisation | (5,407) | (16,905) | (25,815) | | | | (48,128) |
| Other operating expenses – in total | (216,143) | (420,567) | (563,005) | (274,432) | (9,000) | | (1,483,147) |
| **Operating profit / (loss)** | **(194,957)** | **(376,840)** | **(50,968)** | **(274,432)** | **(9,000)** | | **(906,197)** |
| Net financial items | (6,694) | (219,213) | (23,320) | (190,511) | 3,467 | (119,285) | 555,557) |
| Share of profit / (loss) equity-accounted investees | (124,789) | (110,373) | | (7,119) | | | (242,281) |
| Tax benefit / (expense) | (4) | (3,345) | (7,865) | | 8,245 | | (2,969) |
| **Profit / (loss) for the period** | **(326,445)** | **(709,771)** | **(82,153)** | **(472,062)** | **2,712** | **(119,285)** | **(1,707,004)** |

**Pro forma adjustments for the purpose of the Pro forma condensed income statement for the year ended 31 December 2020**

***Pro Forma adjustment A - Mainstream Transaction***

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | Pro forma adjustments A | | | | Total Pro forma adjustment A |
|---|---|---|---|---|---|
| | (i) | (ii) | (iii) | (iv) | |
| Other operating expenses – in total | | | | (274,432) | (274,432) |
| Net financial items | (247,595) | 57,084 | | | (190,511) |
| Share of profit / (loss) equity-accounted investees | | | (7,119) | | (7,119) |

(i) To reflect estimated interest expenses totaling NOK 247.6 million, whereas NOK 81.6 million are related to the Convertible Bond Issue, NOK 88.5 million are related to the Green Bond Issue and NOK 77.5 million are related to the Amended RCF. The estimated interest expenses on the Convertible Bond Issue have been calculated based on an interest rate of approximately 7% on the fair value of the liability component (NOK 1,147.3 million) in addition to amortisation of issuance costs of NOK 1.3 million (related to the share of its issuance costs). The estimated interest expenses on the Green Bond Issue have been calculated based on an interest rate of 3.25%, in addition to amortisation of issuance costs of NOK 7.2 million. The interest expenses on the Amended RCF have been calculated based on an interest rate of 3.5% on the drawn down amount, an interest rate of 1% on the undrawn amount, in addition to amortisation of issuance costs of NOK 21.6 million (EUR 2.1 million) and based on the loan denominated NOK amount of NOK 560 million (for the drawn down amount) and NOK 3,628 million for the remaining amount which is undrawn). For further details on the accounting treatment of those arrangements, see Section 10.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information”.

(ii) To reflect the elimination of historical interest expenses related to the Mezzanine loan note of NOK 57.1 million (assumed being non-tax deductible), which have been assumed settled in cash. This adjustment will not have a continuing impact.

(iii) To reflect the effects of the preliminary PPA leading to a net decrease in Share of profit for equity-accounted investees with NOK 7.1 million. This pro forma adjustment consists of estimated amortisation of NOK 9.5 million (related to the identified fair value adjustments for assets in equity accounted investees in South Africa with NOK 231.7 million, based on an amortisation profile of 25 years, and corresponding estimated increase in tax benefit of NOK 2.4 million). For further details, see also Section 10.12 “Additional notes to the Unaudited Pro Forma Condensed Financial Information” related to the preliminary purchase price allocation for the Mainstream Transaction.

(iv) To reflect the estimated transaction costs of NOK 274.4 million, or EUR 25.6 million (assumed being non-tax deductible). This adjustment will not have a continuing impact.

***Pro Forma adjustment B - Rainpower Transaction***

The adjustment on Other operating expenses – in total of NOK 9 million reflects the transaction costs related to the Rainpower Transaction, and is assumed being non-tax deductible. This adjustment will not have a continuing impact.

The adjustment on Net financial items of NOK 3.5 million represents the elimination of estimated historical interest expenses related to the loans in Rainpower that have been refinanced with the subordinated perpetual equity linked loan (assessed as equity for pro forma purposes). See also section 10.4 “The Rainpower Transaction” and section 10.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information” for further details.

The adjustment on tax benefit of NOK 8.2 million represents the elimination of the expensed deferred tax assets in Rainpower during the year ended 31 December 2020, following the preliminary PPA (in which no deferred tax assets has been recognized, and thus leading to a reversal of the previously expensed deferred tax assets in profit and loss).

***Pro Forma adjustment C - Shareholder Loan***

This adjustment on Net financial items of NOK 119.3 million reflects (i) the elimination of historical interest expenses of NOK 2.7 million related to the existing loan with Aker Capital being replaced with the Shareholder Loan; and (ii) the addition of estimated interest expenses of NOK 122 million related to the Shareholder Loan (calculated based on an interest rate of 6%, and includes amortisation of issuance costs of NOK 2 million). For further details on the Shareholder Loan, see Section 10.5 "The Shareholder Loan" and Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

## 10.11 Unaudited pro forma condensed balance sheet as of 31 December 2020

The table below sets out the Unaudited pro forma condensed balance sheet as of 31 December 2020, as if the Transactions had occurred 31 December 2020.

| *(NOK thousands)* | **Basis for pro forma** | | | **Pro forma adjustments** | | | | **Pro forma for the Combined Group** |
|---|---|---|---|---|---|---|---|---|
| | Combined Group | Mainstream | Rainpower | A | B | C | D | |
| Goodwill | | | 209,737 | 5,003,218 | (7,003) | | | 5,205,953 |
| Intangible assets | 3,801 | | 28,577 | | | | | 32,378 |
| Deferred tax assets | | 314 | | | | | | 314 |
| Property, plant and equipment | 40,711 | 522,882 | 79,642 | 7,354,523 | | | | 7,997,758 |
| Equity accounted investees | 620,254 | 547,529 | | 187,581 | | | | 1,355,363 |
| Inventories | | 6,258,411 | 2,224 | (5,845,900) | | | | 414,735 |
| Other operating assets | 42,451 | 800,505 | 172,653 | | | | | 1,015,609 |
| Cash and cash equivalents | 943,112 | 1,535,802 | 14,015 | 1,220,932 | (17,500) | 16,350 | 2,433,500 | 6,146,211 |
| Restricted cash | | 3,154,276 | | | | | | 3,154,276 |
| **Total assets** | **1,650,328** | **12,819,719** | **506,849** | **7,920,353** | **(24,503)** | **16,350** | **2,433,500** | **25,322,596** |
| **Equity** | **319,360** | 3,188,230 | 15,503 | 3,686,868 | 79,674 | **(800,000)** | 2,433,500 | 8,923,135 |
| Deferred tax | | | | 407,328 | | | | 407,328 |
| Other non-current liabilities | 5,430 | 4,115 | | 125,640 | | | | 135,185 |
| Non-current borrowings | 1,000,000 | 7,250,590 | 50,000 | 4,109,852 | (37,000) | 1,000,000 | | 13,373,442 |
| Non-current lease liabilities | 28,451 | 523,835 | 64,679 | | | | | 616,965 |
| Current borrowings | 183,650 | 526,746 | 73,077 | (409,335) | (67,177) | (183,650) | | 123,311 |
| Current lease liabilities | 12,064 | 20,605 | 12,549 | | | | | 45,218 |
| Current operating liabilities | 101,372 | 1,305,599 | 291,041 | | | | | 1,698,102 |
| Total liabilities | 1,330,968 | 9,631,489 | 491,346 | 4,233,485 | (104,177 ) | 816,350 | | 16,399,462 |
| **Total equity and liabilities** | **1,650,328** | **12,819,719** | **506,849** | **7,920,353** | **(24,503)** | **16,350** | **2,433,500** | **25,322,597** |

**Pro forma adjustments for the purpose of the Pro forma condensed balance sheet as of 31 December 2020**

*Pro Forma adjustment A - Mainstream Transaction*

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | Pro forma adjustments A | | | | Total Pro forma adjustment A |
|---|---|---|---|---|---|
| | (i) | (ii) | (iii) | (iv) | |
| Goodwill | | | 5,003,218 | | 5,003,218 |
| Property, plant and equipment | | | 7,354,523 | | 7,354,523 |
| Equity accounted investees | | | 187,581 | | 187,581 |
| Inventories | | | (5,845,900) | | (5,845,900) |
| Cash and cash equivalents | 8,882,836 | (409,335) | (6,984,537) | (268,032) | 1,220,932 |
| Equity | 4,772,984 | | (818,084) | (268,032) | 3,686,868 |
| Deferred tax | | | 407,328 | | 407,328 |
| Other non-current liabilities | | | 125,640 | | 125,640 |
| Non-current borrowings | 4,109,852 | | | | 4,109,852 |
| Current borrowings | | (409,335) | | | (409,335) |

(i) To reflect the effects of the Private placement and Greenshoe, the Convertible Bond Issue, the Green Bond Issue and the Amended RCF, increasing Cash and cash equivalents with NOK 8,882.8 million, Equity with NOK 4,773 million and Non-current borrowings with NOK 4,109.5 million. The net proceeds of the Private Placement and Greenshoe increased Cash and cash equivalents with NOK 4,427 million with a corresponding increase in Equity. The net proceeds of the Convertible Bond Issue increased Cash and cash equivalents with NOK 1,493.3 million, NOK 346 million was allocated to Equity and the remaining amount of NOK 1,147.3 million increasing Non-current borrowings. The net proceeds of the Green Bond Issue increased Cash and cash equivalents with NOK 2,467.5 million with a corresponding increase in Non-current borrowings. The net proceeds of the Amended RCF (NOK 495.1 million or EUR 47.3 million) increased Cash and cash equivalents with NOK 495.1 million with corresponding increase in Non-current borrowings. Those adjustments assumed that all related issuance costs are settled in cash. For further details on those arrangements and accounting treatment, see Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information.

(ii) To reflect the settlement of the outstanding Mezzanine loan note with NOK 409.3 million (or EUR 39 million), reducing Cash and cash equivalents and Current borrowings with a corresponding amount.

(iii) This pro forma adjustment represents the effects of the acquisition of 75% of the shares in Mainstream, accounted for in accordance with IFRS 3 and based on the preliminary PPA as disclosed in Section 10.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information", whereas: a) the increase in Goodwill of NOK 5,003.2 million represents the Goodwill arising as part of the preliminary PPA; and b) the increase in Property, plant and equipment of NOK 7,354,5 million represents the fair value adjustments allocated to those tangible assets as part of the preliminary PPA (and including NOK 5,845.9 million reclassified from Inventories) as further described in Section 10.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information"; and c) the increase in Equity accounted investees of NOK 187.6 million represents the recognised fair value adjustments allocated to assets in those investees (net of tax); and d) the decrease in inventories of NOK 5,845.9 million representing the reclassification adjustment to Property, plant and equipment as part of the preliminary PPA; and e) the decrease in Cash and cash equivalents of NOK 6,984.5 million represents the estimated cash consideration for the acquisition of the 75% stake in Mainstream; and f) the net decrease in Equity of NOK 818.1 million represents the elimination of historical booked equity in Mainstream (NOK 3,188.2 million) and the addition of the Non-controlling interest (NOK 2,370.1 million) arising as part of the preliminary PPA; and g) the increase in deferred tax of NOK 407.3 million represents the tax effect of the fair value adjustments in Property, plant and equipment and inventories arising as part of the preliminary PPA; and h) the increase in Non-current borrowings of NOK 125.6 million represents the estimated earn-out element arising as part of the preliminary PPA.

(iv) To reflect the estimated transaction expenses of NOK 268 million (EUR 25.6 million), reducing Cash and cash equivalents with a corresponding decrease in Equity.

*Pro Forma adjustment B - Rainpower Transaction*

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | Pro forma adjustments B | | Total Pro forma adjustment B |
|---|---|---|---|
| | (i) | (ii) | |
| Goodwill | | (7,003) | (7,003) |
| Cash and cash equivalents | | (17,500) | (17,500) |
| Equity | 104,177 | (24,503) | 79,674 |
| Non-current borrowings | (37,000) | | (37,000) |
| Current borrowings | (67,177) | | (67,177) |

(i) To reflect the effects of the refinancing of Rainpower whereas the increase in equity (assessed as Hybrid capital with NOK 104.2 million represents the refinancing of part of Non-current borrowings (NOK 37 million presented as a decrease in Non-current borrowings) and part of current borrowings (NOK 67.2 million presented as a reduction in Current borrowings) with the subordinated perpetual equity linked loan. For further details, see also Section 10.4 "The Rainpower Transaction" and Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information.

(ii) To reflect the effects of the acquisition of all of the shares in Rainpower accounted for in accordance with IFRS 3, and based on the preliminary PPA as disclosed in Section 10.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information", whereas: a) the net decrease in Goodwill with NOK 7 million represents the difference between the historical booked value of Goodwill pre acquisition (NOK 209.7 million) and the Goodwill arising as part of the preliminary PPA (NOK 202.7 million); and b) the decrease in cash and cash equivalents of NOK 17.5 million represents the cash consideration transferred (NOK 8.5 million) and the estimated transaction expenses (NOK 9 million); and c) the decrease in equity of NOK 24.5 million represents the elimination of historical equity in Rainpower (NOK 15.5 million before the pro forma adjustment on equity B (i) above which is assessed as Hybrid capital), and the estimated transaction expenses (NOK 9 million).

*Pro Forma adjustment C - Shareholder Loan*

This adjustment relates to the replacement of the existing loan (with booked value NOK 1,183.7 million as of 31 December 2020 which is reflected in the Carve-out Combined Financial Statements) and the Seller's credit (of NOK 800 million arising in 2021 in connection with the acquisition of REC Silicon), with the Shareholder Loan of NOK 2,000 million, and reflecting in the following adjustments: a) increase in Non-current borrowings of NOK 1,000 million whereas NOK 816.4 million representing the difference between the Shareholder Loan (NOK 2,000 million) and the booked value of the existing loan (NOK 1,183.7 million) as well as reclassification of NOK 183.6 million (presented as current borrowings) to non-current borrowings; and b) decrease in Equity with NOK 800 million representing a continuity difference reflected in the Seller's credit established in 2021 (not reflected in the Carve-out Combined Financial Statements as this seller's credit did not exist 31.12.20) in connection with the transfer of the shares in REC Silicon in 2021 (already reflected in the Carve-out Combined Financial Statements as this ownership was under common control per 31.12.20); and c) increase in Cash and cash equivalent of NOK 16.4 million representing the remaining available cash resources to cover ongoing operating expenses. For further details on the Shareholder Loan, see Section 10.5 "The Shareholder Loan" and Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

*Pro Forma adjustment D – ACH Transaction*

This adjustment reflects the net effects of the private placement by ACH performed in March 2021 on the Combined Group increasing cash and cash equivalent with NOK 2,433.5 million with a corresponding effect on equity.

## 10.12 Additional notes to the Unaudited Pro Forma Condensed Financial Information

**Preliminary purchase price allocation – Rainpower Transaction**

| (amounts in NOK thousands) | |
|---|---|
| Acquisition price | 8,500 |
| Booked value of equity (prior refinancing, see also section 10.4 "The Rainpower Transaction", section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information" and adjustment B(i) in section 10.11 "Unaudited pro forma condensed balance sheet"). | 15,503 |
| Goodwill pre-acquisition | 209,737 |
| Excess value to be allocated | 202,734 |
| Excess value allocated to: | |
| Goodwill | 202,734 |

**Preliminary purchase price allocation - Mainstream Transaction(i)**

| *(amounts in NOK thousands)* | |
|---|---|
| Acquisition price (75% stake of all shares) | 6,984,537 |
| Contingent consideration (earn-out on a 75% basis) | 125,640 |
| Total consideration | 7,110,177 |
| Non-controlling interest (25%)(ii) | 2,370,146 |
| **Subtotal** | **9,480,323** |
| Booked value of equity in Mainstream | 3,188,230 |
| *Fair value adjustments identified* | |
| Equity accounted investees (net of tax)(iii) | 187,581 |
| Property, plant and equipment (including reclassification from Inventories) | 7,354,523 |
| Inventories (reclassified as Property, plant and equipment)(iv) | (5,845,900) |
| Net tax effect on fair value identified (Property, plant and equipment and inventories) | (407,328) |
| **Total fair value of identified assets and liabilities** | **4,477,105** |
| Goodwill (100%) | 5,003,218 |

(i) For the purpose of the preliminary PPA, and based on information currently available, it is assumed that there are no significant tax reducing temporary differences that can be netted against the tax effects on fair value identified. See also Section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

(ii) For the purpose of the preliminary PPA, the amount allocated to Non-controlling interest represents 25% of the consideration of Mainstream on a 100% level, in accordance with IFRS 3.19.

(iii) The fair value adjustment on Equity accounted investees includes assets with NOK 187.6 million includes assets under construction on which depreciation has not started, mainly related to Chile (NOK 13.8 million after tax, or NOK 18.8 million before tax), and assets ready for its intended use with an estimated useful life of 25 years which are mainly related to South Africa (NOK 173.8 million after tax, or NOK 231.8 million before tax).

(iv) The fair value adjustment on property, plant and equipment relates to assets under construction. Prior to the acquisition, Mainstream's strategy has primarily been to build and sell, instead of build and operate power plants.

Consequently, Mainstream has classified its projects primarily as inventory. Due to the Company's current strategy and funding capabilities, the Company plans to build and hold a larger part of Mainstream's projects under construction. Consequently, inventories with carrying value of NOK 5,845.9 million is reclassified to property, plant and equipment.

## 11. THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

This Section provides summary information about the Board of Directors and the Executive Management of the Company and disclosures about their employment arrangements with the Company and other relations with the Company.

### 11.1 Overview

The Board of Directors is responsible for the overall management of the Company and may exercise all the powers of the Company. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation, preparing plans and budgets for its activities; ensuring that the Company's activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it seems fit to the executive management of the Company (the "**Executive Management**").

The Company's Executive Management is responsible for the day-to-day management of the Company's operations in accordance with instructions set out by the board of directors. Among other responsibilities, the Company's CEO is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, at least once a month the Company's CEO must brief the Board of Directors about the Company's activities, financial position and operating results.

### 11.2 Board of Directors and Executive Management

**Board of Directors**

The Company's Board of Directors are elected by the Company's shareholders in an ordinary or extraordinary General Meeting. In accordance with the Norwegian Public Limited Liabilities Act, the CEO and at least half of the members of the Board of Directors must either be resident in Norway, or be citizens of and resident in an EU/EEA country.

The Company's Board of Directors currently consists of the following members:

| Name | Position | Served Since | Expiration of Term |
|---|---|---|---|
| Øyvind Eriksen | Chairman | 2021 | 2023 |
| Kjell Inge Røkke | Director | 2021 | 2023 |
| Lise Kingo | Director | 2021 | 2023 |
| Lone Fønss Schrøder | Director | 2021 | 2023 |

Additionally, Auke Lont was appointed as a Director in the extraordinary general meeting in the Company held on 20 April 2021 (the "**EGM**") with effect as of 1 August 2021, until the annual general meeting in 2023. Lene Landøy was also elected deputy board member at the EGM, for a period of 2 years.

The Company's registered business address, Oksenøyveien 8, 1366 Lysaker, serves as c/o address for the members of the Board of Directors in relation to their directorship of the Company.

The composition of the Company's Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice of 17 October 2018 (the "**Norwegian Code of Practice**"). The Norwegian Code of Practice provides that a board member is generally considered to be independent when he or she does not have any personal, material business or other contacts that may influence the decisions it makes as a board member.

Set out below are brief biographies of the directors of the Company, along with disclosures about the companies and partnerships of which each director has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and executive management positions in the Company or any of its subsidiaries.

*Øyvind Eriksen, Chairman*

Øyvind Eriksen (b. 1964) is the President & CEO of Aker, the Company's main shareholder. He joined Aker in January 2009. Mr. Eriksen holds a law degree from the University of Oslo. He joined Norwegian law firm BAHR in 1990, where he became a partner in 1996 and a director/chairman 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 chairman of the board in Aker BP ASA, Cognite, REV Ocean and Aker Capital, and is a director on the board of Aker Solutions ASA, Aker Energy AS, The Resource Group TRG AS, TRG Holding AS and The Norwegian Cancer Society (Kreftforeningen). Mr. Eriksen also serves on the Network Advisory Board for the World Economic Forum's Center for the Fourth Industrial Revolution. Mr. Eriksen is a Norwegian citizen.

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: Anne Grete Eidsvig og Kjell Inge Røkkes Allmennyttige Stiftelse For Utdanning (Chairman)<br>Kreftforeningens Paraplystiftelse For Bistand Til Vanskeligstilte Kreftsyke Personer (Deputy Chairman)<br>Kreftforeningens Paraplystiftelse For Kreftforskning stiftelsen Technology for Ocean Foundation (Deputy Chairman)<br>Margit og Halfdan Jakobsens Legat Til Kreftens Bekjempelse (Deputy Chairman)<br>Kong Olav V Kreftforskningsfond (Deputy Chairman)<br>Aker Capital AS (Chairman)<br>Aker Holdings AS (Chairman)<br>Aker Horizons Holding AS (Chairman)<br>AC Acquisition Corporation I (Director)<br>The Resource Group Trg AS (Director)<br>Aker Carbon Capture AS (Director)<br>Aker Property Group AS (Director)<br>Aker Biomarine AS (Director)<br>Rev Ocean AS (Chairman)<br>Aker BP ASA (Chairman)<br>Trg Holding AS (Director)<br>Gluteus Medius AS (Director)<br>Aker Clean Hydrogen AS (Director)<br><br>Aker Offshore Wind AS (Deputy Director)<br>Moloklinikken AS (Chairman), Kreftforeningen (Deputy Chairman)<br>Stiftelsen Radiumhospitalets Venner (Director)<br>Plastic Revolution Foundation (Director)<br>Stiftelsen Vi (Deputy Chairman)<br>Aker Horizons AS (Deputy Chairman),<br>Cognite AS (Deputy Chairman)<br>Erika Stekels Fond (Deputy Chairman)<br>Flette AS (Director)<br>Aker Solutions ASA (Director)<br>Brettesnes Gård AS (Director)<br>Aker Energy AS (Director)<br>Erøy AS (Chairman)<br><br>Management position(s): Chief Executive Officer, Aker ASA. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: The Resource group Trg AS (Director)<br>Aker Energy Ghana AS (Chairman)<br>Aker Energy AS (Chairman)<br>Aker Energy Ghana AS (Director)<br>Altus Intervention group AS (Director)<br>Reitan AS (Director)<br>Aker Oceanwood AS (Chairman)<br>Akastor ASA (Director)<br>Rev Ocean AS (Chairman)<br>Trond Mørruds Stiftelse (Deputy Chairman)<br>Stiftelsen Ocean Data Foundation (Director)<br>Aker solutions ASA (Chairman)<br>Cognite AS (Chairman)<br><br>Management position(s): None |

*Kjell Inge Røkke, Director*

Kjell Inge Røkke (b. 1958), Aker'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 has been elected as Chairman of the Aker Board of Directors for the period 2018–2022. He also currently serves on the boards of Aker BP ASA, Aker Solutions ASA, Ocean Yield ASA, Aker BioMarine AS and Aker Energy AS.

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: Stiftelsen Molde Fotball (Chairman)<br>The Resource Group Trg AS (Chairman)<br>Trg Holding AS (Chairman)<br>Fornebu Gateway AS (Chairman)<br>Aker ASA (Chairman)<br>Trg Real Estate AS (Chairman)<br>AC Acquisition Corporation I (Chairman)<br>Ocean Yield ASA (Deputy Chairman)<br>Trg Energy AS (Deputy Chairman)<br>Old Kværner Invest AS (Director)<br>Våningshuset AS (Director)<br>Oppdal Hotellinvest AS (Director)<br>Oppdalstoppen 880 AS (Director)<br>Oppdalstoppen Invest AS (Director)<br>Petrica Invest AS (Director)<br>Tev Ocean AS (Director)<br>Aker Solutions ASA (Director)<br>Aker Offshore Wind AS (Director)<br>Stiftelsen Vi (Director)<br>Aker Property group AS (Director)<br>Aize Holding AS (Director)<br>Aker Energy AS (Director)<br>Aker Biomarine AS (Director)<br>Aker Horizons AS (Director)<br>Aker Clean Hydrogen AS (Director)<br>Aker Horizons Holding AS (Director)<br>Cognite AS (Director)<br>Aker Clean Hydrogen AS (Director)<br>Aker BP ASA (Director)<br>Aker Carbon capture AS (Deputy Director)<br>Antarctic Harvesting Holding AS (Chairman)<br>Plastic Revolution Foundation (Director)<br>Stiftelsen Technology for Ocean Foundation (Director)<br>Anne Grete Eidsvig og Kjell Inge Røkkes Allmennyttige Stiftelse for utdanning (Director).<br><br>Management Position(s): None. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: TRG Midco AS (Chairman)<br>Trg Newco AS (Chairman)<br>The Resource Group Trg AS (Chairman)<br>Sea Launch holding AS (Director)<br>Petrica Holding AS (Director)<br>Kværner ASA (Director)<br>Oz Topco AS (Deputy Director)<br>Rev Ocean AS (Chairman)<br>Rev Ocean AS (Director)<br>Aker Solutions ASA (Director)<br>Aker Energy Ghana AS (Director)<br>Aker Holdings AS (Director)<br>Trg Energy AS (Director)<br>Aker Solutions ASA (Deputy Director)<br>Oz Holdco AS (Deputy Director)<br>Oz Midco AS (Deputy Director)<br>Stiftelsen Ocean Data Foundation (Director)<br>Altus intervention group AS (Deputy Director) |

| | |
|---|---|
| | Management position(s): None. |

*Lise Kingo, Director*

Lise Kingo was until June 2020 the CEO & Executive Director of the United Nations Global Compact from 2015 to 2020. Prior to joining the UN, she spent more than 26 years with Novo Nordisk where she held several managerial positions, including Executive Vice President and member of the Executive Management team from 2002 to 2014. She has board experience from Grieg Star Shipping, GN Great Nordic A/S and Principles for Responsible Investments (PRI) in the UK. Lise Kingo holds a bachelor's degree in Religions and Ancient Greek Art from the University of Aarhus in Denmark, a bachelor's degree in Marketing and Economics from the Copenhagen Business School and a master's degree in Responsibility & Business from the University of Bath in the UK. She is also certified as a director by INSEAD in France.

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: Sanofi S.A. (Director)<br>Covestro A.G. (Director)<br>Novo Nordisk Foundation (Director)<br>Leonardo Centre, Imperial College London (Chairman).<br><br>Management position(s): Chief Executive Officer, United Nations Global Compact. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: None.<br><br>Management position(s): United Nations Global Compact (CEO & Executive Director). |

*Lone Fønss Schrøder, Director*

Lone Fønss Schrøder is CEO of Concordium AG, a global provider of blockchain technologies. She is vice-chair of Volvo Cars AB and chair of the audit committee, and director of Geely Sweden Holdings AB and Ingka Holding B.V. (Ikea Group). She has held several senior management and CEO positions in the A.P. Møller-Maersk group and became CEO and president of Wallenius Lines AB in 2005. Fønss Schrøder has board experience from Kværner ASA, Eukor Inc, Vattenfall AB, Yara ASA, Valmet OY, Akastor ASA and others. Fønss Schrøder holds an MSc in law from the University of Copenhagen and in economics from Copenhagen Business School in Denmark.

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: Akastor ASA (Director)<br>Aker Solutions ASA (Director)<br>CSL Group Inc (Director)<br>Volvo Cars AB (Deputy Chairman)<br>Geely Sweden Holdings AB (Director)<br>Ingka Golding B.V. (Ikea Group)(Director)<br>Queens Gambit Growth Capital SPAC. (Director)<br><br>Management position(s): Chief Executive Officer, Concordium. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: Valmet Oy (Director)<br>Bilfinger Berger SE (Director)<br>Svenska Handelsbanken AB (Director)<br>Schneider Electric SE (Director)<br>Management position(s): None. |

*Auke Lont, Director with effect from 1 August 2021*

Auke Lont was CEO of Statnett SF from 2009 to 2021. Prior to joining Statnett, he was CEO of ECON Analysis from 2005. Between 1984 and 1994 Auke Lont held various roles in Statoil (now Equinor), where he also was Director for Nordic Energy from 2001 to 2005. He was Managing Director of Naturkraft AS from 1994 to 1999, and Managing Director of ECON Analysis in South Africa from 1999 to 2000. Auke Lont has long board experience including from Gasunie, Netherlands, and the Institute for Energy Technology, Norway, and is currently a board member of the employers' organization Spekter. He holds a Bachelor of Science in Mathematics from the University of Amsterdam and a Master of Science in Econometrics from Vrije Universiteit Amsterdam .

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: None.<br><br>Management position(s): None. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: Spekter (Director)<br>Banenor (Director)<br>Institutt for Energiteknikk (Chairman).<br><br>Management position(s): Chief Executive Officer, Statnett. |

**Executive Management**

The Company's Executive Management comprises of the following members:

| Name | Position | Employed From |
|---|---|---|
| Kristian Røkke | CEO | 2021 |
| Nanna Tollefsen | CFO | 2021 |

Set out below are brief biographies of the members of the Executive Management, along with disclosures about the companies and partnerships of which each member of the Executive Management has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and Executive Management positions in the Company or its subsidiaries.

*Kristian Røkke, CEO*

Kristian Røkke has experience from investment management, offshore services and shipbuilding in several companies in the Aker group. Prior to assuming his current position as Chief Executive Officer of the Company, Mr. Røkke served as Chief Investment Officer of Aker. Before that, he was CEO of Akastor ASA, a publicly listed oil service investment company, and spent several years in various operational and executive roles at Philly Shipyard. He has an MBA from The Wharton School of the University of Pennsylvania.

| | |
|---|---|
| Current other directorships and management positions..... | Directorships:<br>Philly Shipyard ASA (chairman)<br>Akastor ASA (chairman)<br>Plastic REVolution Foundation (chairman)<br>Aker Carbon Capture AS (director)<br>Aker Offshore Wind AS (director)<br>American Shipping Company ASA (director)<br>Abelee AS (director)<br>TRG Holding AS (director)<br><br>Management position(s):. |
| Previous directorships and management positions held during the last five years .................................... | Directorships: Aker ASA<br><br>Management position(s):<br>Chief Investment Officer, Aker ASA<br>Chief Executive Officer, Akastor ASA |

*Nanna Tollefsen, CFO*

Nanna Tollefsen has worked within finance and investments in different companies in the Aker group since 2013. Before joining the Company, she held the position as Investment Manager in Aker. Prior experience includes Akastor, Aker Solutions ASA and PwC. Nanna Tollefsen holds an MSc in Financial Economics from the Norwegian School of Economics and Business Administration (NHH).

| | |
|---|---|
| Current other directorships and management positions..... | Directorships: Akastor ASA (deputy director)<br><br>Management position(s):None |
| Previous directorships and management positions held during the last five years .................................... | Directorships: None<br>DOF Deepwater AS (director)<br>Akastor Eiendom AS (director)<br>Axer Eiendom AS (director)<br><br>Management position(s): Investment Manager, Aker ASA<br>Investment Manager, Akastor ASA |

**Family relationships**

Board member Kjell Inge Røkke is the father of the CEO, Kristian Røkke.

## 11.3 Remuneration and Benefits

**Board of Directors**

For the financial year 2020 the members of the Board of Directors did not receive any remuneration. The compensation for the members of the Board of Directors going forward will be determined on an annual basis by the shareholders of the Company at the Annual General Meeting.

**Executive Management**

The annual remuneration of the executive management (CEO and CFO) is NOK 6,000,000 and NOK 2,500,000, respectively, plus an additional variable pay of up to 100% of base salary. The remuneration structure comprises primary salaries including variable pay, bonus, insurance cover, company-provided phones and other benefits which are of minor nature.

**Benefits Upon Termination of Employment**

There are no agreements between the Company and members of the Executive Management or the Board of Directors providing for benefits upon termination of employment, except for the CEO who has a contractual right to three months' severance pay following the notice period.

**Loans and Guarantees**

Except for the Incentive Program set out below, the Company has not provided any guarantees, or granted any loans or made any other similar commitments to any member of the Board of Directors or the Executive Management.

In connection with the Company's admission to trading on Euronext Growth (Oslo), the Company implemented an incentive program for leading employees in the Company that was carried out in conjunction with the Private Placement, pursuant to which certain leading employees in the Company subscribed for shares in the Company's wholly owned subsidiary, Aker Horizons Holding, which may be exchanged into shares in the Company after expiry of a three year lock-up period, or sold to the Company for the corresponding cash value (the "**Incentive Program**"). For more information on the Incentive Program, please see section 11.11.

## 11.4 Shares and Options held by Members of the Board of Directors and Executive Management

The table below sets forth the number of Shares beneficially owned by each of the Company's members of the Board of Directors and Executive Management as of the day of this Prospectus.

| | Position | Shareholding in the Company | Options etc. |
|---|---|---|---|
| Øyvind Eriksen | Chairman | 285,714[(1)] | 0 |
| Kjell Inge Røkke | Director | 0[(2)] | 0 |
| Lone Fønns Schrøder | Director | 0 | 0 |
| Lise Kingo | Director | 0 | 0 |
| Auke Lont[(3)] | Director | 0 | 0 |
| Kristian Røkke | CEO | 0[(4)] | 0 |
| Nanna Tollefsen | CFO | 0[(5)] | 0 |

(1) Excluding indirect ownership through his indirect holding of 219,072 shares in Aker ASA, the parent of Aker Capital, and 100,000 B-shares in TRG Holding AS.
(2) Kjell Inge Røkke is however the ultimate beneficial owner of Aker Capital, the Company's majority shareholder, and thereby holds a controlling indirect ownership interest in the Company.
(3) Directorship will take effect on 1 August 2021.
(4)Excluding indirect ownership through his indirect holding of 1,056 shares in The Resource Group TRG AS the indirect majority owner of Aker and 4,054 shares in Aker, the parent of Aker Capital. Has however subscribed for shares in Aker Horizons Holding AS which may be exchanged in to 952,380 Shares in the Company, pursuant to the Incentive Program as further described in section 11.11 "Employees".
(5) Excluding indirect ownership through her holding of 1,160 shares in Aker ASA, the parent of Aker Capital. Has however subscribed for shares in Aker Horizons Holding which may be exchanged in to 190,476 Shares in the Company, pursuant to the Incentive Program as further described in section 11.11 "Employees".

Aker ASA, through its direct and/or indirect ownership in the Company, is subject to a six-month lock-up period on any Shares in the Company, following the first day of trading of the Company's shares on Euronext Growth (Oslo), 1 February 2021. The lock-up undertaking is subject to certain customary exemptions, such as upon the Managers' prior approval.

## 11.5 Disclosure of Conflicts of Interests

Chairman of the board, Øyvind Eriksen and board member Kjell Inge Røkke, are both representing Aker on the board. Øyvind Eriksen is also the CEO of Aker ASA hold various board positions within the Aker group. Board member Kjell Inge Røkke is also a board member of Aker and controls a number of entities which from time to time may be involved in commercial transactions with entities within the Group. Kjell Inge Røkke is the ultimate beneficial owner of Aker Capital, the Company's majority shareholder, and thereby holds a controlling indirect ownership interest in the Company. Furthermore, the Company's CEO Kristian Røkke also hold various board positions within the Aker group. There may therefore be actual or potential conflicts of interest between the Company and such members of the Board of Directors and Executive Management.

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the members of the Board of Directors and members of the Executive Management.

## 11.6 Disclosure About Convictions in Relation to Fraudulent Offences

During the last five years preceding the date of this Prospectus, no member of the Board of Directors or the Executive Management has:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his capacity as a founder, director or senior manager of a company.

## 11.7 Nomination Committee

The Company's Articles of Association provide for a nomination committee composed of minimum 2 members who are elected by the General Meeting. The nomination committee is responsible for nominating the members of the Board of Directors and the nomination committee. The nomination committee of the Company comprises of the following members: Svein Oskar Stoknes (chair) and Ingebret Hisdal.

## 11.8 Audit Committee

The Company has an audit committee, currently comprising of board member Lone Fønss Schrøder. The primary purposes of the audit committee are to:

- carry out preparatory work for the Board of Directors' monitoring of the financial reporting,
- monitor the Company's systems for internal control and risk management, and the Company's internal audit function ,if applicable,
- maintain regular contact with the Company's elected auditor in respect of the statutory audit of the annual accounts, and
- review and monitor the independence of the statutory auditor, and in particular the extent to which services other than statutory audit provided by the auditor or audit firm represent a threat to the auditor's independence.

The audit committee reports and makes recommendations to the Board of Directors, but the board of directors retains responsibility for implementing such recommendations. Lone Fønss Schrøder has relevant qualifications within accounting/auditing.

## 11.9 Remuneration Committee

The Company has established a remuneration committee currently comprising of board member Øyvind Eriksen.

The primary purpose of the remuneration committee is to assist and facilitate the decision making of the Board of Directors in matters relating to the remuneration of the Executive Management of the Company, reviewing recruitment policies, career planning and management development plans, and prepare matters relating to other material employment issues in respect of the Executive Management.

The remuneration committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

## 11.10 Corporate Governance

The Company's corporate governance principles are based on, and comply with, the Norwegian Code of Practice, with the following exceptions:

- The general meeting is chaired by the Chairman of the Board or an individual appointed by the Chairman of the Board. Having the Chairman of the Board or a person appointed by him chairing the general meetings simplifies the preparations for the general meetings significantly. In the company's experience, its procedures for the chairmanship and execution of general meetings have proven satisfactory.
- The shareholders are invited to vote on the composition of the Board of Directors proposed by the nomination committee as a group, and not on each Board Member separately, as it is important to the Group that the Board of Directors of the Company works in the best possible manner as a team and that the background and competence of the Board Members complement each other.
- The Company encourages shareholders to attend the general meeting. It is also the intention to have representatives of the Board of Directors and the chairman of the nomination committee to attend the general meeting. The company will, however, normally not have the entire board attend the meeting as this is considered unnecessary. This represents a deviation from the Norwegian Code of Practice which states that arrangements shall be made to ensure participation by all directors.
- The Company does not have separate guidelines on how to respond in the event of a takeover bid. The Norwegian Code of Practice recommends the adoption of such guidelines. Through his privately held TRG holding companies, Kjell Inge Røkke is the ultimate beneficial owner of Aker Capital, the Company's majority shareholder, and thereby holds a controlling indirect ownership interest in the Company. In view of this, the Board of Directors has deemed separate takeover guidelines as recommended by the Norwegian Code of Practice to be unnecessary.

## 11.11 Employees

**Employees**

As of 31 December 2020, the Company did not have any employees as it was not yet part of the Group. As of the same date, ACC, AOW and Aker Horizons Holding jointly had 54 employees (not including hired-ins).

**Share Incentive Program for Employees in Aker Horizons**

In connection with the Private Placement, certain of the Company's employees were also offered to subscribe for new shares in the Company (the "**Employee Offering**"). A total of 322,088 new shares were subscribed and allocated in the Employee Offering (the "**Employee Shares**") at the offer price of NOK 35 per share in the Private Placement, less a 25 percent discount due to lock-up restrictions. Furthermore, as part of an incentive program for leading employees in the Company carried out in conjunction with the Private Placement, certain leading employees in the Company[31] have subscribed for shares in the Company's wholly owned subsidiary, Aker Horizons Holding, which may be exchanged into 1,666,665 shares in the Company after expiry of a three year lock-up period, or sold to the Company for the corresponding cash value (the "**Incentive Program**"). The Company may also require such shares in Aker Horizons Holding to be exchanged into Shares in the Company after four (4) years. The shares subscribed in Aker Horizons Holding pursuant to the Incentive Program were subscribed at the offer price corresponding to NOK 35 per share in the Company the Private Placement, less a 25 percent discount due to lock-up restrictions, and were partly funded through a loan arrangement offered as a part of the Incentive Program.

[31] Kristian Røkke, Nanna Tollefsen, Karl Petter Løken, Erik Otto Nyborg

## 12. RELATED PARTY TRANSACTIONS

*This Section provides information on certain transactions which the Company is, or has been, subject to with its related parties since its incorporation and up to the date of this Prospectus. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Company pursuant to IAS 24 "Related Party Disclosures".*

In addition to the Internal Reorganisation, the Company has entered into the following related party transactions since its incorporation and up to the date of this Prospectus:

### 12.1 Acquisition of shares in ACC and AOW from Aker and Aker Kværner Holding AS

On 22 December 2020, Aker Horizons Holding acquired 94,565,292 shares in AOW and 94,565,292 shares in ACC in addition to the shares already held in each of the companies, through a series of transactions that took place on the same date. The transfers were made as a result of the dissolution of Aker Kværner Holding AS and increased Aker Horizons Holding's ownership in each of ACC and AOW to 51%, respectively. The transactions were completed as follows:

First, 77,233,530 shares in AOW and 77,233,530 shares in ACC were transferred from Aker Kværner Holding AS to Aker, partly as a sale and partly as a distribution of dividend in kind. Secondly, 94,565,292 shares in AOW and 94,565,292 shares in ACC, consisting of the shares received from Aker Kværner Holding AS and previously owned shares, were transferred from Aker to Aker Capital as a contribution in kind in connection with a share capital increase. Finally, 94,565,292 shares in AOW and 94,565,292 shares in ACC were transferred from Aker Capital to Aker Horizons Holding, partly as a sale and partly as a contribution in kind in connection with a share capital increase. All transactions were executed at a price corresponding to the closing price per share in each of ACC and AOW on Euronext Growth (Oslo) on 21 December 2020.

### 12.2 The Convertible Bond Issue

Aker Capital, the Company's majority shareholder, holds bonds issued by the Company under the Convertible Bond Issue on 5 February 2021 for NOK 1,200 million of a total issue of NOK 1,500 million. Please refer to Section 9.6.2 "Borrowings" for more details on the Convertible Bond Issue.

### 12.3 The Shareholder Loan

As part of the Internal Reorganisation, the Company obtained an unsecured shareholder loan from Aker Capital in the amount of NOK 2,000 million. Please refer to Section 9.6.2 "Borrowings" for more details on the Shareholder Loan.

### 12.4 Internal Management Agreement

The Company will assess the need for entering into a cooperation and shared services agreement with Aker Horizons Holding for financing and accounting services, business development and M&A support and other support functions. Any such agreement(s) between the companies will be entered into on an arm's length basis.

### 12.5 ACH Transaction

On 8 March 2021, ACH acquired 100% of the shares in Aker Clean Hydrogen Holding AS ("**Aker Clean Hydrogen Holding**") from Aker Horizons Holding through a contribution in kind transaction settled by 500 million new shares issued by ACH. The transaction was prices at market terms in conjunction with the pricing obtained in the private placement described below.

On 8 March 2021, ACH completed a private placement of 187,500,000 new shares towards certain new investors, raising gross proceeds of approximately NOK 3,000 million (NOK 2,500 million excluding shares allocated to Aker Horizons Holding). The net proceeds of approximately NOK 2,933 million will be used to support the strong growth in ACH, in particular to fund capital requirements in the current portfolio of projects and prospects and to accelerate the development of pipeline and opportunities to projects and for general corporate purposes. The new Shares issued in the private placement were delivered to the subscribers on 11 March 2021. At the same time, the shares in ACH was admitted to trading on Euronext Growth (Oslo). Upon completion of the private placement, Aker Horizons Holding's ownership in ACH was reduced from 100% to 77.2%.

### 12.6 Related Party Transactions in the Carve-out Combined Financial Statements for the years 2018 - 2020

The table below presents a summary of all transactions and balances with significant parties of the Group for the years ended 31 December 2018 - 2020. Further information may be found in note 20 of the Combined Group's Carve-out Combined Financial Statements. See note 21 Management remuneration in the Carve-out Combined Financial Statements for remuneration to key management.

| Related party transactions | Year ended 31 December | | |
|---|---|---|---|
| *Amounts in NOK thousand* | 2020 | 2019 | 2018 |
| **Income statement** | | | |
| Revenues[1] | 1,704 | - | - |
| Operating expenses[2] | (46,201) | 7 | 337 |
| Interest income[3] | 486 | - | - |
| Interest expense[4] | (2,715) | - | - |
| | - | - | - |
| **Balance sheet** | - | - | - |
| Interest-bearing receivables[5] | 24,867 | - | - |
| Trade and other receivables[6] | 8,762 | - | - |
| | | | |
| Non-current borrowings[7] | (1,000,000) | - | - |
| Current borrowings[8] | (183,650) | - | - |
| Trade and other payables[9] | (35,751) | 7 | 337 |

1) The majority of revenues from related parties stemmed from NOK 1,539 thousand in revenues from associates of AOW. The remaining NOK 165 thousand stemmed from revenues in AOW from parties related to Aker.
2) Operating expenses are costs related to shared services agreements with Aker Solutions, see section 12.1, 12.2, 12.4 and 12.9 for further details.
3) Interest income solely consisted of income from associates of AOW.
4) Interest expenses solely consisted of Aker Horizons' interest expenses to Aker entities.
5) Interest-bearing receivables are solely related to a short-term shareholder loan from AOW to its associate KFWind.
6) Trade and other receivables consist of NOK 907 thousand from parties related to Aker to AOW, NOK 1,539 thousand from AOW associates and lastly NOK 6,316 thousand from AOW's joint venture Redwood Coast Offshore Wind LLC for payments made on behalf of the joint venture.
7) Non-current borrowings consist of NOK 650,000 thousand of cash proceeds received from lender and NOK 350,000 of seller's credit related to the Internal Reorganisation.
8) Current borrowings of NOK 183,650 is a loan from Aker Capital to Aker Horizons Holding related to financing of operations and acquisition of shares in AOW, see Section 12.6 for further details.
9) Trade and other payables consist of NOK 8,369 thousand payable to Aker entities, and NOK 27,382 thousand payable to parties related to Aker. The majority of the balance, NOK 21,909 thousand, was payable by AOW to related parties to Aker.

## 13. DIVIDEND AND DIVIDEND POLICY

*This Section provides information about the dividend policy and dividend history of the Company, as well as certain legal constraints on the distribution of dividends under the Norwegian Public Limited Liability Companies Act (Nw. allmennaksjeloven). Any future dividends declared by the Company will be paid in NOK as this is the currency that currently is supported by Euronext VPS. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.3 " Cautionary Note Regarding Forward-Looking Statements".*

### 13.1 Dividend Policy

As of the date of this Prospectus, the Company is in a growth phase will prioritise re-investing in developing the portfolio companies and pursuing acquisition opportunities. Furthermore, the Company is expected to be restricted from paying dividends in the near-term pursuant to its loan facilities. The Company is restricted from paying dividend to its shareholders pursuant to the Amended RCF, which matures three years from its effective date (i.e. on 29 April 2024) with the Company having the possibility to ask the lenders to extend its commitment for two additional terms of 12 months each beyond the initial three years, subject to certain restrictions. Beyond the growth phase and subject to any applicable dividend restrictions, the Company anticipates to maintain a discretionary dividend policy. There can, however, be no assurance that any dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy.

In deciding whether to propose a dividend and in determining the dividend amount, the Company’s Board of Directors will take into account legal restrictions, as set out in Section 13.3 “Legal Constraints on the Distribution of Dividends”, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

### 13.2 Dividend History

The Company was incorporated in November 2020 and has not yet paid any dividend.

### 13.3 Legal Constraints on the Distribution of Dividends

Dividends may be paid in cash or, in some instances, in kind. The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Unless the Company follows the procedures stipulated in Sections 12-4 and 12-6 of the Norwegian Public Limited Liability Companies Act in respect of reduction of share capital, dividends are payable only out of distributable equity of the Company. Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that a company may only distribute dividends to the extent that the company following the distribution still has net assets which provide coverage for the company's share capital and other non-distributable reserves.

- Certain items shall be deducted from the distributable equity, being the total nominal value of treasury shares which the Company has acquired for ownership or pledge prior to the balance sheet date, and credit and security that, pursuant to Sections 8-7 to 8-9 of the Norwegian Public Limited Liability Companies Act, prior to the balance sheet date fall within the limits of distributable equity, provided that such credit and security have not been repaid or cancelled prior to the resolution date, or a credit to a shareholder to the extent such credit is cancelled by offset in the dividends. In the event the Company after the balance sheet date has carried out any disposals that pursuant to the Norwegian Public Limited Liability Companies Act shall fall within the distributable equity, such disposals shall be deducted from the distributable equity.

- The Company cannot distribute dividends which would result in the Company not having an equity which is adequate in terms of the risk and scope of the Company's business.

- The calculation of dividends shall be on the basis of the balance sheet in the Company's last approved annual financial statements, but the Company's registered share capital at the time of the resolution shall still apply. It is also possible to distribute extraordinary dividends on the basis of an interim balance sheet which is prepared and audited in accordance with the rules for annual financial statements and approved by the General Meeting of the Company. The interim balance sheet date cannot be dated more than six months prior to the resolution by the General Meeting of payment of such extraordinary dividend.

- The amount of distributable dividends is calculated on the basis of the Company's separate financial statements and not on the basis of the consolidated financial statements of the Company and its consolidated subsidiaries.

- Distribution of dividends is resolved by a majority vote at the general meeting of the shareholders of the Company and on the basis of a proposal from the Board of Directors. The general meeting cannot distribute a larger amount than what is proposed or accepted by the Board of Directors.

The Norwegian Public Limited Liability Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 16.1.2 “Non-Resident Shareholders”.

## 14. CORPORATE INFORMATION; SHARES AND SHARE CAPITAL

*The following is a summary of certain corporate information and other information relating to the Group, the Shares and share capital of Company, summaries of certain provisions of the Company's Articles of Association and applicable Norwegian law in effect as of the date of this Prospectus, including the Norwegian Public Limited Liability Companies Act (Nw. allmennaksjeloven). This summary does not purport to be complete and is qualified in its entirety by Company's Articles of Association and applicable Norwegian law.*

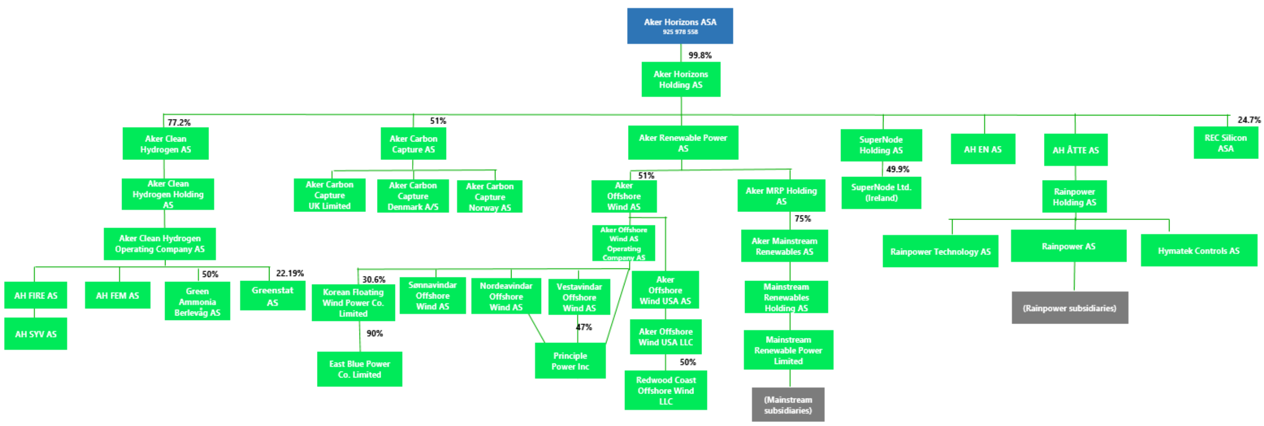
### 14.1 Incorporation; Registration Number; Registered Office and Other Company Information

The Company's legal name is Aker Horizons ASA, and its commercial name is Aker Horizons. The Company is a Norwegian public limited liability company (Nw.: *aksjeselskap* or *AS*), incorporated as a private limited liability company under the laws of Norway and in accordance with the Norwegian Private Limited Liability Companies Act and subsequently converted into a public limited liability company subject to the Norwegian Public Limited Liability Companies Act. The Company's business registration number is 925 978 558 and its LEI is 549300SX4Z9T612Q0N59. The Company was incorporated on 1 November 2020 and converted into a public limited liability company on 21 April 2021.

The head office and registered address of the Company is Oksenøyveien 8, 1366 Lysaker and its website is www.akerhorizons.com. The information on the Company's website does not form part of this Prospectus, unless that information is incorporated by reference to this Prospectus.

### 14.2 Legal Structure

The chart below shows the current legal structure of the Group, excluding dormant companies:




The Company's majority shareholder, Aker Capital, is ultimately beneficially owned by Kjell Inge Røkke, through the following companies: Aker, TRG Holding AS and The Resource Group TRG AS. Mr. Røkke is also a member of the Company's Board of Directors.

### 14.3 Information on Holdings

The following table sets out information about the entities in which the Company, as of the date of this Prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes (dormant companies are not included).

| Name | Country of Incorporation | Holding |
|---|---|---|
| Aker Horizons Holding AS | Norway | 99.8% |
| Aker Renewable Power AS | Norway | 100% |
| Aker Carbon Capture AS | Norway | 51% |
| Aker Carbon Capture UK Limited | UK | 51% |
| Aker Carbon Capture Denmark A/S | Denmark | 51% |

| | | |
|---|---|---|
| Aker Carbon Capture Norway AS | Norway | 51% |
| Aker Offshore Wind AS | Norway | 51% |
| Aker Offshore Wind AS Operating Company AS | Norway | 51% |
| Aker Offshore Wind USA AS | Norway | 51% |
| Korean Floating Wind Power Co. Limited | Korea | 15.6% |
| East Blue Power Co. Limited | Korea | 14% |
| Vestavindar Offshore Wind AS | Norway | 51% |
| Sønnavindar Offshore Wind AS | Norway | 51% |
| Nordavindar Offshore Wind AS | Norway | 51% |
| Principle Power Inc. | USA | 24% |
| Aker Offshore Wind USA LLC | Norway | 51% |
| Red Coast Offshore Wind LLC | USA | 25.5% |
| REC Silicon ASA | Norway | 24.7% |
| Aker MRP Holding AS | Norway | 100% |
| Aker Mainstream Renewables AS | Norway | 75% |
| Mainstream Renewable Power Limited | Ireland | 75% |
| Mainstream Renewables Holding AS | Norway | 75% |
| AH ÅTTE AS | Norway | 100% |
| Rainpower Holding AS | Norway | 100% |
| Rainpower Technology AS | Norway | 100% |
| Rainpower AS | Norway | 100% |
| Hymatek Controls AS | Norway | 100% |
| Rainpower Norge | Norway | 100% |
| Rainpower Hangzhou Co. | China | 100% |
| Rainpower Kristinehamn AB | Sweden | 100% |
| Rainpower Peru S.A.C | Peru | 100% |
| Rainpower Switzerland AG | Switzerland | 100% |
| Rainpower Hydro Enerji ve Ticaret Limited Sirketi | Turkey | 100% |
| SuperNode Holding AS | Norway | 100% |
| SuperNode Ltd. | Ireland | 49.9% |
| Aker Clean Hydrogen AS | Norway | 77.2% |
| Aker Clean Hydrogen Operating Company AS | Norway | 77.2% |
| Aker Clean Hydrogen Holding AS | Norway | 77.2% |
| AH FIRE AS | Norway | 77.2% |
| AH FEM AS | Norway | 77.2% |
| AH Green Ammonia Berlevåg AS | Norway | 38.6% |
| AH SYV AS | Norway | 100% |
| Greenstat AS | Norway | 17.1% |
| Mainstream Nominees Ltd | Ireland | 75% |
| Mainstream Renewable Power Group Finance Ltd | Ireland | 75% |
| International Mainstream Renewable Power Ltd | Ireland | 75% |
| International Mainstream Renewable Power (Offshore) Ltd | Ireland | 75% |
| Andes Mainstream SpA | Chile | 75% |
| AR Ckani SpA | Chile | 75% |
| AM Eólica San Manuel SpA | Chile | 75% |
| AR Coihue SpA | Chile | 75% |
| AM Eólica Laguna Verde SA | Chile | 75% |
| Agua Verde Eólica SpA | Chile | 75% |
| Estancia Solar SpA | Chile | 75% |
| AM Limonares SpA | Chile | 75% |
| Minera Santa Julia SpA | Chile | 75% |
| Rio Escondido Solar SpA | Chile | 75% |
| Santa Marta Solar SpA | Chile | 75% |
| Andes Mainstream Renewable Power II | Spain | 75% |

| | | |
|---|---|---|
| MRP Generacion SpA | Chile | 75% |
| Colombia Mainstream Renewable Power SL | Spain | 75% |
| Andes Pacific Mainstream Renewable Power III | Spain | 75% |
| Mainstream Colombia S.A.S. | Colombia | 75% |
| Bicali Investments S.L. | Spain | 75% |
| Denef Investments S.L. | Spain | 75% |
| Huemul Inversiones SpA | Chile | 75% |
| Copihue Iversiones SpA | Chile | 75% |
| Condor Inversiones SpA | Chile | 75% |
| Copihue Energia SpA | Chile | 75% |
| Condor Energia SpA | Chile | 75% |
| Cophiue Energia SpA | Chile | 75% |
| AR Caman SpA | Chile | 75% |
| AR Escondido SpA | Chile | 75% |
| AR Cerro Tigre SpA | Chile | 75% |
| AR Alena SpA | Chile | 75% |
| AR Tchamma SpA | Chile | 75% |
| Huemul Energi SpA | Chile | 75% |
| AR Pampa SpA | Chile | 75% |
| AR Valle Escondido | Chile | 75% |
| AR Alto Loa Spa | Chile | 75% |
| AR Puelche Sur SpA | Chile | 75% |
| AR Llanos del Viento SpA | Chile | 75% |
| Canada Mainstream Renewable Power Ltd | Canada | 75% |
| Shady Oaks Windfarm LLC | USA | 75% |
| Boone County LLC | USA | 75% |
| GSG 5 LLC | USA | 75% |
| Luceme Wind Farm Inc | USA | 75% |
| Luceme Wind Farm Phase 1 Inc | USA | 75% |
| US Mainstream Renewable Power Inc. | USA | 75% |
| Luxembourg Mainstream Childe Holdings S.a.r.l. | Luxembourg | 75% |
| Mainstream Renewable Power Malta Holdings Ltd | Malta | 75% |
| Aquila Renewable Ltd | UK | 30% |
| Luxembourg Mainstream Chile Mezzanine S.a.r.l. | Luxembourg | 75% |
| Liguria 1 Limited | Mauritis | 30% |
| Luxembourg Mainstream Green River Phase 2 | Luxembourg | 75% |
| Luxembourg Mainstream Green River Phase 1 | Luxembourg | 75% |
| Mainstream Renewable Power Group Treasury Ltd | Ireleand | 75% |
| Luxembourg Mainstream Renewable Power S.a.r.l. | Luxembourg | 75% |
| South Africa MRP Developments (Pty) Ltd | South Africa | 75% |
| Graskoppies Wind (Pty) Ltd | South Africa | 75% |
| South Africa MRP De Aar PV2 (Pty) Ltd | South Africa | 75% |
| South Africa Mainstream Douglas Solar (Pty) Ltd | South Africa | 75% |
| South Africa Mainstream Droogfontein PV 3 (Pty) Ltd | South Africa | 75% |
| Waaihoek Wind Farm (Pty) Ltd | South Africa | 75% |
| Dwarsrug Wind Farm (Pty) Ltd | South Africa | 75% |
| Koeris Wind (Pty) Ltd | South Africa | 75% |
| Mainstream Renewable Power Mexico Holdings B.V. | Netherlands | 75% |
| Energias Renovables de Durango S. de R.L. de C.V. | Mexico | 45% |
| Mainstream Renewable Power Mexico S. de R.L. de C.V. | Mexico | 75% |
| Mainstream Renewable Power Offshore Holdings Ltd | Ireland | 75% |

| | | |
|---|---|---|
| Mainstream Asset Management South Africa (Pty) Ltd | South Africa | 75% |
| Chile Mainstream Ren. Power Construction SpA | Chile | 75% |
| Mainstream Renewable Power Vietnam LLC | Vietnam | 75% |
| Supply Lite Ireland Ltd | Ireland | 75% |
| Caherciveen Holdings Ltd | Ireland | 75% |
| Mainstream Renewable Power Ireland Developments Ltd | Ireland | 75% |
| Mainstream Renewable Power Africa Holdings Ltd | Ireleand | 25.5% |
| Lekela Power B.V. | Netherlands | 10.2% |
| Luxembourg Mainstream Africa Holdings Sarl | Luxembourg | 75% |
| Mainstream Renewable Power Mezzanine Finance DAC | Ireland | 75% |
| Electrifying Africa Ltd | Ireland | 75% |
| Mainstream Renewable Power Services Ltd | Ireland | 75% |
| Mainstream Renewable Power Trade Finance DAC | Ireland | 75% |
| UK Mainstream Renewable Power Ltd | UK | 75% |
| Horizont I Development GmBH | Germany | 75% |
| Horizont II Development GmBH | Germany | 75% |
| Horizont III Development GmBH | Germany | 75% |
| Mainstream Renewable Power Philippines Holdings BV | Netherlands | 75% |
| Cornerstone Energy Development Inc | Philippines | 30% |
| MRP Philippines Services Corporation | Philippines | 30% |
| Mainstream Renewable Power Australia Pty Ltd | Australia | 75% |
| Mainstream Phu Cuong Company Ltd | Vietnam | 52.5% |
| MRP Ben Tre Holdings 1 Pte. Ltd. | Singapore | 75% |
| MRP Ben Tre Holdings 2 Pte. Ltd. | Singapore | 75% |
| MRP Dak Nong Holdings 1 Pte. Ltd. | Singapore | 75% |
| MRP Dak Nong Holdings 1 Pte. Ltd. | Singapore | 75% |
| Mainstream Renewable Power Asia Holdings Pte Ltd | Singapore | 75% |

## 14.4 Share Capital and Share Capital History

As of the date of this Prospectus, the Company's share capital is NOK 580,750,658 divided into 580,750,658 Shares, fully paid and each Share having a par value of NOK 1. The Shares have been issued under Norwegian limited liability companies law and are registered on the Company's ISIN NO 001 0921232 with Euronext VPS in book-entry form.

The table below shows the development in the share capital of the Company since 1 September 2020 and up to the date of this Prospectus.

| | Date | Capital Increase (NOK) | Share Capital After Change (NOK) | Par Value of Shares (NOK) | Subscription Price per Share (NOK) | New Shares | Total Number of Outstanding Shares |
|---|---|---|---|---|---|---|---|
| Incorporation | 1 November 2020 | 30,000 | 30,000 | 10 | 10 | 3,000 | 3,000 |
| Capital reduction | 19 January 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contribution in kind | 19 January | 8,960,595,289 | 450,000,000 | 1 | 19.91243397556 | 450,000,000 | 450,000,000 |
| Private Placement | 27 January 2021 | 118,571,428 | 568,571,428 | 1 | 35 | 118,571,428 | 568,571,428 |
| Private Placement | 27 January 2021 | 322,088 | 568,893,516 | 1 | Between 22 and 27 | 322,088 | 568,893,516 |

## 14.5 Authorisation to Increase the Share Capital and to Issue Shares and Other Financial Instruments

In an extraordinary general meeting in the Company held on 27 January 2021, the Company's Board of Directors was granted two authorisations to increase the share capital of the Company. One authorisation relates to the greenshoe option granted to the Managers in the Private Placement, limited to an increase in the share capital of NOK 11,857,142, which was exercised on 17 February 2021. The other authorisation is not restricted to a specific purpose, but is limited to a total increase of up to NOK 113,778,703, corresponding to 20% of the Company's current share capital. The Board of Directors may set aside the shareholders' pre-emptions right for subscription of shares pursuant to the Norwegian Public Limited Liability Companies Act Section 10-2, when resolving to issue new shares pursuant to the authorisations. Both authorisations expire at the annual general meeting in 2022.

## 14.6 Share Classes; Rights Conferred by the Shares

The Company has a single share class and all Shares carry the same rights. At the Company's General Meetings, each share carries one vote.

## 14.7 Disclosure on Notifiable Holdings

As of 19 May 2021, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

| | % |
|---|---|
| Aker Capital AS | 79.9% |

None of the major shareholders have different voting rights than the other shareholders of the Company.

The Company is not aware of any arrangements, the operation of which may at a date subsequent to the date of this Prospectus result in a change of control in the Company.

As the Company has a majority shareholder controlling approximately 80% of the Company's Shares, which also controls a number of entities which from time to time may be involved in commercial transactions with entities within the Group, the Company has implemented certain principles on related party transactions to ensure that such control is not abused in respect of minority shareholders. Any agreement or transaction between the Company and a related party will be entered into on the basis of arm's length commercial principles. In addition, minority shareholders are protected from abuse by relevant regulations in e.g. the Norwegian Securities Trading Act and the Norwegian Public Limited Liability Act.

## 14.8 Articles of Association

The Articles of Association are appended as Appendix B — Articles of Association to this Prospectus. Below is a summary of certain provisions of the Articles of Association. The Company's Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company.

**Objective**

Pursuant to Section 2 of the Articles of Association, the Company's objective is to, by itself or together with other parties, invest in and develop companies and businesses within energy, climate- and environmental solutions, and infrastructure, and associated technology, goods and services.

**No Restrictions on Transfer of Shares**

The Articles of Association do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors.

**General Meetings**

Pursuant to Section 5 of the Articles of Association, documents which deal with matters that are to be considered by the shareholders at General Meetings are not required to be sent to the shareholders, provided that such documents have been made available on the Company's website. A shareholder may in any case request such documents to be sent to him.

## 14.9 Certain Aspects of Norwegian Company Law

**General Meetings**

In accordance with Norwegian law, the Annual General Meeting of the Company's shareholders is required to be held each year on or prior to June 30. Norwegian law requires that written notice of General Meetings setting forth the time, date and agenda of the meeting be sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. A shareholder may vote at the General Meeting either in person or by proxy. Although Norwegian law does not require the Company to send proxy forms to its shareholders for General Meetings, the Company plans to include a proxy form with notices of General Meetings. All of the Company's shareholders who are registered in the register of shareholders maintained with Euronext VPS as of the date of the General Meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at General Meetings, without any requirement of pre-registration.

Apart from the Annual General Meeting, Extraordinary General Meetings of shareholders may be held if the Board of Directors considers it necessary. An Extraordinary General Meeting of shareholders must also be convened for the consideration of specific matters at the written request of the Company's auditor or of shareholders representing a total of at least 5 per cent of the Company's share capital. The requirements for notice and admission to the Annual General Meeting of the Company's shareholders also apply for Extraordinary General Meetings of shareholders.

**Voting Rights; Amendments to the Articles of Association**

Each of the Company's Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law or the Company's Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to derogate from the shareholders preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the board of directors to purchase the Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company’s shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90 per cent of the share capital represented at the general meeting of the Company’s shareholders in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the Articles of Association.

In general, only shareholders registered in Euronext VPS are entitled to vote on Shares. Neither beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote on Shares under Norwegian law, nor are persons who are designated in the VPS register as the holder of such Shares as nominees. Thus, beneficial owners of the Shares that are registered in a nominee account may not be able to vote for such Shares unless their ownership is (a) re-registered in their names with Euronext VPS prior to the Company’s general meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided in the Articles of Association in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their Shares through a nominee arrangement should consult the nominee to ensure that any Shares beneficially held are voted for in the manner desired by such beneficial owner.

There are no quorum requirements that apply to the general meetings of the shareholders of the Company.

**Additional Issuances and Preferential Rights**

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to its Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a General Meeting of the Company's shareholders passed by the same vote required to approve amending the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

At a General Meeting, the Company's shareholders may, by the same vote as is required for amending the Articles of Association, authorise the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the par value of the Shares to be issued may not exceed 50 per cent of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve, and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the par value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's US shareholders may not be able to exercise their preferential rights. If a US shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company if deemed appropriate by the Company.

**Minority Rights**

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of General Meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the General Meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may require the courts to dissolve the Company as a result of such decisions. Minority shareholders holding 5 per cent or more of the Company's share capital have a right to demand in writing that the Company's Board of Directors convene an Extraordinary General Meeting of the Company's shareholders to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any General Meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if at least two weeks remain before the General Meeting is to be held.

**Rights of Redemption and Repurchase of Shares**

The share capital of the Company may be reduced by reducing the par value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a General Meeting of the Company's shareholders. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a General Meeting of the Company's shareholders with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate par value of treasury shares so acquired, and held by the Company must not exceed 10 per cent of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the General Meeting of the Company's shareholders cannot be granted for a period exceeding 24 months.

**Shareholder Vote on Certain Reorganisations**

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the General Meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the General Meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders at least one month prior to the General Meeting of the Company's shareholders to pass upon the matter.

**Liability of Directors**

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the directors act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the General Meeting of the Company's shareholders to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the General Meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Company's directors from liability or not to pursue claims against such a person has been passed by a General Meeting of the Company's shareholders with a smaller majority than that required to amend the Company's Articles of Association, shareholders representing more than 10 per cent of the share capital or, if there are more than 100 shareholders, more than 10 per cent of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's directors from liability or not to pursue claims against the Company's directors is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

**Indemnification of Directors**

Neither Norwegian law nor the Articles of Association contain any provision concerning indemnification by the Company of the members of the Board of Directors. The Company is permitted to purchase, and has purchased, insurance to cover the Company's directors against certain liabilities they may incur in their capacity as such.

**Distribution of Assets on Liquidation**

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the General Meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital by the Company, if any.

## 15. SECURITIES TRADING IN NORWAY

*The following is a summary of certain information in respect of trading and settlement of shares on the Oslo Stock Exchange, securities registration in Norway and certain provisions of applicable Norwegian securities law, including the Norwegian Securities Trading Act, in effect as of the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be complete and is qualified in its entirety by Norwegian law. Shareholders who wish to clarify the aspects of securities trading in Norway should consult with and rely upon their own advisors.*

### 15.1 Introduction

As a company listed on Oslo Børs, Aker Horizons is subject to certain duties to inform the market under the Stock Exchange Regulations, the EU Market Abuse Regulation ("**MAR**") and the insider trading regulation of Chapter 3 of the Securities Trading Act. Furthermore, the Company is subject to Norwegian securities regulations and supervision by the relevant Norwegian authorities.

### 15.2 Trading and Settlement

The Oslo Stock Exchange comprise three separate trading markets for trading in equities, Oslo Børs, a stock exchange operated by Oslo Børs ASA, Euronext Expand, a regulated market operated by Oslo Børs ASA, and Euronext Growth (Oslo), a multilateral trading facility operated by Oslo Børs ASA. Official trading on the Oslo Stock Exchange takes place between 9:00 a.m. CET and 16:30 p.m. CET each trading day. The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in Euronext VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

### 15.3 Information, Control and Surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and the bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, implementing the EU Market Abuse Directive, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company. Inside information means precise information about financial instruments, the issuer thereof or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market. A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

### 15.4 Euronext VPS and Transfer of Shares

The Company's shareholder register is operated through Euronext VPS. Euronext VPS is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. Euronext VPS and the Oslo Stock Exchange are both wholly owned by Euronext Nordics Holding AS.

All transactions relating to securities registered with Euronext VPS are made through computerised book entries. No physical share certificates are, or may be, issued. Euronext VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in Euronext VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association or otherwise.

Euronext VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside Euronext VPS's control which Euronext VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by Euronext VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

Euronext VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from Euronext VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

## 15.5 Shareholder Register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in Euronext VPS through a nominee. However, foreign shareholders may register their shares in Euronext VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in Euronext VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote in general meetings on behalf of the beneficial owners.

## 15.6 Foreign Investment in Shares listed in Norway

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

## 15.7 Disclosure Obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

## 15.8 Insider Trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, a multilateral trading facility or an organised trading facility, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in the EU Market Abuse Regulation Article 7. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

## 15.9 Mandatory Offer Requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than 1/3 (with a repeated obligation at 40% and at 50%) of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than 1/3 of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated Company that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

### 15.10 Compulsory Acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

### 15.11 Foreign Exchange Controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with Euronext VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

## 16. NORWEGIAN TAXATION

*This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes ("**Foreign Shareholders**"), as well as certain US Federal income tax considerations. The statements herein regarding taxation are based on the laws in force in Norway and the US as of the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

### 16.1 Norwegian Taxation

#### 16.1.1 Norwegian Shareholders

**Taxation of Dividends**

Norwegian corporate shareholders (i.e. limited liability companies and similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are subject to the Norwegian tax exemption method. Under the exemption method, only 3% of the dividend income on shares in Norwegian limited liability companies shall be taxed as ordinary income (22% flat rate), implying that such dividends are effectively taxed at a rate of 0.66%.%. For financial institutions resident in Norway for tax purposes the tax rate for ordinary income is 25%, resulting in an effective tax rate for dividends of 0.75%.

Dividends distributed to Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian Corporate Shareholders) ("**Norwegian Individual Shareholders**" and taken together with Norwegian Corporate Shareholders "**Norwegian Shareholders**") are taxable under the "shareholder model". According to the shareholder model, dividends distributed to individual shareholders are multiplied with a factor of 1.44 before taken to taxation at the ordinary income rate of 22% (resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a basic tax-free allowance.

The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owing the share on 31 December of the relevant income year. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share ("**Unused Allowance**") may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same share. Any Unused Allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

Norwegian Individual Shareholders may hold the Shares through a Norwegian share saving account (*Nw. aksjesparekonto*). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective tax rate of 31.68%. Norwegian Individual Shareholders will still be entitled to a calculated tax-free allowance. Please refer to the Section "Taxation of Capital Gains" below for further information in respect of share saving accounts.

**Taxation of Capital Gains**

Sale, redemption or other disposal of shares is considered as a realization for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realisation of shares in Norwegian limited liability companies are subject to the Norwegian tax exemption method and therefore tax exempt. Net losses from realisation of shares and costs incurred in connection with the purchase and realisation of such shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains on the realization of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realized. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. Any gains or losses are also multiplied with a factor of 1.44 before taken to taxation at the tax rate for ordinary income of 22% (resulting in an effective tax rate of 31.68%). Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a share may not be set off against gains from realization of other shares.

If Norwegian Shareholders realizes shares acquired at different point of time, the shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss.

Gains derived from the realisation of shares held through a share saving account will be exempt from immediate Norwegian tax and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Individual Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 31.68%. Norwegian Individual Shareholders will be entitled to a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income (please see Section "Taxation of Dividends" above). The tax-free allowance is calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account or future dividends received on shares held through the account.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances

**Net Wealth Tax**

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 0.85%. Norwegian limited liability companies and similar entities are exempted from net wealth tax.

Shares listed on the Oslo Stock Exchange are valued at 55% of the quoted value at 1 January in the assessment year. The value of debt allocated to the shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 55%).

Norwegian Corporate Shareholders are not subject to net wealth tax.

**VAT and Transfer Taxes**

No VAT, stamp duty or similar duties are currently imposed in Norway on the transfer or issuance of shares.

**Inheritance Tax**

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

### 16.1.2 Non-Resident Shareholders

**Taxation of Dividends**

Dividends paid from a Norwegian limited liability company to shareholders that are not resident in Norway for tax purposes ("**Foreign Shareholders**") are subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. Norway has entered into tax treaties with a number of countries and withholding tax is normally set at 15% under these treaties. The shareholder's home country may give credit for the Norwegian withholding tax imposed on the dividend.

Foreign corporate shareholders (i.e. limited liability companies and similar entities) ("**Foreign Corporate Shareholders**") which are genuinely established and carry out genuine economic activities within the EEA are not subject to Norwegian withholding tax.

Dividends paid to foreign individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders) ("**Foreign Individual Shareholders**") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, see Section "Taxation of Dividends" above. However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

Foreign Individual Shareholders resident in the EEA for tax purposes may hold the Shares through a Norwegian share saving account (*Nw. aksjesparekonto*). Dividends received on Shares held through a share saving account by Foreign Individual Shareholders resident in the EEA will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the Non-Norwegian Personal Shareholder's paid in deposit, will be subject to withholding tax at a rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains realised upon realisation of shares held through the share saving account are proposed regarded as paid in deposits, which may be withdrawn without taxation.

Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax. The Government has announced that the proposed rules may be subject to changes.

In accordance with the present administrative system in Norway, the withholding obligation lies with the company distributing the dividends and the Company assumes this obligation. A Foreign Shareholder that is entitled to an exemption from or reduction of withholding tax on dividends, may request that the exemption or reduction is applied at source by the distributing company. Such request must be accompanied by satisfactory documentation which supports that such Foreign Shareholder is entitled to a reduced withholding tax rate. Please refer to the tax authorities' web page for more information about the requirements: https://www.skatteetaten.no/en/business-and-organisation/start-and-run/rutiner-regnskap-og-kassasystem/lonn-lan-og-utbytte/dividends-from-norwegian-companies-to-foreign-shareholders---documentation-requirements-for-reduced-withholding-tax-rate/.

The supplier of the account will have the obligation to deduct and report withholding tax on shares held through a saving account.

Foreign Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

**Taxation of Capital Gains**

Gains from realisation of shares by Foreign Shareholders will not be subject to tax in Norway unless the Foreign Shareholders are holding the shares in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

Please refer to Section "Taxation of Dividends" above for a description of the availability of a Norwegian share saving accounts.

**Net Wealth Tax**

Foreign Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the Foreign Shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

### 16.1.3 Transfer Taxes etc.; VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, issuance, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

## 17. DOCUMENTS ON DISPLAY

For twelve months from the date of this Prospectus, copies of the following documents will be available for inspection at the Company's registered office during normal business hours from Monday through Friday each week (except public holidays) and at the Company's website www.akerhorizons.com:

- The Articles of Association of the Company.
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus.
- The Company Financial Statements.
- The Carve-out Combined Financial Statements
- This Prospectus.

# 18. ADDITIONAL INFORMATION

## 18.1 Independent Auditors

The Company's independent auditors are KPMG which has their registered address at Sørkedalsveien 6, 0369 Oslo, was elected as the Company's independent auditors in 2021. The partners of KPMG AS are members of The Norwegian Institute of Public Accountants (Nw. *Den Norske Revisorforening*).

KPMG's audit reports on the Company Financial Statements and the Carve-out Combined Financial Statements are included in Appendix A to this Prospectus, together with the Company Financial Statements and the Carve-out Combined Financial Statements. There are no qualifications set out in the report prepared by KPMG.

KPMG has performed assurance procedures in accordance with ISAE 3420 Assurance Engagement to Report on Compilation of Pro Forma Financial Information Included in a Prospectus in order to express an opinion as to whether the Unaudited Pro Forma Condensed Financial Information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Carve-out Combined Financial Statements. The assurance report is included in this Prospectus as Appendix D. There are no qualifications or emphasis of matter set out in the report prepared by KPMG.

Except for the auditor's report on the Company Financial Statements, the Carve-out Combined Financial Statements and the assurance report on the compilation of the Unaudited Pro Forma Condensed Financial Information, KPMG has not audited, reviewed or issued any report on any information in this Prospectus.

## 18.2 Legal Advisors

Advokatfirmaet BAHR AS is acting as legal adviser (as to Norwegian law) to the Company in connection with the Listing.

## 18.3 VPS Registrar

The Company's VPS registrar is DNB Bank ASA (business registration number 984 851 006) which has their registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.

# 19. DEFINITIONS

*Capitalised terms used throughout this Prospectus shall have the meaning ascribed to such terms as set out below, unless the context requires otherwise.*

| | |
|---|---|
| Aela | Aela Energía S.L. |
| Anti-Money Laundering Legislation | The Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324, taken together |
| ACC | Aker Clean Carbon Capture AS |
| ACCN | Aker Carbon Capture Norway AS |
| ACH | Aker Clean Hydrogen AS |
| ACH Transaction | The dilution of the Company's shareholding in ACH was diluted from 100% to approximately 77.2% in connection with ACH's admission to trading on Euronext Growth (Oslo) on 11 March 2021 |
| Aize | Aize AS |
| Aker | Aker ASA |
| Aker Capital | Aker Capital AS |
| Aker Clean Hydrogen Holding | Aker Clean Hydrogen Holding AS |
| Aker ecosystem | The benefits for the Group from the financial and operational capabilities of Aker ASA and the companies Aker is invested in |
| Aker Horizons Holding | Aker Horizons Holding AS |
| Aker Solutions | Aker Solutions ASA together with its subsidiaries |
| AKSO Holding | Aker Solutions Holding AS |
| Amended RCF | The RCF as amended by an amendment and restatement agreement dated 29 April 2021. |
| Articles of Association | The Company's Articles of Association |
| AOW | Aker Offshore Wind AS |
| APMs | Alternative Performance Measures |
| BNEF | Bloomberg New Energy Finance |
| Board of Directors | The Company's board of directors |
| Board Member | Each of the members of the Board of Directors |
| BOEM | Bureau of Ocean Energy Management |
| Carve-out Combined Financial Statements | The Carve-out Combined Financial Statements for the Combined group as of and for the years ended 31 December 2020, 2019 and 2018 prepared in accordance with IFRS. |
| CCUS | Carbon capture, utilisation and storage |
| COD | Commercial operation date |
| Cognite | Cognite AS |
| Combined Group | The business of AOW and ACC and shareholding in REC Silicon under common control by Aker in the periods as of and for the years ended 31 December 2020, 2019 and 2018 |
| Company | Aker Horizons ASA |
| Company Financial Statements | The Company's historical unconsolidated audited financial statements for the period 1 November 2020 to 31 December 2020 |
| Convertible Bond Issue | The unsecured convertible bonds in the amount of NOK 1,500,000,000 issued by the Company on 5 February 2021 |
| CSP | Concentrated solar power |
| DISCO | Distribution companies |
| EDPR | EDP Renováveis S.A |
| EDPR Spain | EDPR Offshore España S.L |
| EDPV | EDP Ventures, SGPS, S.A. |
| EGM | The extraordinary general meeting in the Company held on 20 April 2021 |
| Employee Offering | The offering to certain of the Company's employees to subscribe for new shares in the Company, in connection with the Private Placement. |
| Employee Shares | A total of 322,088 new shares subscribed and allocated in the Employee Offering. |
| EPC phase | Engineering, procurement and construction phase |
| EU Prospectus Regulation | Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are |

| | |
|---|---|
| | offered to the public or admitted to trading on a regulated market, and repealing Directive 20014/71/EC. |
| Euronext VPS | The Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*) |
| Executive Management | The members of the Company's Executive Management. |
| FEED | Front-end engineering design |
| FEED phase | Front-end engineering design phase |
| FID | Final investment decision |
| Foreign Corporate Shareholders | Foreign corporate shareholders (i.e. limited liability companies and similar). |
| Foreign Individual Shareholders | Foreign individual shareholders (i.e. other foreign shareholders than Foreign Corporate Shareholders). |
| Foreign Shareholders | Shareholders who are not resident in Norway for tax purposes |
| Forward-looking Statements | Has the meaning ascribed to it in Section 4.3 "Cautionary Note Regarding Forward-Looking Statements". |
| FSMA | The Financial Services and Markets Act 2000. |
| FTEs | Full-time equivalents |
| Green Bond Issue | The green bonds in the amount of NOK 2,500,000,000 issued by the Company on 3 February 2021 |
| Group | The Company together with its consolidated subsidiaries. |
| Haldor Topsøe | Holder Topsøe A/S |
| HVDC | High-voltage direct current |
| HZI | Hitachi Zosen Inova |
| IAS | International Accounting Standards. |
| IEA | International Energy Agency |
| IFRS | International Financial Reporting Standards as adopted by the EU. |
| Incentive Program | The incentive program for leading employees in the Company that was carried out in conjunction with the Private Placement. |
| Internal Reorganisation | The Company's acquisition of Aker Horizons Holding from Aker Capital through a series of internal transactions, which resulted in the establishment of the current Group |
| IRENA | International Renewable Energy Agency |
| KFWind | Korean Floating Wind Power Co., Ltd |
| KPMG | The Company's independent auditor KPMG AS |
| LCOE | Levelised cost of energy |
| LiDARs | Light detection and ranging systems |
| Mainstream | Mainstream Renewable Power Limited |
| Mainstream Finance | Mainstream Renewable Power Mezzanine Finance DAC |
| Mainstream SPA | The share purchase agreement for the acquisition of all of the shares in Mainstream |
| Mainstream Transaction | The transaction where the Company, through its subsidiary, resulted in the Group owning 75% of the shares in Mainstream |
| Management | The members of the senior management of the Company |
| MAR | EU Regulation No 596/2014 on market abuse (MAR), as amemded |
| MiFID II | EU Directive 2014/65/EU on markets in financial instruments, as amended |
| MiFID II Product Governance Requirements | MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures, together. |
| MoU | Memorandum of Understanding |
| MTU | Mobile test unit |
| M&A | Merger and acquisition |
| Non-Norwegian Shareholders | Shareholders who are not resident in Norway for tax purposes. |
| NGAAP | Norwegian Generally Accepted Accounting Principles |
| Norcem | Norcem AS |
| Norwegian Code of Practice | The Norwegian Corporate Governance Code of 17 October 2018. |
| Norwegian Corporate Shareholders | Norwegian corporate shareholders (i.e. limited liability companies and similar). |
| Norwegian FSA | The Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*) |
| Norwegian Individual Shareholders | Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian corporate shareholders). |
| Norwegian Securities Trading Act | The Norwegian Securities Trading Act of 29 2007 no. 75, as amended. |
| Norwegian Shareholders | Norwegian Corporate Shareholders taken together with Norwegian Individual Shareholders. |

| | |
|---|---|
| Order | The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 |
| Oslo Stock Exchange | Oslo Børs (a stock exchange operated by Oslo Børs ASA), or as the case may be, Euronext Expand (a regulated market place operated by Oslo Børs ASA). |
| p.a. | per annum. |
| PCG | Phu Cuong Group Corporation |
| Prospectus | This prospectus dated 19 May 2021. |
| PPAs | Power purchase agreements |
| PPI | Principle Power Inc |
| Preem | Preem AB |
| Private Placement | The private placement of 118,571,428 new Shares towards certain new investors, raising gross proceeds of approximately NOK 4,16 billion completed by the Company on 27 January 2021 |
| Private Placement and Greenshoe | The Private Placement and related greenshoe option exercised with 11,857,142 new shares at a price per share of 35 NOK, together raising a total gross proceeds of NOK 4.57 billion |
| PV | Photovoltaic |
| Rainpower | Rainpower Holding AS |
| Rainpower Transaction | The Company's acquisition, through its wholly owned subsidiary Aker Horizons Holding, of all of the shares in Rainpower |
| RCEA | Redwood Coast Energy Authority |
| RCF | The revolving credit facility of EUR 170,000,000 (or NOK equivalent), part of the Senior Facilities Agreement. |
| REC ASA | Renewable Energy Corporation ASA |
| REC Silicon | REC Silicon ASA |
| REIPPP | Renewable Energy Independent Power Procurement Programme |
| Regulation S | Regulation S of the U.S. Securities Act. |
| Relevant Member State | Each member state of the EEA which has implemented the EU Prospectus Regulation. |
| REIPPP | Renewable Energy Independent Power Procurement Programme |
| SEC | U.S. Securities and Exchange Commission |
| Senior Facilities Agreement | The EUR 510,000,000 (or NOK equivalent) senior secured multicurrency term and revolving credit facilities agreement dated 18 January 2021 with DNB Bank ASA and Nordea Bank Abp, Filial i Norge as original lenders and the Company as borrower. |
| SDG | The United Nations Sustainable Development Goals |
| Shares | The shares of the Company, each with a nominal value of NOK 1. |
| Shareholder Loan | The Company's Subordinated Loan Agreement of NOK 2 billion with Aker Capital entered into on 27 January 2021Ltd. |
| SuperNode | SuperNode Ltd. |
| Statkraft | Statkraft AS |
| UK | The United Kingdom |
| Unaudited Pro Forma Condensed Financial Information | The unaudited pro forma financial information included in this Prospectus to show how the Internal Reorganisation, the Mainstream Transaction, the Rainpower Transaction and the ACH Transaction could have affected the Combined Group's balance sheet in the Carve-out Combined Financial Statements as at 31 December 2020 as if these transactions had taken place at 31 December 2020 and the Group's income statement in the Carve-out Combined Financial Statements for the year ended 31 December 2020 as if these transactions had taken place at 1 January 2020 |
| U.S. Securities Act | The United States Securities Act of 1933, as amended. |
| Target Market Assessment | the product approval process the Shares have been subject to, which has determined that the Shares are: (i) compatible with an end target market of (a) retail investors in Norway, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II. |
| Taxonomy-aligned | The extent to which the Company's and its portfolio companies' economic activities will be considered sustainable, and environmentally sustainable in accordance with the EU Taxonomy ((EU) 2020/852) in particular. |
| Tokyo Gas | Tokyo Gas Co. Ltd. |

| | |
|---|---|
| Transactions ................................ | The Mainstream Transaction, the Rainpower Transaction, the Shareholder Loan and the ACH Transaction. |
| TSO ............................................ | The transmission system operators |
| Twence ...................................... | Twence BV |
| Unused Allowance .......................... | Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share. |
| Volnay ........................................ | Volnay Limited |
| WPK .......................................... | Wind Power Korea Co., Ltd. |
| W&I ............................................ | Warranties and indemnity insurance |

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## APPENDIX A – FINANCIAL STATEMENTS

**Index to Financial Information**

## AH TI AS
(to be named Aker Horizons AS)

### Income statement

| Amounts in NOK | Note | 1 Nov - 31 Dec 2020 |
|---|---|---|
| Revenue | | 0 |
| Operating expenses | 4 | 0 |
| Operating profit | | 0 |
| Net financial items | | 0 |
| Net profit | | 0 |

## AH TI AS

(to be named Aker Horizons AS)

### Statement of financial position 31 December 2020

| Amounts in NOK | Note | 31-12-20 |
|---|---|---|
| Current receivables | 3 | 24,430 |
| Total assets | | 24,430 |
| Share capital | | 30,000 |
| Other equity | | -5,570 |
| Total equity | 2 | 24,430 |
| Liabilities | | - |
| Total equity and liabilties | | 24,430 |

11 January 2021

Svein Oskar Stoknes

Chairman

# AH TI AS

(to be named Aker Horizons AS)

## Note 1 - Accounting principles

Aker Horizons AS is a company domiciled in Norway. The company was incorporated 1 November 2020. The only shareholder is Aker Capital AS and the ultimate parent company is The Resource Group TRG AS.

The financial statements are presented in conformity with Norwegian Accounting Act and Norwegian generally accepted accounting principles (NGAAP) for small entities as of 31 December 2020.

The financial statements have been prepared on a going concern basis.

The company's financial statements are presented in NOK, which is the functional currency.

## Note 2 - Equity

| *Amounts in NOK* | Share capital | Other equity | **Total** |
|---|---|---|---|
| Incorporation | 30 000 | | 30 000 |
| Incorporation fees | | -5 570 | -5 570 |
| Total | 30 000 | -5 570 | 24 430 |

The share capital is divided into 3 000 shares with a nominal value of NOK 10. Aker Capital AS owns 100% of the shares.

## Note 3 - Receivables

The company has a receivable of NOK 24 430 on Aker Capital AS.

## Note 4 Operating expenses

As there are no employees in the company as of 31 January 2021 the company is not obliged to provide an employment pension plan.

KPMG is the auditor of the group. The Group has not expensed any cost for services provided by the auditor in the reporting period.

## Note 5 Management remuneration

There has been no fees to the board of directors in the reporting period and no members of the board of directors are part of any option or incentive programs or has any loans provided by the company.

As of December 31, 2020, the company has no employees and CEO services have been provided from the parent company.

KPMG AS
Sørkedalsveien 6
Postboks 7000 Majorstuen
0306 Oslo

Telephone +47 45 40 40 63
Fax
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of AH TI AS

# Independent auditor's report

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of AH TI AS showing a profit of NOK 0. The financial statements comprise the balance sheet as at 31 December 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 as required by laws and regulations, 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.

### Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

### 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 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'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 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.

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.

## Report on Other Legal and Regulatory Requirements

### Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 12 January 2021
KPMG AS

Vegard Tangerud
*State Authorised Public Accountant*

# AKER HORIZONS AS

Carve-out Combined Financial Statements

2018 - 2020

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**INCOME STATEMENT**

For the financial years ended 31 December 2020, 2019 and 2018

| *Amounts in NOK thousand* | **Note** | **2020** | **2019** | **2018** |
|---|---|---|---|---|
| Revenues | 3 | 26,592 | 42,529 | 17,777 |
| Materials, goods and services | | (17,232) | (36,244) | (12,995) |
| Salary and other personnel costs | 13, 21 | (65,650) | (8,765) | (3,916) |
| Other operating expenses | 5 | (133,261) | (6,216) | (5,535) |
| Depreciation and amortization | 8, 9, 12 | (5,407) | - | - |
| **Operating profit (loss)** | | **(194,958)** | **(8,696)** | **(4,669)** |
| Financial income | | 1,806 | - | - |
| Financial expenses | | (8,501) | - | - |
| **Net financial items** | | **(6,694)** | **-** | **-** |
| Share of profit (loss) equity-accounted investees | 19 | (124,789) | (5,633) | - |
| **Profit (loss) before tax** | | **(326,441)** | **(14,330)** | **(4,669)** |
| Tax benefit (expense) | 6 | (4) | - | - |
| **Profit (loss) for the period** | | **(326,445)** | **(14,330)** | **(4,669)** |
| *Attributable to:* | | | | |
| Equity holders of parent company | | (277,672) | (14,330) | (4,669) |
| Non-controlling interest | 18 | (48,773) | - | - |
| **Profit (loss) for the period** | | **(326,445)** | **(14,330)** | **(4,669)** |
| Pro forma earnings (loss) per share in NOK | 7 | (0.48) | (0.02) | (0.01) |

## COMPREHENSIVE INCOME

For the financial years ended 31 December 2020, 2019 and 2018

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| **Profit (loss) for the period** | **(326,445)** | **(14,330)** | **(4,669)** |
| **Other comprehensive income** | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Translation differences - foreign operations | (29,338) | - | - |
| Items that will not be reclassified subsequently to profit or loss: | | | |
| Share of OCI from associates | (2,322) | - | - |
| **Other comprehensive income (loss)** | **(31,660)** | **-** | **-** |
| **Total comprehensive income (loss)** | **(358,105)** | **(14,330)** | **(4,669)** |
| *Attributable to:* | | | |
| Equity holders of parent company | (300,670) | (14,330) | (4,669) |
| Non-controlling interest | (57,435) | - | - |
| **Total comprehensive income (loss)** | **(358,105)** | **(14,330)** | **(4,669)** |

**BALANCE SHEET**

For the financial years ended 31 December 2020, 2019 and 2018

| *Amounts in NOK thousand* | Note | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| **Assets** | | | | |
| **Non-current assets** | | | | |
| Intangible assets | 9 | 3,801 | - | - |
| Right-of-use assets | 12 | 37,564 | - | - |
| Property, plant and equipment | 8 | 3,147 | 96 | - |
| Equity accounted investees | 19 | 620,254 | 215,089 | - |
| Financial investments | 19 | - | 18 | 63,800 |
| **Total non-current assets** | | **664,766** | **215,203** | **63,800** |
| **Current assets** | | | | |
| Interest bearing receivables | 10 | 24,867 | - | - |
| Current operating assets | 11 | 17,584 | 3,539 | 8,368 |
| Cash and cash equivalents | | 943,112 | - | - |
| **Total current assets** | | **985,562** | **3,539** | **8,368** |
| **Total assets** | | **1,650,328** | **218,742** | **72,168** |

**Equity and liabilities**

| | | | | |
|---|---|---|---|---|
| **Equity** | | | | |
| Contributed equity and retained earnings | 14 | (170,850) | 200,410 | 63,257 |
| Other reserves | 14 | (22,998) | - | - |
| **Equity attributable to equity holders of the parent company** | | **(193,848)** | **200,410** | **63,257** |
| Non-controlling interests | 18 | 513,209 | - | - |
| **Total equity** | | **319,360** | **200,410** | **63,257** |
| | | | | |
| **Non-current liabilities** | | | | |
| Pension liabilities | 13 | 5,430 | - | - |
| Non-current borrowings, related party | 17 | 1,000,000 | - | - |
| Non-current lease liabilities | 12, 17 | 28,451 | - | - |
| **Total non-current liabilities** | | **1,033,882** | **-** | **-** |
| | | | | |
| **Current liabilities** | | | | |
| Current borrowings, related party | 17 | 183,650 | - | - |
| Current lease liabilities | 12 | 12,064 | - | - |
| Current operating liabilities | 11 | 101,372 | 18,332 | 8,911 |
| **Total current liabilities** | | **297,086** | **18,332** | **8,911** |
| **Total equity and liabilities** | | **1,650,328** | **218,742** | **72,168** |

Bærum, 11 March 2021

The Board of Directors and CEO of Aker Horizons AS

| | | | |
|---|---|---|---|
| Øyvind Eriksen | Kjell Inge Røkke | Martin Bech Holte | Kristian Monsen Røkke |
| Chair of the Board | Board Member | Board Member | CEO |

**CASH FLOW STATEMENT**

For the financial years ended 31 December 2020, 2019 and 2018

| *Amounts in NOK thousand* | Note | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| Profit(loss) before tax | | (326,441) | (14,330) | (4,669) |
| *Adjustment for:* | | | | |
| Depreciation | 12 | 5,407 | - | - |
| Share of profit (loss) in equity-accounted investees | 19 | 124,789 | 5,633 | - |
| Accrued interest and foreign exchange | | 1,730 | - | - |
| Lease interest payments | 12, 17 | (877) | - | - |
| Changes in current operating assets and liabilities | 11 | 95,822 | 13,502 | 8,560 |
| Paid tax | | (4) | - | - |
| **Cash flow from operating activities** | | **(99,575)** | **4,806** | **3,892** |
| Payments for property, plant and equipment | 8 | (2,910) | (96) | - |
| Payments for intangible assets | 9 | (3,666) | - | - |
| Payments for investment in equity-accounted investees | 19 | (570,399) | (156,922) | - |
| Payments for investment in non-current financial assets | | - | (18) | (31,300) |
| Payments for interest-bearing receivables | 10 | (17,542) | - | - |
| **Cash flow from investing activities** | | **(594,517)** | **(157,036)** | **(31,300)** |

| | | | | |
|---|---|---|---|---|
| Principal lease payments | 12, 17 | (2,407) | - | - |
| Proceeds borrowings, related parties | 17 | 832,000 | - | - |
| Capital increase from NCI | | 465,750 | - | - |
| Payments related to treasury shares | | (558) | - | - |
| Net contribution from parent [1] | | 342,417 | 152,230 | 27,408 |
| **Cash flow from financing activities** | | **1,637,203** | **152,230** | **27,408** |
| **Net cash flow** | | **943,112** | **-** | **-** |
| | | | | |
| Cash and cash equivalent at the beginning of the period [2] | | - | - | - |
| **Cash and cash equivalent at the end of the period** | | **943,112** | **-** | **-** |

[1] Net contribution from parent reflects carve-out allocations in the period that has not been paid by the Combined Group to, Aker Solutions ASA or Aker ASA and no payables have been established. And thereby these carve-out allocations have effectively been paid by Aker Solutions ASA and Aker ASA, as capital contribution. Reference is made to note 2 Basis for preparation in the carve-out combined financial statements for further description of carve-out adjustments

[2] Cash and cash equivalents at the beginning of the periods were zero because there existed no legal combined entities at the beginning of the periods.

**STATEMENT OF CHANGES IN EQUITY**

For the financial years ended 31 December 2020, 2019 and 2018

| *Amounts in NOK thousand* | **Contributed equity and retained earnings** | **Currency translation reserve** | **Total equity attributable to parent** | **Non-controlling interest** | **Total equity** |
|---|---|---|---|---|---|
| **Equity as of 1 January 2018** | 38,361 | - | **38,361** | - | **38,361** |
| **2018** | | | | | |
| Profit (loss) for the period | (4,669) | - | **(4,669)** | - | **(4,669)** |
| Changes in parent's investment [3] | 29,565 | - | **29,565** | - | **29,565** |
| **Equity as of 31 December 2018** | **63,257** | **-** | **63,257** | **-** | **63,257** |
| **2019** | | | | | |
| Profit (loss) for the period | (14,330) | - | **(14,330)** | - | **(14,330)** |
| Changes in parent's investment [3] | 151,483 | - | **151,483** | - | **151,483** |
| **Equity as of 31 December 2019** | **200,410** | **-** | **200,410** | **-** | **200,410** |

| *Amounts in NOK thousand* | **Contributed equity and retained earnings** | **Currency translation reserve** | **Total equity attributable to parent** | **Non-controlling interest** | **Total equity** |
|---|---|---|---|---|---|
| **2020** | | | | | |
| Profit (loss) for the period | (277,672) | - | **(277,672)** | (48,773) | **(326,445)** |
| Other comprehensive income | - | (22,998) | **(22,998)** | (8,662) | **(31,660)** |
| Total other comprehensive income | **(277,672)** | **(22,998)** | **(300,670)** | **(57,435)** | **(358,105)** |
| Increase equity [1] | 1,498,235 | - | **1,498,235** | 570,643 | **2,068,878** |
| Continuity difference [2] | (1,807,325) | - | **(1,807,325)** | - | **(1,807,325)** |
| Loss sale of Treasury shares | (558) | - | **(558)** | - | **(558)** |
| Changes in parent's investment [3] | 216,059 | - | **216,059** | - | **216,059** |
| **Equity as of 31 December 2020 [4]** | **(170,850)** | **(22,998)** | **(193,848)** | **513,209** | **319,360** |

[1] Relates to (share) capital contributions-in-kind and in cash to Aker Horizons Holding AS, Aker Offshore Wind AS (AOW) and Aker Carbon Capture AS (ACC) during 2020. This related to the transfer of businesses to these companies and the distribution of, and the private placement of shares in AOW and ACC.

[2] As the Combined Group's acquisition of the Aker Horizons business is considered a common control transaction in these carve-out combined financial statements, the differences between estimated fair values and book values are reflected as a continuity difference element included in equity.

[3] Carve-out adjustments recognized during the period reflect contributions from Aker Solutions ASA and Aker ASA to the Aker Horizons Combined Group which are not settled and do not generate intercompany positions between the companies. These positions are recognized in equity as contributions to and from the parent and are presented as changes in parent's investment. See note 2 Basis of preparation for further information about carve-out adjustments.

[4] Total equity is based on the carve-out combined equity per the balance sheet date 31 December 2020 for Aker Horizons Holding Group, as Aker Horizons Holding AS was constituting the legal parent entity for the combined Aker Horizons Group per this date, and increased with for the equity elements related to Aker Horizons AS and the investment in REC Silicon ASA, as these entities were not part of the legal Aker Horizons Group structure per the balance sheet date 31 December 2020.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 REPORTING ENTITY

Aker Horizons AS, previously named AH TI AS, (the Company) was incorporated on 1 November 2020 and became the parent of the Combined Group through an internal reorganization in January 2021. The Company's wholly owned subsidiary Aker Horizons Holding AS was incorporated on 1 June 2020 as the principal platform for Aker ASA's renewable and green technology investments.

Aker Horizons AS is a limited liability company incorporated and domiciled in Norway whose shares are traded on Euronext Growth (Oslo). The registered office is located at Oksenøyveien 8, Bærum, Norway. The largest shareholder is Aker Capital AS and the ultimate parent company is The Resource Group TRG AS.

Aker Horizons AS invests and actively manages its ownership interests in various portfolio companies. Its portfolio companies include a Norwegian offshore wind developer with operations in Norway and internationally and a global provider of products, technology and solutions within the field of carbon capture, utilization and storage.

Aker Horizons AS is a subsidiary of Aker ASA. On 1 February 2021, the Company was made available for trading on Euronext Growth (Oslo) under the ticker AKH.

Information on the Combined Group's structure is provided in note 10 Interest in other entities. Information on the Combined Group's other related party relationships is provided in note 20 Related parties.

These carve-out combined financial statements were authorized by the Board of Directors on 11 March 2021.

### 2 BASIS OF ACCOUNTING

**Statement of Compliance**

These special purpose carve-out combined financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board as adopted by the European Union (IFRS) for the periods presented and the carve-out and combination basis as described below.

IFRS 10 requires the parent company, Aker Horizons AS, to control its subsidiaries at the end of the reporting period in order to prepare consolidated financial statements. Aker Horizons AS did not obtain such control until January 2021. Therefore, IFRS 10 has not been applied for the carve-out combined financial statements. IFRS provides no guidance for the preparation of carve-out combined financial statements. Following IAS 8.12 and industry practice, the predecessor accounting approach has been applied in the carve-out financial statements of the Aker Horizons Group. The carve-out combined financial statements of Aker Horizons Group reflect the Aker Horizons business included in the IFRS consolidated financial statement of Aker ASA Group. Aker Horizons Group applies the same accounting policies and measurement principles in preparing the carve-out financial statements as used by the Aker ASA Group.

**Background and Formation for The Carve-Out Combined Financial Statements**

Aker Horizons AS became the parent of the Aker Horizons Group in January 2021 through various internal transactions whereby Aker Capital AS, a subsidiary of Aker ASA, transferred all its shares in Aker Horizons Holding AS, and thereby Aker Carbon Capture AS (ACC) and Aker Offshore Wind AS (AOW) and REC Silicon ASA to Aker Horizons AS.

Prior to 31 July 2020, the activities of Aker Carbon Capture AS (ACC) and Aker Offshore Wind AS (AOW) were part of Aker Solutions Group, a subsidiary of Aker ASA Group. Subsequently, they were carved-out into the separate legal entities ACC and AOW and distributed as dividends in kind to the shareholders of Aker Solutions ASA. In 2020 these two separate entities where admitted to trading on Euronext Growth (Oslo) in connection with a private placement of new shares in each of the companies. The private placements were directed towards Aker Horizons Holding AS and new investors. The activities of ACC and AOW were not organized in separate legal entities in Aker Solutions Group before they were carved-out.

The Company believes that the preparation of carve-out combined financial statements are useful to financial statement users in assessing the historical results of the Aker Horizons business. While the preparation of carve-out combined financial statements may produce similar results as if the Aker Horizons business had been consolidated for all periods presented, IFRS does not explicitly provide for the preparation of carve-out combined financial statements. Thus, the historical results of operations, financial position, and cash flows of the Aker Horizons Group may not be indicative of what they would have been had the carve-out combined Aker Horizons Group been a separate independent stand-alone group. The historical results as described above may not be indicative of what the Group's results of operations, financial position and cash flows may be in the future.

The reorganization of ownership interests, assets and liabilities under common control is outside the scope of IFRS 3 Business Combinations. Since IFRS as adopted by EU does not provide specific guidance, accounting policies have been established by the Group to account for such transactions at their historical carrying amounts recognized in Aker ASA Group, as if the internal reorganization occurred at the beginning of the earliest period presented.

The Combined Group consists of ownership interests, assets and liabilities that have historically been under common control of Aker ASA for all periods presented.

The Group’s carve-out combined financial statements have been prepared on the basis of historical cost.

## Accounting Principles

### Basis of Preparation of Carve-Out Combined Financial Statements

In connection with Aker Horizons AS's application for listing of its shares on the Oslo Stock Exchange (Oslo Børs), carve-out combined financial statements for the Aker Horizons business are prepared as at and for the year ended 31 December 2020, including carve-out combined comparative financial information as at and for the years ended 31 December 2019 and 2018.

The carve-out combined financial statements have been prepared on a basis that combines the historical results and carrying amounts of assets and liabilities of the Aker Horizons' business as at 31 December 2020, 2019 and 2018, as presented in Aker ASA's consolidated financial statements.

When preparing the carve-out combined financial statements carrying values at the highest level of common control have been applied.

The Aker Horizons business, except for the associate REC Silicon ASA, has been under common control of Aker ASA for the periods covered by these carve-out combined financial statements, and will be per the date of the application for listing in 2021. The shares in the associate REC Silicon ASA were acquired by Aker ASA Group at the end of 2019 and have been included in the carve-out combined financial statements from that point in time. The listing requires the preparation of a prospectus, and the carve-out combined financial statements have been prepared for the purpose of inclusion herein and to provide historical financial information about the Aker Horizons business for the investors. The combined financial statements of the Aker Horizons business have been prepared in accordance with IFRS as adopted by the EU and principles consistent with the historical consolidated financial statements of Aker ASA. As the Group's acquisition of the Aker Horizons business is considered a common control transaction in these carve-out combined financial statements, the differences between fair values and book values are reflected as a continuity difference element included in equity.

The Internal Reorganization transaction, as described in the prospectus, was completed after the reporting date as at 31 December 2020 and are thus not included in these carve-out combined financial statements. Consequently, the new Aker Horizons Group with Aker Horizons AS as parent was not established at the reporting date of 31 December 2020.

Consequently, it is not meaningful to show share capital (or an analysis of other reserves) for the carved-out combined entity for the reporting periods presented.

The 'Parent company investments' as at 1 January 2018 is equal to carrying values at this date of the carve-out combined net assets contributed by Aker ASA to the Combined Group. Change in parent investments for the periods presented includes 'Net loss for the period', 'Other comprehensive income', and the impact of capital transactions received from the Aker ASA Group and Non-controlling interests.

The share of the profit or loss after tax attributable to non-controlling interests is presented on a separate line in the combined income statement and other comprehensive income. Non-controlling interests in subsidiaries are presented within total invested capital separately from the Parent company investments. 'Non-controlling interests' consist of the proportionate share of net identifiable assets at the date of the investment from the Non-controlling interests and illustrates the 'Non-controlling interests' share of changes in invested capital for the relevant reporting periods.

For these carve-out combined financial statements, Non-controlling interests represent shares on ACC and AOW that have not been controlled by Aker ASA Group subsequent to the distribution of the shares in ACC and AOW as dividends to shareholders of Aker Solutions ASA and the private placement of shares in ACC and AOW in July 2020. No non-controlling interests have been presented for the periods before the private placement of shares in ACC and AOW in July 2020. Non-controlling interests include some shares that Aker Solutions ASA purchased in the private placement of shares in ACC and AOW, after the dividend distribution of shares. Aker Solutions ASA was no longer a subsidiary of the Aker ASA Group from December 2020, and these shares have not been transferred to Aker Horizons AS in 2021.

All transactions and balances between operations included in the carved out combined financial statements are eliminated.

The carve-out combined financial statements have been prepared on the assumption that the Combined Group is a going concern.

**Basis for Allocation**

The carve-out combined financial statements reflect assets, liabilities, revenue and expenses historically recognized within the Aker Horizons' businesses. Except for the investments in equity-accounted investees, all figures presented in the carve-out combined financial statements from the period up until the legal entities were established, are according to what has been recorded on ACC and AOW profit centers in Aker Solutions ASA. One additional allocation has been made to cover various management and group functions, including HR, accounting, IT, treasury etc., as such costs are not reflected in the profit centers. These fees have been calculated based on the salary of certain key management personnel employed in Aker Horizons AS per today. Fees have been allocated to the Combined Group entities ACC and AOW based on their relative size within the Combined Group, taking into account both revenue and FTE metrics. This is according to the allocation method applied in Aker Horizons Group after the Group was formally established, and it is aligned with the allocation principles applied in Aker ASA Group. These allocated costs are presented as Other operating expenses in the Income statement of the carve-out combined financial statements. Up until the combined legal entities were established, they had no own debt financing or cash positions, and consequently no interest expenses or income. All carve-out combined financing until the combined legal entities were established has been in form of equity contributions from parent.

However, the carve-out combined financial position, results of operations and cash flows of the Aker Horizons business may differ from those that would have been achieved had the Aker Horizons Group operated as an autonomous entity for all periods presented, as the Aker Horizons business may have had, for example, additional administrative expenses, including legal, accounting, treasury and regulatory compliance and other costs normally incurred by an autonomous entity. It may also be expected increased costs for being a listed entity.

Pro forma earnings per share information has been presented reflecting the expected number of shares of Aker Horizons AS at the date of the listing on the Oslo Stock Exchange in 2021. In 2021, and at the date of listing, Aker Horizons AS also has a convertible loan which may have a dilutive effect. As this has not been outstanding in the periods covered by the carved-out combined financial statements it has not been included in the calculation of pro-forma diluted earnings per share.

Income tax for the carve-out combined financial statement periods have been based on the expected tax charges that would have been reported had Aker Horizons been an independent group. As no net taxable income has been reported throughout the years presented, and no deferred tax assets have been recognized as uncertainty for future taxable income exists, no income tax has been recognized for the periods presented. This assumption is not necessarily representative of the tax charges that would have been reported had Aker Horizons been an independent group, and may not be representative of the income tax charges that may arise in the future.

Amounts are presented in Norwegian Kroner (NOK), which is Aker Horizons AS's functional currency, and all values are rounded to the nearest thousands, except where otherwise indicated. The subtotals and totals in some of the tables in these carve-out combined financial statements may not equal the sum of the amounts shown due to rounding. When the functional currency in a reporting unit is changed, the effect of the change is accounted for prospectively.

**Basis of Measurement**

The carve-out combined financial statements are based on the historical cost principle.

**Cash Flow Statement**

The statement of cash flow is prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments. Cash and cash equivalents at the beginning of the periods presented were zero because there existed no legal combined entities at the beginning of the periods.

### Standards Issued but Not Yet Effective

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these carve-out combined financial statements and they are not expected to have a significant impact on the Group's carve-out combined financial statements.

### Judgments and Estimates

Preparing financial statements in accordance with IFRS requires the use of estimates. Furthermore, applying the Group's accounting policies requires the management team to use its judgment. Areas that involve a high degree of estimation and a high degree of complexity, or areas where assumptions and estimates are significant for the carve-out combined financial statements, are described in this note.

Estimates made for the preparation of these carve-out combined financial statements are consistent with estimates made for the same dates in accordance with the preparation of the annual financial statements for the Aker ASA Group, of which the Aker Horizons business was a part. Accounting policies relevant for the preparation of these carve-out combined financial statements are also consistent with those of Aker ASA Group.

Any information after 1 January 2019 about estimates that Aker ASA Group had made in relation to the assets and liabilities of the Aker Horizons business are treated in the same way as non-adjusting events after the reporting period in accordance with IAS 10 Events after the Reporting Period. Management is however not aware of any significant new information.

The main areas where judgements and estimates have been made are described in each of the following notes:

- Note 12 Leases
- Note 19 Equity-accounted investees

## 3 REVENUES

Aker Horizons' revenue is generated from its segments in Aker Offshore Wind (AOW) and Aker Carbon Capture (ACC).

*Aker Offshore Wind (AOW)*

The revenue in the Group's Aker Offshore Wind segment relates to delivery of services for development projects within the offshore wind industry, primarily in deep waters utilizing floating foundations as well as deep-water bottom-fixed technologies.

Early parts of the development process include concept studies, environmental studies, wind studies and grid studies. Subject to the positive outcome of such studies and business case assessments, AOW advances to discussions and formal processes concerning licensing and lease agreements with appropriate authorities, often in the form of local, regional or national government bodies. Final investment decision ("FID") is eventually undertaken when AOW, together with its partners, deems the project in question attractive for development. Following FID and financial close, the project moves into the execution and construction phase. Revenue is recognized over time using a cost progress method or according to delivered time and materials.

*Aker Carbon Capture (ACC)*

The revenue in Group's Aker Carbon Capture segment relates to delivery of technology, engineering, procurement and construction services within the carbon capture, storage and utilization ("CCUS") value chain. The segment mainly operates as a supplier focusing on supplying the solutions and technology which together comprise a carbon capture plant and the downstream processing and management of CO2 (including capture, compression, liquefication and intermediate storage at site). Project execution is a key component of all deliveries.

Key services delivered by the Aker Carbon Capture segment include technology development, feasibility studies, project management, engineering, procurement and construction/fabrication services, as well as assistance with operations and aftermarket services post construction. Revenue is recognized over time using a cost progress method or according to delivered time and materials.

## Financial Reporting Principles

### Nature of Performance Obligations, Including Significant Payment Terms

Under construction contracts, specialized products are built 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 these performance obligations are satisfied over time. Each contract is usually assessed as one performance obligation as the deliveries are combined in one output. Payment terms are normally 30-90 days according to predefined milestones, or as time and materials has been delivered.

Service revenue is generated from rendering of services to customers. The invoicing is usually based on the service provided at regular basis. Under some service contracts, the invoices are based on hours or days performed at agreed rates. The Group has assessed that these performance obligations are satisfied over time.

## Significant Revenue Recognition Policies

Revenue from the construction performance obligations is recognized 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. Revenue in excess of costs is not recognized until the outcome of the performance obligation can be measured reliably. Variable considerations, such as incentive bonus or penalties, are included in construction revenue when it is highly probable that a significant revenue reversal will not occur. Potential penalty for liquidated damages is recognized as a reduction of the transaction price unless it is highly probable that it will not be incurred. Disputed amounts and claims are only recognized when negotiations have reached an advanced stage, customer acceptance is highly likely, and the amounts can be measured reliably. Contract modifications, usually in form of variation orders, are only accounted for when they are approved by the customers.

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

## Types of Contracts

In 2020, revenues were services revenues related to various studies. During the first quarter of 2021, the Group will start up the project related to the EPC-delivery to Norcem Heidelberg Cement (Brevik CCS project) of a complete plant for capture, intermittent storage and offloading of CO2, with integrated waste-heat recovery. The plant is scheduled to be in operation in 2024.

## Disaggregation of Revenue from Contracts with Customers

All revenues for the year ended 2020, 2019 and 2018 were service revenues.

### *Timing of revenue*

The performance obligations in customer contracts vary from a few months to as long as five years. The order backlog as of 31 December 2020 was NOK 1.7 billion, mainly consisting of the Brevik CCS project. Official commencement date for this contract is 27 January 2021. The revenue is expected to be recognized over the years 2021 to 2024.

**Contract Balances**

The Group has recognized the following assets and liabilities related to contracts with customers:

| *Amounts in NOK thousand* | Note | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| Trade receivables | 11 | 7,823 | 2,950 | 7,328 |
| Customer contract assets | 11 | 191 | - | - |
| Customer contract liabilities | 11 | 1,395 | - | - |

Customer contract assets relate to consideration for work completed, but not yet invoiced at the reporting date. The contract assets are transferred to trade receivables when the right to payment become unconditional, which usually occurs when invoices are issued to the customers. Customer contract liabilities relate to advances from customer for work not yet performed.

## 4 OPERATING SEGMENTS

Aker Horizons invests and actively manages its ownership interests in several renewables and green technology companies. The Group focuses on investments within renewable energy and decarbonization, circular economy and disruptive technologies. The current investment portfolio secures established positions in verticals such as carbon capture and offshore wind.

**Financial Reporting Principles**

Operating segments are components of the Group regularly reviewed by the chief operating decision maker to assess performance and be able to allocate resources. The Group's CEO (Chief Executive Officer) is the chief decision maker at Aker Horizons. Transactions between the segments are eliminated upon consolidation.

**Aker Offshore Wind (AOW)**

The revenue in the Group's Aker Offshore Wind segment relate to delivery of services related to development projects within the offshore wind industry. The Aker Offshore Wind segment is engaged in the development of offshore wind projects, primarily in deep waters utilizing floating foundations but also deep-water bottom-fixed technologies.

**Aker Carbon Capture (ACC)**

The Aker Carbon Capture segment offers products, technology and solutions within the field of carbon capture, utilization and storage (“CCUS”). The segment mainly operates as a supplier within the CCUS value chain, with a core focus on supplying the solutions and technology which together comprise a carbon capture plant and the downstream processing and management of $CO_2$. These solutions and services are provided to plant owners and operators across various industries, including energy production.

**Other**

The Other segment includes unallocated corporate costs and management services. The Other segment also includes the share of profit (loss) in the equity-accounted investee REC Silicon ASA (REC).

**Segment Performance 2020**

| *Amounts in NOK thousand* | Aker Offshore Wind | Aker Carbon Capture | Total operating segments | Other | Intra-group elimination | Total |
|---|---|---|---|---|---|---|
| **Income statement** | | | | | | |
| Revenues | 1,705 | 23,739 | 25,444 | 13,514 | (12,366) | 26,592 |
| **Total revenue** | **1,705** | **23,739** | **25,444** | **13,514** | **(12,366)** | **26,592** |
| | | | | | | |
| Operating income before depreciation, amortization and impairment | (76,739) | (51,862) | (128,601) | (62,170) | 1,221 | (189,551) |
| Depreciation and amortization | (1,601) | (1,881) | (3,482) | (49) | (1,876) | (5,407) |
| Impairment | - | - | - | - | - | - |
| **Operating profit (loss)** | **(78,340)** | **(53,743)** | **(132,083)** | **(62,219)** | **(655)** | **(194,958)** |
| Share of profit (loss) equity-accounted investees | (17,658) | | (17,658) | (107,131) | | (124,789) |
| | | | | | | |
| **Assets and liabilities** | | | | | | |
| Property, plant and equipment | - | 2,610 | 2,610 | 537 | - | 3,147 |
| Intangible assets | - | 3,792 | 3,792 | - | 9 | 3,801 |
| Right-of-use assets | 11,228 | 13,184 | 24,412 | - | 13,152 | 37,564 |
| Current operating assets | 10,385 | 7,196 | 17,582 | 3,764 | (3,762) | 17,584 |
| **Operating assets** | **21,613** | **26,782** | **48,395** | **4,301** | **9,400** | **62,095** |
| Current operating assets | 10,385 | 7,196 | 17,582 | 3,764 | (3,762) | 17,584 |
| Current operating liabilities | 39,891 | 15,592 | 55,483 | 49,651 | (3,762) | 101,372 |
| **Net current operating assets** | **(29,506)** | **(8,395)** | **(37,901)** | **(45,887)** | **-** | **(83,788)** |
| Equity accounted investees | 364,281 | - | 364,281 | 255,973 | - | 620,254 |

**Segment Performance 2019**

| *Amounts in NOK thousand* | Aker Offshore Wind | Aker Carbon Capture | Total operating segments | Other | Intra-group elimination | Total |
|---|---|---|---|---|---|---|
| **Income statement** | | | | | | |
| Revenues | - | 42,529 | 42,529 | - | - | 42,529 |
| **Total revenue** | **-** | **42,529** | **42,529** | **-** | **-** | **42,529** |
| Operating income before depreciation, amortization and impairment | - | (8,696) | (8,696) | - | - | (8,696) |
| Depreciation and amortization | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - |
| **Operating profit (loss)** | **-** | **(8,696)** | **(8,696)** | **-** | **-** | **(8,696)** |
| Share of profit (loss) equity-accounted investees | (5,633) | - | (5,633) | - | - | (5,633) |
| **Assets and liabilities** | | | | | | |
| Property, plant and equipment | - | 96 | 96 | - | - | 96 |
| Intangible assets | - | - | - | - | - | - |
| Right-of-use assets | - | - | - | - | - | - |
| Current operating assets | - | 3,539 | 3,539 | - | - | 3,539 |
| **Operating assets** | **-** | **3,635** | **3,635** | **-** | **-** | **3,635** |
| Current operating assets | - | 3,539 | 3,539 | - | - | 3,539 |
| Current operating liabilities | - | 18,332 | 18,332 | - | - | 18,332 |
| **Net current operating assets** | **-** | **(14,792)** | **(14,792)** | **-** | **-** | **(14,792)** |
| Equity accounted investees | 129,830 | - | 129,830 | 85,259 | - | 215,089 |

**Segment Performance 2018**

| *Amounts in NOK thousand* | Aker Offshore Wind | Aker Carbon Capture | Total operating segments | Other | Intra-group elimination | Total |
|---|---|---|---|---|---|---|
| **Income statement** | | | | | | |
| Revenues | - | 17,777 | 17,777 | - | - | 17,777 |
| **Total revenue** | **-** | **17,777** | **17,777** | **-** | **-** | **17,777** |
| Operating income before depreciation, amortization and impairment | - | (4,669) | (4,669) | - | - | (4,669) |
| Depreciation and amortization | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - |
| **Operating profit (loss)** | - | **(4,669)** | **(4,669)** | **-** | **-** | **(4,669)** |
| **Assets and liabilities** | | | | | | |
| Property, plant and equipment | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - |
| Right-of-use assets | - | - | - | - | - | - |
| Current operating assets | - | 8,368 | 8,368 | - | - | 8,368 |
| **Operating assets** | - | **8,368** | **8,368** | **-** | **-** | **8,368** |
| Current operating assets | - | 8,368 | 8,368 | - | - | 8,368 |
| Current operating liabilities | - | 8,911 | 8,911 | - | - | 8,911 |
| **Net current operating assets** | **-** | **(543)** | **(543)** | **-** | **-** | **(543)** |

**Reconciliation of Information on Operating Segments to IFRS Measures**

| *Amounts in NOK thousand* | 2020 | 2019 | 2018 |
|---|---|---|---|
| **Assets** | | | |
| Total operating segment assets | 62,095 | 3,635 | 8,368 |
| Equity accounted investees | 620,254 | 215,089 | - |
| Financial investments | - | 18 | 63,800 |
| Interest bearing receivables | 24,867 | - | - |
| Cash and cash equivalents | 943,112 | - | - |
| **Total assets** | **1,650,328** | **218,742** | **72,168** |

| | | | |
|---|---|---|---|
| **Liabilities** | | | |
| Total operating segment liabilities | 101,372 | 18,332 | 8,911 |
| Non-current borrowings, related party | 1,000,000 | - | - |
| Non-current lease liabilities | 28,451 | - | - |
| Pension liabilities | 5,430 | - | - |
| Current borrowings, related party | 183,650 | - | - |
| Current lease liabilities | 12,064 | - | - |
| **Total liabilities** | **1,330,968** | **18,332** | **8,911** |

**Major customer**

The Group has a contract in place for carbon capture and storage services with one major customer. Total revenues from the customer were NOK 16.9 million in 2020 (2019: NOK 37.9 million, 2018: NOK 16.7 million) related to the Aker Carbon Capture segment.

**Geographical information**

External revenue is presented on the basis of geographical location of the selling company. Non-current segment assets and capital expenditures are based on the geographical location of the Company owning the assets.

**Revenue by geography**

| *Amounts in NOK thousand* | 2020 | 2019 | 2018 |
|---|---|---|---|
| Norway | 24,887 | 33,126 | 14,172 |
| Korea | 1,705 | - | - |
| Netherlands | - | 9,402 | 3,605 |
| **Total revenue** | **26,592** | **42,529** | **17,777** |

**Non-current assets by geography**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Norway | 300,485 | 85,354 | - |
| USA | 364,281 | 129,848 | 63,800 |
| **Total non-current assets** | **664,766** | **215,203** | **63,800** |

## 5 EXPENSES

**Expenses by Nature**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| IT services | 5,985 | 25 | - |
| External consultants and hired-ins inclusive audit fees | 134,580 | 5,839 | 5,107 |
| Government grants | (20,680) | (5,325) | (4,886) |
| Selling, general and administration expenses[1] | 5,005 | 4,810 | 4,810 |
| Other operating expenses | 8,372 | 867 | 485 |
| **Total other operating expenses** | **133,261** | **6,216** | **5,535** |

1) *Allocated costs as described in note 2*

Other operating expenses increased significantly from 2019 to 2020 primarily due to the establishment of certain corporate functions for the combined entities in connection with the admittance to trading on Euronext Growth (Oslo), a private placement of new shares in Aker Carbon Capture AS (ACC) and Aker Offshore Wind AS (AOW), including increased costs related to the preparation for the Combined Group's listing on the Oslo Stock Exchange, planned M&A expansion and increased operations.

## 6 TAX

**Financial Reporting Principles**

Income tax in the income statement consists of current tax, effect of change in deferred tax positions and withholding tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

**Current Tax**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date that will be paid during the next 12 months. Current tax also includes any adjustment of taxes from previous years and taxes on dividends recognized in the year.

**Deferred Tax**

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for taxation purposes. Deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences. The deferred tax asset is only recognized to the extent it is considered probable that future taxable profits will be available to utilize the credits.

**Judgements and Estimates**

Income tax for the carve-out combined financial statement periods was based on the expected tax charges that would have been reported had Aker Horizons been an independent group. As no net taxable income has been reported throughout the years presented, and no deferred tax assets have been recognized as uncertainty for future taxable income exists, no income tax has been recognized for the periods presented. This assumption is not necessarily representative of the tax charges that would have been reported had Aker Horizons been an independent group, and do not representative of the income tax charges that may arise in the future.

**Effective Tax Reconciliation**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Profit (loss) before tax | (326,445) | (14,330) | (4,669) |
| Expected tax expense | 71,818 | 3,153 | 1,027 |
| *Tax effects of:* | | | |
| Permanent differences | (39,661) | (3,153) | (1,027) |
| Limitation of interest tax deductions | 518 | - | - |
| Difference due to continuity method [1] | 6,534 | - | - |
| Recognized in other comprehensive income | 123 | - | - |
| No recognition of deferred tax assets | (39,300) | - | - |
| Effect of tax rate different than 22% | (30) | - | - |
| Witholding tax | (4) | - | - |
| **Total tax expense (income)** | **(4)** | **-** | **-** |

*1) The acquisition of business from Aker Solutions in July 2020 is recognized at fair values for tax purposes.*

**Deferred Tax Positions**

| *Amounts in NOK thousand* | **2020** |
|---|---|
| Property, plant and equipment | (484) |
| Intangible assets | (4,423) |
| Deferred interest tax deductions | 518 |
| Tax loss carry forwards | 107,935 |
| **Total deferred tax positions** | **103,547** |
| Not recognized in the balance sheet [1] | (103,547) |
| **Deferred tax asset (liability)** | **-** |

*1) The acquisition of business from Aker Solutions in July 2020 is recognized at fair values for tax purposes giving rise to deferred tax positions. The deductible temporary differences relate to the acquisition of business of Aker Carbon Capture and Aker Offshore Wind*

## 7 PRO FORMA EARNINGS PER SHARE

The denominator in the calculation of pro forma basic EPS for each period presented is the number of shares issued at the effective date of the prospectus that includes these carve-out combined financial statements.

The calculation of pro forma diluted EPS takes into account the dilutive effects of the carved-out combined reporting entity's options and convertible instruments from the date on which they are granted; however, the calculation does not consider any dilutive impact arising at the level of the larger (parent) group. In 2021, and at the date of listing, Aker Horizons AS has a convertible loan which may have a dilutive effect. As this has not been outstanding in the periods covered by the carved-out combined financial statements it has not been included in the calculation of pro forma diluted earnings per share. Consequently, pro forma diluted earnings per share is the same as pro forma basic earnings per share for the periods presented.

The presented pro forma EPS data is considered pro forma and should not be viewed as historical information.

Pro forma basic earnings per share is calculated by dividing:

- the profit (loss) attributable to owners of the parent company by the number of ordinary shares outstanding per the prospectus date.

**Pro forma Basic Earnings Per Share**

| *(Amounts in NOK per share, except number of shares)* | **2020** | **2019** | **2018** |
|---|---|---|---|
| **Total pro forma basic earnings per share attributable to equity holders of parent company** | (0.48) | (0.02) | (0.08) |

| | | | |
|---|---|---|---|
| Total number of outstanding shares | 580,750,658 | 580,750,658 | 580,750,658 |

## 8 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the Mobile Test Unit (MTU) for carbon capture which has been classified as machinery.

### Financial Reporting Principles

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses. Components of property, plant and equipment with different useful lives are accounted for separately. Assets are normally depreciated on a straight-line basis over their expected economic lives as follows:

- Machinery: 8 years

Impairment triggers are assessed quarterly, and impairment testing is performed when triggers have been identified. Borrowing costs are capitalized as part of the cost of the asset when significant. The cost of self-constructed assets includes the cost of materials, direct labor, production overheads and borrowing cost.

### Judgments and Estimates

Judgment is involved when determining the depreciation period and when assessing impairment or reversal of impairment. Impairment is assessed for individual assets and for cash generating units. The impairment testing involves judgmental assumptions about future market development, cashflows, determination of weighted average cost of capital (WACC), growth rate and other assumptions that may change over time.

| *Amounts in NOK thousand* | **Machinery** |
|---|---|
| **Historical cost** | |
| Balance as of 1 January 2019 | - |
| Additions | 96 |
| Balance as of 31 December 2019 | 96 |
| Additions | 3,051 |
| **Balance as of 31 December 2020** | 3,147 |
| | |
| **Accumulated depreciation** | |
| Balance as of 1 January 2019 | - |
| Depreciation for the period [1] | - |
| Balance as of 31 December 2019 | - |
| Depreciation for the period [1] | - |
| **Balance as of 31 December 2020** | - |
| | |
| **Book value as of 31 December 2019** | 96 |
| **Book value as of 31 December 2020** | 3,147 |

*1) The additions relate to on-going upgrades and no depreciation has been recognized in the period.*

As of 31 December 2020, the Group has not entered any contractual commitments for the acquisition of property, plant and equipment.

## 9 INTANGIBLE ASSETS

Intangible assets relate to development costs capitalized for the Company's "Just Catch" carbon capture technology.

### <u>Financial Reporting Principles</u>

#### Capitalized Development

Development cost is only capitalized if the product or process is technically and commercially feasible and the business case shows a positive net present value. Capitalized development mainly includes internal labor costs in addition to materials for the development program. Any third-party funding is presented as a reduction of the capitalized amount. The capitalized development is normally amortized over five years on a straight-line basis, but certain programs with a clear differentiating offering and a longer economic benefit may be amortized up to seven years. For development projects in progress, a full impairment test is performed annually or when impairment indicators are identified. Assets are written down to recoverable amount, if lower than book value.

#### External Funding of Research and Development Activities

Research and development activities carried out by the Group may qualify for funding i.e. from government institutions. Such funding is recognized when there is a reasonable assurance that the entity will comply with the relevant conditions and the funding will be received.  The funding is be recognized in profit or loss on a systematic basis as the entity recognizes the expenses they are intended to compensate and is reporting as a reduction of these expenses. If the research and development activities that are carried out qualifies to be recognized in the balance sheet, then the funding is reported as reduction of the capitalized amount.

#### Judgments and Estimates

The value in use of some of these assets can be significantly impacted by changes of market conditions. The Group considers whether there are indications of impairment on the carrying amounts of such non-current assets. If such indications exist, an impairment test is performed to assess whether the assets should be impaired. The valuations, often determined by value in use calculations, will often be performed based on estimates of future cash flows discounted by an appropriate discount rate. Significant estimates and judgments are made by the management, including determining appropriated cash-generating units and discount rate, projections for future cash flows and assumptions of future market conditions.

| *Amounts in NOK thousand* | **Capitalized development** |
|---|---|
| **Historical cost** | |
| Balance as of 1 January 2020 | - |
| Additions from internal development | 3,792 |
| **Balance as of 31 December 2020** | 3,792 |
| | |
| **Accumulated depreciation** | |
| Balance as of 1 January 2020 | - |
| Amortization for the period [1] | - |
| **Balance as of 31 December 2020** | - |
| **Book value as of 31 December 2020** | 3,792 |

*1) The assets are under construction and no amortization has been recognized in the period.*

**Research and Development Costs**

NOK 3.792 million has been capitalized in 2020 related to development activities. In addition, research and development costs were expensed during the year because the criteria for capitalization are not met. Further, the Group has received external funding of research and development costs that has been recognized as a reduction of costs in the income statement.

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Capitalized research and development costs | 3,792 | - | - |
| Expensed research and development costs | 26,044 | 10,960 | 5,397 |
| External funding of research and development costs | (20,680) | (5,325) | (4,866) |

## 10 INTEREST-BEARING RECEIVABLES

**<u>Financial reporting principles</u>**

Interest-bearing receivables are generally classified as financial assets measured at amortized costs. Such financial assets are recognized initially at fair value and subsequent measurement at amortized cost using the effective interest method, less any impairment losses.

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Receivable on equity-accounted investees [1] | 24,867 | - | - |
| **Total** | **24,867** | **-** | **-** |

*1) See note 19 Equity-accounted investees for additional details*

## 11 CURRENT OPERATING ASSETS AND LIABILITIES

### Financial Reporting Principles

**Current Operating Assets**

Trade and other receivables are recognized at the original invoiced amount, less impairment losses. The invoiced amount is considered to be approximately equal to the value derived if the amortized cost method would have been used. Impairment losses are estimated based on the expected credit loss method (ECL) for trade receivables, contract assets (with or without a significant financing component) and other receivables.

**Current Operating Liabilities**

Trade and other payables are recognized at the original invoiced amount. The invoiced amount is considered to be approximately equal to the value derived if the amortized cost method would have been used.

**Judgments and Estimates**

Judgment is involved when determining the impairment losses on doubtful receivables. The impairment is based on individual assessments of each customer and default risk in the industry and the country in which the customer operates.

**Current Operating Assets**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Trade receivables | 7,823 | 2,950 | 7,328 |
| Public duty and tax refund | 3,165 | 15 | 40 |
| Contract assets | 191 | - | - |
| Other receivables | 6,316 | 574 | - |
| Prepaid expenses | 87 | - | 1,000 |
| **Current operating assets** | **17,582** | **3,538** | **8,368** |

**Current Operating Liabilities**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Trade payables | 30,771 | 522 | 1,686 |
| Accrued expenses | 51,777 | 17,810 | 7,225 |
| Contract liabilities | 1,395 | - | - |
| Other current liabilities | 17,429 | - | - |
| **Current operating liabilities** | **101,372** | **18,332** | **8,911** |

## 12 LEASES

### Leasing Activities

In 2020, the Combined Group has entered into a property leases contract for its offices at Fornebu, Norway. See note 19 Related parties for more information about the lease contract. No other material lease agreement existed for previous periods presented.

### Financial Reporting Principles

The lease liability represents the net present value of the lease payments to be made over the remaining lease period. The right-of-use asset is depreciated over the lease term and is subject to impairment testing. The cash outflows for leases under IFRS 16 are presented as a repayment of lease liabilities within financing activities in the cashflow statement. Interest paid is still classified as cash outflows within operating activities.

### Judgments and Estimates

The premises lease contract, in which the Group is a lessee, contain extension and termination options exercisable before the end of the noncancelable period. These options are used to provide operational flexibility for the Group. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The most relevant factors to be considered as "creating economic incentive" include significant leasehold improvement, alternatives for the leased property and the costs and business disruption required to replace the leased assets. No extension or terminations options have been included in the lease term per the reporting date, as management has not determined that the Group is reasonably certain to exercise such options.

The lease term assessment requires management's judgment and is made at the commencement of the leases. The lease term is reassessed if an option is exercised or the Group becomes reasonably certain to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the Group's control.

**Right-Of-Use Assets (ROU) and Lease Liabilities**

The movement in the right-of-use assets and lease liabilities is summarized below.

| *Amounts in NOK thousand* | **Right-of-use assets** |
|---|---|
| **Historical cost** | |
| Balance as of 1 January 2020 | - |
| Additions | 42,971 |
| **Balance as of 31 December 2020** | **42,971** |
| **Accumulated depreciation** | |
| Balance as of 1 January 2020 | - |
| Depreciation for the period | (5,407) |
| **Balance as of 31 December 2020** | **(5,407)** |
| **Book value as of 31 December 2020** | **37,564** |

| *Amounts in NOK thousand* | **Lease liabilities** |
|---|---|
| **Movement of lease liabilities** | |
| Balance as of 1 January 2020 | - |
| Additions | 42,923 |
| Interest expense | 878 |
| Lease payments | (3,285) |
| **Balance as of 31 December 2020** | **40,516** |
| Current | 12,064 |
| Non-current | 28,451 |

**Maturity of Lease Liabilities**

| *Amounts in NOK thousand* | **2020** |
|---|---|
| Maturity within 1 year | 12,064 |
| Maturity 1-5 years | 31,646 |
| Maturity later than 5 years | - |
| **Total undiscounted lease liabilities at 31 December** | **43,710** |

## 13 EMPLOYEE BENEFITS

### Salary and Other Personnel Costs

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Salaries and wages | 58,847 | 20,813 | 10,606 |
| Social security costs | 8,505 | 3,526 | 1,797 |
| Pension costs | 3,658 | 1,873 | 955 |
| Other employee benefits | 5,352 | 5,285 | 2,814 |
| **Total** | **76,362** | **31,497** | **16,171** |
| Included in materials, goods and services | (10,712) | (22,732) | (12,255) |
| **Total salary and other personnel costs** | **65,650** | **8,765** | **3,916** |
| | | | |
| Average full-time equivalent (FTE) [1] | 42 | 25 | 13 |

*1) No employees were employed by Aker Horizons' businesses during 2019 and 2018. FTE for the period before the legal entities were established has been calculated based on the number of hours recorded to ACC and AOW profit centers, see note 2.*

### Share Purchase Program for Employees

In 2020, Aker Carbon Capture's share purchase program gave employees the opportunity to invest in Aker Carbon Capture shares capped at 25% of the employees' annual salary. The participants were offered a price reduction of 30% due to a lock-up period of three years and furthermore a discount of 20% of purchase value up to maximum NOK 5,000. The shares purchased by each employee were paid in cash. In total 13 employees participated in the share purchase program. The Group expensed NOK 60 thousand in salary and other expenses and NOK 558 thousand directly in equity related the share purchase program.

### The Group's Pension Plans

**Financial Reporting Principles**

A defined contribution plan is a type of retirement plan where the employer makes contributions on a regular basis to the employees' individual pension account. The benefits received by the employee are based on the employer contributions and gains or losses from investing the capital. Contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

The Group does not have any defined benefit plans.

**Defined Contribution Plan**

A defined contribution plan is a type of retirement plan where the employer makes contributions on a regular basis to the employees' individual pension account. The benefits received by the employee are based on the employer contributions and gains or losses from investing the capital. Contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

The Group does not have any defined benefit plans.

**Compensation Plan**

Employees in Aker Horizons that were employed by Aker Solutions in 2008 when the Company changed to defined contribution plan are part of a compensation plan. The compensation amount is adjusted annually in accordance with the adjustment of the employees' pensionable income, and accrued interest according to market interest. The compensation plan is an unfunded plan and is calculated using an earned balance method.

**Tariff Based Pension Agreement (AFP)**

Employees in Norway have a tariff based lifelong retirement arrangement (AFP) organized by the main labor unions and the Norwegian state. The pension can be withdrawn from the age of 62. The information required to estimate the pension obligation from this defined benefit plan is not available from the plan administrator. Aker Horizons therefore currently accounts for the plan as if it was a defined contribution plan. The Group will account for it as a defined benefit plan if information becomes available from the plan administrator.

**Total Pension Liability**

| *Amounts in NOK thousand* | **2020** | **2019** | **2018** |
|---|---|---|---|
| Compensation plan | 5,430 | - | - |
| **Total** | **5,430** | **-** | **-** |

## 14 CAPITAL AND RESERVES

### Equity

The total number of outstanding shares in Aker Horizons AS per the prospectus date is 580,750,658 at a par value of NOK 1.00 per share. All issued shares are fully paid. Aker Horizons AS has one class of shares, ordinary shares, with equal rights for all shares. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at general meetings.

Total equity in the carve-out combined financial statements per the reporting date 31 December 2020 is based on the equity per the balance sheet date for Aker Horizons Holding Group, as Aker Horizons Holding AS was constituting the legal parent entity for the combined Aker Horizons Group per this date, adjusted for the equity elements related to Aker Horizons AS and the investment in REC Silicon ASA, as these entity were not part of the legal Aker Horizons Group structure per the balance sheet date 31 December 2020.

For transactions with owners in their capacity as owners affecting equity after the reporting date, please see note 22 Subsequent events.

## 15 CAPITAL MANAGEMENT

The objective of Aker Horizons' capital management is to optimize the capital structure to ensure sufficient and timely funding over time to finance its activities at the lowest cost, in addition to investing in projects and technology which will increase the Company's return on capital employed over time.

### Investment Policy

Aker Horizons' capital management is based on a rigorous investment selection process which considers the weighted average cost of capital and strategic orientation in addition to external factors such as market expectations and extrinsic risk factors.

### Liquidity Planning

Aker Horizons has a strong focus on its liquidity situation in order to meet its short-term working capital needs. Aker Horizons had a liquidity reserve at 31 December 2020 of NOK 943,112 thousand being cash and cash equivalents.

## 16 FINANCIAL RISK MANAGEMENT AND EXPOSURES

The objective of financial risk management is to manage and control financial risk exposures to increase the predictability of earnings and minimize potential adverse effects on the Company’s financial performance. The Combined Group is or may be exposed to currency risk, credit risk, interest rate risk, liquidity risk and price risk.

**Risk Management**

Risk management of financial risks is performed in every development project and is the responsibility of the project manager. They cooperate with finance managers to identify, evaluate and perform necessary hedging when necessary.

**Currency Risk**

The Group operates internationally and is exposed to currency risk on commercial transactions, recognized assets and liabilities and net investments in foreign operations. Commercial transactions and recognized assets and liabilities are subject to currency risk when payments are denominated in a currency other than the respective functional currency of the Group company.

Currency exposures from investments in foreign currencies are only hedged when specifically instructed by management. As of 31 December 2020, the Group had no net investment hedges.

**Credit Risk**

Credit risk is the risk of financial losses if a customer or counterparty to financial receivables and financial instruments fails to meet contractual obligations.

*Trade receivables and contract assets*

Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g. Dun & Bradstreet). Revenues are mainly related to large and long-term projects closely followed up in terms of payments up front and in accordance with agreed milestones. Normally, lack of payment is due to disagreements related to project deliveries and is solved together with the customer.

*Measurement of expected credit losses (ECLs)*

Impairment is assessed using the expected credit loss (ECL) method for financial assets. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligation to the Company in full. ECLs are estimated probability-weighted net present value of future expected credit losses. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances are always measured at an amount equal to lifetime ECLs. At each reporting date, the Company assesses whether any financial assets are credit impaired. Evidence that a financial asset is credit-impaired includes when invoices are more than 90 days past due without agreed postponement, knowledge of significant financial difficulty of the customer or debtor or other forward-looking information. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off.

### Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity reserves to meet its liabilities when due.

### Price Risk

The Group is exposed to fluctuations in market prices in the operational areas related to contracts, including changes in market prices for raw materials, equipment and development in wages. These risks are to the extent possible managed in bid processes by locking in committed prices from vendors as a basis for offers to customer or through escalation clauses with customers.

### Guarantees

The Combined Group has issued a parent company guarantee on behalf of Aker Carbon Capture Norway AS related to the Brevik CCS project.

## 17 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

### Lease Liabilities

| *Amounts in NOK thousand* | **2020** |
|---|---|
| Balance at the beginning of the period | - |
| | |
| *Cash changes* | |
| Principal payment to lessor | (2,407) |
| | |
| *Non-cash changes* | |
| Initial recognition | 42,923 |
| **Balance at the end of the period** | **40,516** |

### Non-Current Borrowings, Related Party

| *Amounts in NOK thousand* | **2020** |
|---|---|
| Balance at the beginning of the period | - |
| | |
| *Cash changes* | |
| Cash proceeds received from lender | 650,000 |
| | |
| *Non-cash changes* | |
| Seller's credit | 350,000 |
| Amortization of loan | - |
| **Balance at the end of the period** | **1,000,000** |

**Current Borrowings, Related Party**

| *Amounts in NOK thousand* | **2020** |
|---|---|
| Balance at the beginning of the period | - |
| | |
| *Cash changes* | |
| Cash proceeds received from lender | 182,000 |
| | |
| *Non-cash changes* | |
| Amortization of loan | 1,650 |
| **Balance at the end of the period** | **183,650** |

## 18 INTEREST IN OTHER ENTITES

### Companies Included in The Combined Financial Statements

The carve-out combined financial statements include the following legal entities (the "Aker Horizons business") per the reporting date. All legal entities were incorporated during 2020. The activities were prior to 2020 part of Aker Solutions Group, a subsidiary of Aker ASA Group, before they were carved-out into the separate legal entities. The Combined Group consists of ownership interests, assets and liabilities that have historically been under common control of Aker ASA for all periods presented. See note 2 for further disclosures.

### Financial Reporting Principles

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

### Group entities

See below the list of group entities of Aker Horizons. If not stated otherwise, ownership equals the percentage of voting shares.

### Non-controlling interests

Set out below is summarized financial information for each group entity that has non-controlling interests that are material to the Group. The amounts disclosed for each entity are before inter-company and group eliminations.

| Companies[1] | Directly owned by | Location | Country | Ownership interest held by the Group 2020 | Ownership interest held by NCI 2020 |
|---|---|---|---|---|---|
| Aker Horizons Holding AS | Aker Horizons AS[2] | Oslo | Norway | 100 % | 0 % |
| Aker Carbon Capture AS | Aker Horizons Holding AS | Oslo | Norway | 51 % | 49 % |
| Aker Carbon Capture Norway AS | Aker Carbon Capture AS | Oslo | Norway | 51 % | 49 % |
| Aker Offshore Wind AS | Aker Horizons Holding AS | Oslo | Norway | 51 % | 49 % |
| Aker Offshore Wind Operating Company AS | Aker Offshore Wind AS | Oslo | Norway | 51 % | 49 % |
| Aker Offshore Wind USA AS | Aker Offshore Wind AS | Oslo | Norway | 51 % | 49 % |
| Aker Offshore Wind LLC | Aker Offshore Wind USA AS | Houston | US | 51 % | 49 % |
| Sønnavindar Offshore Wind AS | Aker Offshore Wind Operating Company AS | Oslo | Norway | 51 % | 49 % |
| Nordavindar Offshore Wind AS | Aker Offshore Wind Operating Company AS | Oslo | Norway | 51 % | 49 % |
| Vestavindar Offshore Wind AS | Aker Offshore Wind Operating Company AS | Oslo | Norway | 51 % | 49 % |
| AH EN AS | Aker Horizons Holding AS | Oslo | Norway | 100 % | 0 % |
| Aker Clean Hydrogen Operating Company AS | AH EN AS | Oslo | Norway | 100 % | 0 % |
| Aker Clean Hydrogen AS | Aker Clean Hydrogen Operating Company AS | Oslo | Norway | 100 % | 0 % |
| AH FEM AS | AH TRE AS | Oslo | Norway | 100 % | 0 % |
| AH SEKS AS | AH TRE AS | Oslo | Norway | 100 % | 0 % |
| AH FIRE AS | AH TRE AS | Oslo | Norway | 100 % | 0 % |
| AH SYV AS | AH FIRE AS | Oslo | Norway | 100 % | 0 % |
| AH ÅTTE AS | AH FIRE AS | Oslo | Norway | 100 % | 0 % |

[1] *Company names have been presented as of 31 December 2020. Certain company names have been changed in 2021.*

[2] *Aker Horizons AS became the legal owner of Aker Horizons Holding AS in January 2021*

## Non-Controlling Interests (NCI)

| Summarized balance sheet | 2020 Aker Carbon Capture AS | 2020 Aker Offshore Wind AS |
|---|---|---|
| Current assets | 464,896 | 509,751 |
| Current liabilities | 20,500 | 43,637 |
| Current net assets | 444,396 | 466,114 |
| | | |
| Non-current assets | 19,586 | 375,509 |
| Non-current liabilities | 12,121 | 11,056 |
| Non-current net assets | 7,464 | 364,453 |
| | | |
| **Net assets** | **451,860** | **830,567** |
| **Accumulated NCI before adjustments** | **221,411** | **406,978** |
| Group adjustments | (72,637) | (42,544) |
| **Accumulated NCI** | **148,774** | **364,434** |

| Summarized statement of comprehensive income | 2020 Aker Carbon Capture AS | 2020 Aker Offshore Wind AS |
|---|---|---|
| Revenue | 23,739 | 1,705 |
| Profit (loss) for the period [1] | (53,621) | (99,805) |
| **Net profit (loss) allocated to NCI [2]** | **(18,674)** | **(30,099)** |

[1] Profit (loss) for the period has been presented for the entire year of 2020.

[2] No non-controlling interests have been presented for the periods before the private placement of shares in ACC and AOW in July 2020. As such net profit (loss) allocated to NCI only includes the share of profit from July 2020 to the year ended.

| Summarized cash flows | 2020 Aker Carbon Capture AS | 2020 Aker Offshore Wind AS |
|---|---|---|
| Cash flows from operating activities | (44,675) | (37,219) |
| Cash flows from investing activities | (5,991) | (287,940) |
| Cash flows from financing activities | 508,056 | 799,396 |
| **Net change in cash [1]** | **457,391** | **474,237** |

[1] Summarized cash flows have been presented for the entire year of 2020.

## 19 EQUITY-ACCOUNTED INVESTEES

**Financial Reporting Principles**

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity, but this is assessed on a case-by-case basis. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather to its assets and obligations for its liabilities. Joint control is established by contractual agreement requiring unanimous consent of the ventures for strategic, financial and operating decisions.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost. Subsequent to initial recognition, the carve-out combined financial statements include the Group's share of the profit and loss and other comprehensive income of the equity-accounted investees. The Group's investment includes fair value adjustments for assets identified on acquisition, net of depreciation, amortization and any accumulated impairment losses. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and further losses are not recognized except to the extent that the Group incurs legal or constructive obligations or has made payments on behalf of the investee.

See note 20 Related parties for more information about transactions and balances between Aker Horizons and equity-accounted investees.

### Investments in equity-accounted investees

| *Amounts in NOK thousand* | **Ownership** | **As of 31 Dec 2020** |
|---|---|---|
| Principle Power Inc | 47.1% | 364,281 |
| REC | 24.7% | 255,973 |
| Korea Floating Wind Power Co., Ltd. | 30.6% | - |
| Redwood Coast Offshore Wind LLC | 50.0% | - |
| **Total investments in equity-accounted investees** | | **620,254** |

| *Amounts in NOK thousand* | **Ownership** | **As of 31 Dec 2019** |
|---|---|---|
| Principle Power Inc | 24.5% | 129,830 |
| REC | 23.0% | 85,259 |
| **Total investments in equity-accounted investees** | | **215,089** |

**Principle Power Inc**

Principle Power Inc (PPI) is an innovative technology and services provider for the offshore deep-water wind energy market. PPI’s proven technology, the WindFloat – a floating wind turbine foundation – enables a change in paradigm for the industry in terms of reduced costs and risks for the installation and operations of offshore wind turbines. PPI is not publicly listed. The company is accounted for as an associated company.

In July 2019, the Group began to have significant influence over PPI. As at 31 December 2019 the Group had a 24.5% ownership interest in PPI. Therefore, PPI was recognized as an equity-accounted investee beginning in 2019. During 2020, the Group’s ownership interest in PPI decreased to 18% and subsequently increased to 47% in December 2020. Since the Group was considered to continue having significant influence through its ownership of redeemable preference shares throughout 2020, there was no change in the measurement method of the Group’s investment in PPI.

**REC Silicon ASA**

Aker Horizons holds 24.7% in REC Silicon ASA (REC). REC is a leading producer of advanced silicon materials, supplying high-purity polysilicon and silicon gases to the solar and electronics industries worldwide. On 31 December 2019, Aker Capital acquired a 23% share in REC. Subsequently, on 19 January 2021, the Company acquired its 24.7% industrial holding in REC Silicon from Aker Capital AS. REC is publicly listed on the Oslo Stock Exchange under the ticker "RECSI". The company is accounted for as an associated company.

**Korea Floating Wind Power Co., Ltd.**

Aker Horizons holds 30.6% in Korean Floating Wind Power Co., Ltd. (KFWind). KFWind is one of five consortiums with an MoU in place with Ulsan City for the development of offshore wind in the region. KFWind is accounted for as an associated company. Aker Horizons has provided funding to KFWind which is included in interest-bearing receivables, see note 10 Interest-bearing receivables. No material impairment loss has been identified related to this receivable. The interest-bearing receivable granted to KFWind is short-term in nature and is expected to be paid back in 2021 as such the amount has not been considered as part of the investment. As of 31 December 2020, the Group had a negative investment balance related to its investment in KFWind. As the Group is not liable for KFWind's obligations, no investment balance has been recognized in the balance sheet.

**Redwood Coast Offshore Wind LLC**

The Redwood Coast Offshore Wind Project was established in 2018 as a consortium with EDP Renewables (now Ocean Winds). The Company was selected in a competitive process to enter into a public-private partnership to pursue the development of an offshore wind energy project off the Northern California coast. In December 2020, the Company was established as a separate vehicle. Aker Horizons holds 50% of the Company and accounts for the investment as a joint venture. As of 31 December 2020, the Group has not made payments into the joint venture but has made payments of NOK 6.316 million on behalf of the joint venture. The amount is reported in Current operating assets, see note 11 Current operating assets and liabilities.

**Summary of Financial Information for Equity-Accounted Investees**

**2020**

| *Amounts in NOK thousand* | **Principle Power Inc** | **REC Silicon ASA** | **Korea Floating Wind Power Co., Ltd.** [1] |
|---|---|---|---|
| **Summarized income statement financial information** | | | |
| Revenue | 88,051 | 1,147,789 | 989 |
| Depreciations, amortizations and impairment | (8,283) | (589,405) | - |
| Interest income | 466 | 2,820 | 235 |
| Interest expense | (7,278) | (330,894) | (1,302) |
| Income tax (expense)/benefit [2] | (5) | 212,449 | - |
| Profit (loss) | (60,690) | (438,999) | - |
| Total comprehensive income (100%) | **(60,690)** | **(448,399)** | **(46,267)** |
| **Group's share of profit (loss)** [3] | **(13,241)** | **(107,131)** | **(4,416)** |

*1) The Group has only recognized a loss to bring the book value of investment of NOK 4 416 thousand to zero.*

*2) As of 31 December 2020, REC Silicon ASA had non-recognized deferred tax assets of USD 26.6 million. The tax benefit included in REC Silicon ASAs result for 2020 represents the reversal of a previously recognized tax liability due to an uncertain tax position that was resolved in Q3 2020, as described in the Q3 report for REC Silicon ASA.*

*3) Due to changes in the Group's ownership interest in its equity-accounted investees during the year, the Group's share of total comprehensive income may not equate to the Group's ownership interest multiplied by the equity-accounted investee's total comprehensive income.*

| | | | |
|---|---|---|---|
| **Summarized balance sheet financial information** | | | |
| Current assets | 213,545 | 1,776,487 | 26,819 |
| Cash and cash equivalents | 170,873 | 1,151,048 | 25,146 |
| Non-current assets | 162,755 | 1,137,396 | 237 |
| Current liabilities | (26,945) | 508,543 | (86,087) |
| Current financial liabilities (excluding trade and other payables and provisions) | (1,840) | 254,271 | 74,981 |
| Non-current liabilities | (47,396) | 1,901,917 | - |
| Non-current financial liabilities (excluding trade and other payables and provisions) | (47,396) | 1,006,847 | - |
| **Net assets (100%)** | **301,959** | **503,423** | **(59,031)** |
| **Group's share of net assets** | **142,223** | **124,346** | **(18,078)** |
| Goodwill | 222,058 | - | - |
| Excess value of PP&E* | - | 131,628 | - |
| Share of loss not recognized | - | - | (18,078) |
| **Group's carrying amount of the investment** | **364,281** | **255,973** | **-** |
| | | | |
| *Economic useful life of excess value of PPE (in years) | - | 20 | - |

**2019**

| *Amounts in NOK thousand* | **Principle Power Inc** | **REC Silicon ASA** |
|---|---|---|
| **Summarized income statement financial information** | | |
| Revenue | 78,786 | 1,410,353 |
| Depreciations, amortizations and impairment | (7,312) | (614,498) |
| Interest income | 304 | 6,163 |
| Interest expense | (11,040) | (172,553) |
| Income tax (expense)/benefit | (110) | - |
| Profit (loss) | 50,769 | (1,118,070) |
| Total comprehensive income (100%) | 50,827 | (1,099,582) |
| **Group's share of profit (loss) [1]** | **(5,633)** | **-** |
| **Summarized balance sheet financial information** | | |
| Current assets | 56,809 | 995,686 |
| Cash and cash equivalents | 23,661 | 258,141 |
| Non-current assets | 170,297 | 1,556,747 |
| Current liabilities | (28,045) | 1,016,759 |
| Current financial liabilities (excluding trade and other payables and provisions) | (1,120) | 196,679 |
| Non-current liabilities | (38,240) | 1,527,772 |
| Non-current financial liabilities (excluding trade and other payables and provisions) | (38,240) | 957,053 |
| **Net assets (100%)** | **160,822** | **7,024** |
| **Group's share of net assets** | **129,830** | **85,259** |
| **Group's carrying amount of the investment** | **129,830** | **85,259** |

*1) Due to changes in the Group's ownership interest in its equity-accounted investees during the year, the Group's share of total comprehensive income may not equate to the Group's ownership interest multiplied by the equity-accounted investee's total comprehensive income.*

### Reconciliation of Carrying Amount in Equity-Accounted Investees For 2020

| *Amounts in NOK thousand* | Principle Power Inc | REC Silicon ASA | Korea Floating Wind Power Co., Ltd. | Total |
|---|---|---|---|---|
| Opening balance 1 January | 129,830 | 85,259 | - | **215,089** |
| Recognized investment in associate due to increase in ownership interest | - | - | 18 | **18** |
| Investments | 266,001 | 300,000 | 4,397 | **570,399** |
| Share of profit (loss) [1] | (13,241) | (107,131) | (4,416) | **(124,789)** |
| Share of other comprehensive income | - | (2,322) | - | **(2,322)** |
| Share of transaction costs on equity increase | - | (8,172) | - | **(8,172)** |
| Currency translation differences | (18,309) | (11,661) | | **(29,970)** |
| **Closing balance 31 December** | **364,281** | **255,973** | **-** | **620,254** |

*1) The share of profit (loss) for REC Silicon ASA includes NOK 4 million of depreciation of the excess value of PPE.*

### Reconciliation of Carrying Amount in Equity-Accounted Investees For 2019

| *Amounts in NOK thousand* | Principle Power Inc | REC Silicon ASA | Total |
|---|---|---|---|
| Opening balance 1 January | - | - | - |
| Recognized investment in associate due to increase in ownership interest | 63,800 | - | 63,800 |
| Investments | 71,664 | 85,259 | 156,922 |
| Share of profit (loss) | (5,633) | - | (5,633) |
| **Closing balance 31 December** | **129,830** | **85,259** | **215,089** |

## 20 RELATED PARTIES

**Financial Reporting Principles**

Related party relationships are those involving control (either direct or indirect), joint control or significant influence. Related parties are in a position to enter into transactions with the Company that would not be undertaken between unrelated parties.

Aker Horizons AS is a parent company with control of the group entities as listed in note 18 Interest in other entities. Any transactions between the parent company and the group entities are eliminated in the carve-out combined financial statements.

Remunerations and transactions with directors and executive officers are summarized in note 21 Management remuneration.

The largest shareholder of Aker Horizons AS is Aker Capital AS which in turn is controlled by Kjell Inge Røkke through Aker ASA, TRG Holding AS and The Resource Group TRG AS. The Resource Group TRG AS is the ultimate parent company of Aker Horizons AS. In this respect, all entities controlled by Aker ASA and entities which Kjell Inge Røkke and his close family controls through The Resource Group TRG AS are considered related parties to Aker Horizons AS and referred to as "Aker entities" in the table below.

Related parties to Aker are other entities not controlled by Kjell Inge Røkke through Aker ASA, TRG Holding AS and The Resource Group TRG AS, but where Aker entities have significant influence over the reporting entities.

A significant portion of the Aker Horizons business was an integral part Aker Solutions ASA, a subsidiary of Aker ASA for the periods covered by these carve-out combined financial statements up until December 2020, where Aker ASA’s investment in Aker Solutions ASA was classified as an associate. Related parties’ balances per the reporting date 31 December 2020 are thus classified as Related parties to Aker.

**Transactions and Balances with Related Parties**

*For the year ended 31 December 2020*

| *Amounts in NOK thousand* | **Aker entities** | **Related parties to Aker** | **Associates** | **Joint Ventures** | **Total** |
|---|---|---|---|---|---|
| **Income statement** | | | | | |
| Revenues | - | 165 | 1,539 | - | **1,704** |
| Operating expenses | (5,151) | (41,050) | - | - | **(46,201)** |
| Interest income | - | - | 486 | - | **486** |
| Interest expense | (2,715) | - | - | - | **(2,715)** |
| **Balance sheet** | | | | | |
| Interest-bearing receivables | - | - | 24,867 | - | **24,867** |
| Trade and other receivables | - | 907 | 1,539 | 6,316 | **8,762** |
| Non-current borrowings | (1,000,000) | - | - | - | **(1,000,000)** |
| Current borrowings | (183,650) | - | - | - | **(183,650)** |
| Trade and other payables | (8,369) | (27,382) | - | - | **(35,751)** |

*For the year ended 31 December 2019*

| *Amounts in NOK thousand* | **Aker entities** | **Related parties to Aker** | **Associates** | **Joint Ventures** | **Total** |
|---|---|---|---|---|---|
| **Income statement** | | | | | |
| Operating expenses | 7 | - | - | - | **7** |
| **Balance sheet** | | | | | |
| Trade and other payables | 7 | - | - | - | **7** |

*For the year ended 31 December 2018*

| *Amounts in NOK thousand* | **Aker entities** | **Related parties to Aker** | **Associates** | **Joint Ventures** | **Total** |
|---|---|---|---|---|---|
| **Income statement** | | | | | |
| Operating expenses | 337 | - | - | - | **337** |
| **Balance sheet** | | | | | |
| Trade and other payables | 337 | - | - | - | **337** |

### The Major Related Parties Transactions

### Incorporation of Aker Horizons Group

The Company was incorporated on 1 November 2020 as a private limited liability company under the laws of Norway. On 19 January 2021, the Company acquired Aker Horizons Holding through the Internal Reorganization (described in the prospectus) and thereby established the current Group, including a 51% ownership in each of Aker Carbon Capture and Aker Offshore Wind. At the same time, the Company acquired its 24.7% industrial holding in REC Silicon ASA from Aker Capital AS. Refer to note 2 Accounting principles and note 22 Subsequent events for additional details.

For further disclosures on the Internal Reorganization, please see note 2.

### Acquisition of Business from Aker Solutions

*Aker Offshore Wind segment*

On 17 July 2020, the Asset Purchase Agreement with Aker Solutions was entered into for the purchase of assets, rights and liabilities that were part of Aker Solutions' wind development business. The agreement included the purchase of shares in Principle Power Inc. and Korea Floating Wind Power Co., Ltd. As part of the Asset Purchase Agreement, several contracts related to the offshore wind business were assigned from Aker Solutions to the Aker Offshore Wind in relation to the Group's wind business, such as agreements related to projects, portfolios, biddings and memorandum of understandings.

The purchase price was set at NOK 441 million based on fair value estimates, whereas the net book values for the acquired business was NOK 136 million at the date of the transaction. The transaction was financed by way of a seller's credit, later reclassified to equity through a debt conversion. The acquisition is considered a common control transaction in these carve-out combined financial statements, and the differences between fair values and book values are reflected as a continuity difference element included in equity in these carve-out combined financial statements.

*Aker Carbon Capture segment*

On 17 July 2020, the Asset Purchase Agreement with Aker Solutions was entered into for the acquisition of personnel, technology (including know-how) and intellectual property rights, the MTU, as well as its project and tender portfolio in the CCUS business, together with other industry projects/engagements.

The purchase price was set at NOK 512 million based on fair value estimates, whereas the net book values for the acquired business was NOK 9 million at the date of the transaction. The transaction was financed by way of a seller's credit, later reclassified to equity through a debt conversion. The acquisition is considered a common control transactions and differences between fair values and book values are reflected as continuity difference in equity in these carve-out combined financial statements.

**Agreements with Related Parties to Aker**

**Aker Solutions**

*Transitional Services Agreement*

On 17 July 2020, the Transitional Services Agreement was entered into with Aker Solutions regarding services to be rendered to the Group. Such services include, inter alia, access to employees who possess information necessary for the business and operations, assistance with financials, tax, legal, IT and human resources, and other similar services that ensure a smooth transition. The term of the agreement is six months with an option for the Aker Horizons to extend for further three months and is otherwise entered into on market terms.

In addition, the Combined Group has entered into certain Ancillary Agreements with Aker Solutions consisting of a personnel hire agreement, license agreement, technical services agreement, fabrication services agreement, agreement for sale of goods, EPCI agreement and an alliance agreement. The agreements provide the Group with, among other things, unique access to Aker Solutions' deep-water capabilities. The ancillary agreements is entered into on terms and conditions considered in line with prevailing practice for similar agreements.

*Global Frame Agreement*

On 31 July 2020, the three Global Frame Agreements with Aker Solutions were entered into for (i) provision of fabrication services; (ii) provision of technical services, including engineering services; and (iii) for personnel hire. The purpose of these agreements is to ensure access to capabilities and manpower while maintaining needed flexibility in the cost base following the Separation. All agreements are subject to a 5-year term with an option to renew for 3 + 3 years. The contract for provision of technical services includes an exclusivity provision. Also, the same parties have on the same date agreed on a roadmap for the purpose of negotiating and agreeing on a framework agreement for the provision of engineering, procurement, construction and management assistance based on an alliance model.

*Brevik CCS Project*

On 22 December 2020, Aker Horizons awarded Aker Solutions a contract for engineering, procurement and management assistance services to realize the carbon capture plant at the Brevik cement factory in southern Norway. Aker Solutions expects around 100 employees will be involved in delivering these services.

*Office Lease Agreement*

The Group has entered into a lease agreement with Aker Solutions AS for office premises at Fornebu, Bærum. The contract term is two years starting 17 August 2020, with extension option for one additional year.

## Agreements with Aker Entities

### Aker BP ASA

The Group has entered into a Cooperation Frame Agreement with Aker BP ASA concerning decarbonizing oil and gas production assets with renewable power from offshore wind. The two companies collaborate on concepts for efficient development of large offshore wind parks to enable effective offtake to oil and gas producing assets on the NCS. Aker Offshore Wind is taking a role to develop and operate the wind parks. Aker BP will contribute with industry and technology competence and be a potential customer of electricity from offshore wind along with other operators.

### Aker ASA

The Group has entered into an IT service agreement with Aker ASA for delivery of IT services to the Group.

### Aker Capital AS

*Loan Agreement*

The Group has entered into loan facilities totaling NOK 1,208 million with Aker Capital AS, of which NOK 1,182 million was drawn as of 31 December 2020. The interest rate is set at NIBOR + 5% margin. NOK 1 billion matures on 30 June 2022 and the remaining balance matures on 31 December 2021. The loans were granted to finance operations in addition to a seller credit of NOK 1 billion related to share purchases, see also note 17 Changes in liabilities arising from financing activities.

See note 22 Subsequent events for further discussion of the change of creditor from Aker Capital AS to Aker Horizons AS in 2021.

## Agreements with Associated Companies

### Korea Floating Wind Power Co., Ltd.

The Group has provided shareholder loans to the associated company Korea Floating Wind Power Co., Ltd.  The receivables are interest-bearing (interest rate 3.5% per annum). Further, the Combined Group has entered into a Shareholder Services Agreement whereby Aker Offshore Wind will provide services to the associate company on demand. Please see more information about the equity-accounted investee in note 19.

## 21 MANAGEMENT REMUNERATION

### Remuneration to the Directors

The total remuneration to the CEO and CFO consists of a fixed base salary, employee benefits and variable pay programs. The CEO and CFO participate in the standard pension and insurance schemes applicable to all employees. The table below includes remuneration earned beginning on 1 September 2020 when the Directors were first employed.

*For the year ended 31 December 2020*

| *Amounts in NOK* | **Job title** | **Base salary** | **Other benefits** | **Total taxable remuneration** | **Pension benefit earned** |
|---|---|---|---|---|---|
| Kristian Røkke | CEO | 1,133,000 | 4,128 | **1,137,128** | 59,233 |
| Ola Beinnes Fosse | CFO | 666,667 | 4,128 | **670,795** | 59,264 |

## 22 SUBSEQUENT EVENTS

### The Internal Reorganization

Aker Horizons AS was incorporated on 1 November 2020 and became the parent of the Aker Horizons Group through an internal reorganization in January 2021.

Prior to the internal reorganization, the Company was a dormant shelf company with no material assets. In connection with, and as a result of the Internal Reorganization, the Company acquired through its subsidiaries 51% of Aker Carbon Capture AS (ACC) and Aker Offshore Wind (AOW), in addition to a 24.7% ownership interest in REC Silicon ASA (REC Silicon). Please see note 2 for further disclosures.

### The Mainstream Transaction

On 19 January 2021, the Aker Horizons Group entered into the Mainstream SPA, resulting in a 75% ownership in Mainstream, a leading global renewable energy company that develops, builds and operates offshore and onshore wind farms and solar power plants in high growth markets worldwide.

The Mainstream Transaction is expected to close during Q2 2021, subject to certain customary closing conditions.

The preliminary cash consideration for the 75 % stake in Mainstream is approximately NOK 7,010 million. In addition to the consideration payable on closing, the share purchase agreement contains a potential future earn-out payment payable at the earliest in 2023 of up to approximately NOK 1,000 million based on secured or formally awarded additional project capacity in certain future bidding rounds. The earn-out element has been valued by the Company to approximately NOK 100 million in the preliminary purchase price allocation. Transaction costs related to the Mainstream Transaction are approximately NOK 250 million.

The financing of the Mainstream Transaction is made through a Private Placement of 118,571,428 new Shares at a price per share of 35 NOK completed on 27 January 2021 and related Greenshoe with 11,857,142 new share at a price per share of 35 NOK, raising a total gross proceeds of NOK 4.57 billion or net proceeds of NOK 4.43 billion, net of transaction costs of approximately NOK 138 million. Financing is also raised through issuance of convertible bonds with nominal amount of NOK 1,500 million and issuance of green bond with nominal amount of NOK 2,500 million. Further and in connection with the Mainstream Transaction, the Group entered into a Revolving credit Facility with nominal amount of NOK 1,750 million.

**The Rainpower Transaction**

On 26 January 2021, the Company, through its wholly owned subsidiary Aker Horizons Holding AS, entered into the Rainpower SPA for the acquisition of all of the shares in Rainpower for a cash consideration of NOK 8.5 million. Rainpower offers proprietary technologies for integrated products and services to the hydropower industry worldwide.

The transaction is conditional on recapitalization of Rainpower with its current lenders in addition to customary closing conditions including required anti-trust filings. The Rainpower Transaction is expected to be completed during Q1 2021, subject to satisfaction of all closing conditions.

Transaction costs related to the Rainpower Transaction are approximately NOK 3 million.

**The Shareholder Loan**

On 27 January 2021, the Company entered into a Subordinated Loan Agreement of NOK 2,000 million with Aker Capital to replace a Seller's credit of NOK 800 million arising in connection with the transfer of the shares of REC Silicon in 2021 into the Company, and the loan agreement of NOK 1,200 million entered in 19 January 2021 which in its turn replaced the loan agreement of NOK 1,200 million entered into in the end of 2020, related to the transfer of ACC and AOW in that year.

The Shareholder Loan bears an interest of 6 % and has maturity date in 2026. Issuance costs related to the Shareholder Loan of NOK 10 million are payable in July 2021.

**The Aker Clean Hydrogen Transaction**

Aker Clean Hydrogen (AHC), incorporated in February 2021, is a subsidiary of the Company, and was established as a pure play industrial clean hydrogen developer and operator with the purpose of accelerating global decarbonization. ACH shares became available for trading on Euronext Growth during March 2021 and raised new equity through a private placement raising of net proceeds of NOK 2,950 million.

The Company participated in the private placement with NOK 500 million, and the net effect for the Combined Group was NOK 2,450 million.

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To the Board of Directors of Aker Horizons AS

# Independent auditor's report

## Report on the Audit of the Carve-out Combined Financial Statements

### Opinion

We have audited the carve-out combined financial statements of Aker Horizons AS, which comprise:

- The carve-out combined financial statements of Aker Horizons AS (the "Combined Group"), which comprise the carve-out combined balance sheet as at 31 December 2020, 31 December 2019 and 31 December 2018, the carve-out combined income statement and comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion:

- The accompanying carve-out combined financial statements give a true and fair view of the carve-out combined financial position of the Combined Group as at 31 December 2020, 31 December 2019 and 31 December 2018, and its carve-out combined financial performance and its carve-out combined cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

### Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the* Carve-out Combined *Financial Statements* section of our report. We are independent of the Combined Group as required by laws and regulations in Norway, 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.

### Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 and 2 to the carve-out combined financial statements, which describes their basis of preparation, including the approach to and the purpose for preparing them. The carve-out combined financial statements were prepared to meet the requirements in connection with Aker Horizons AS' listing of shares on Oslo Stock Exchange, including the prospectus prepared in connection therewith. Our opinion is not modified in respect of this matter.

### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation and fair presentation of the carve-out combined financial statements in accordance with International

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo, Alta, Arendal, Bergen, Bodø, Drammen, Elverum, Finnsnes, Hamar, Haugesund, Knarvik, Kristiansand, Mo i Rana, Molde, Skien, Sandefjord, Sandnessjøen, Stavanger, Stord, Straume, Tromsø, Trondheim, Tynset, Ålesund

Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of carve-out combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out combined financial statements, management is responsible for assessing the Combined Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Combined Group or to cease operations, or has no realistic alternative but to do so.

### Auditor’s Responsibilities for the Audit of the Carve-out Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve-out 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 carve-out combined financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the carve-out 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 the Combined 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 Combined 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 carve-out combined 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 Combined Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the carve-out combined financial statements, including the disclosures, and whether the carve-out combined financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Combined Group to express an opinion on the carve-out combined 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.

Oslo, 11 March 2021
KPMG AS

Vegard Tangerud
State Authorised Public Accountant

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# APPENDIX B—ARTICLES OF ASSOCIATION

| Vedtekter | Articles of association |
|---|---|
| **AKER HORIZONS ASA** | **AKER HORIZONS ASA** |
| (Org. Nr. 925 978 558) | (Company. No. 925 978 558) |
| Fastsatt 20. april 2021 | Adopted 20 April 2021 |
| § 1 Selskapets navn er Aker Horizons ASA. Selskapet er et allmennaksjeselskap, med forretningskontor i Bærum kommune. | § 1 The company's business name is Aker Horizons ASA. The company is a public limited liability company, having its registered office in the municipality of Bærum. |
| § 2 Selskapets virksomhet er, selv eller sammen med andre, å investere i og utvikle selskaper eller virksomheter som driver innen energi, klima- og miljøløsninger og infrastruktur, og tilhørende teknologi, varer og tjenester. | § 2 The company's purpose is to, by itself or together with other parties, invest in and develop companies and businesses within energy, climate- and environmental solutions, and infrastructure, and associated technology, goods and services. |
| § 3 Selskapets aksjekapital er NOK 580 750 658, fordelt på 580 750 658 aksjer, hver pålydende NOK 1. Selskapets aksjer skal være registrert i Verdipapirsentralen. | § 3 The company's share capital is NOK 580,750,658 divided into 580,750,658 shares, each with nominal value NOK 1. The shares shall be registered with the Norwegian Central Securities Depository. |
| § 4 Styret består av 3 - 9 medlemmer. Selskapets firma tegnes av styrets leder alene eller to styremedlem i fellesskap. Styret kan meddele prokura . | § 4 The Board of Directors consists of 3 - 9 directors. The chairman of the Board of Directors alone or two Directors jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant power of procuration. |
| § 5 Selskapet skal ha en valgkomité bestående av minst 2 medlemmer som skal velges av generalforsamlingen. Generalforsamlingen fastsetter godtgjørelsen til valgkomiteen. Valgkomiteen skal forberede valg av styremedlemmer. Generalforsamlingen kan vedta instruks for valgkomiteens arbeid. | § 5 The company shall have a nomination committee, consisting of at least two members elected by the general meeting. The general meeting determines the remuneration to the nomination committee. The nomination committee shall prepare the election of directors. The general meeting may adopt instructions for the nomination committee's tasks. |
| § 6 Selskapets generalforsamling skal innkalles ved skriftlig henvendelse til alle aksjonærer med kjent adresse.<br><br>Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjonærene på selskapets internettsider, gjelder ikke lovens krav om at dokumentene skal sendes til aksjonærene. Dette gjelder også dokumenter som etter lov skal inntas i eller | § 6 General meetings shall be notified by written notice to all shareholders with known address.<br><br>When documents relating to matters which shall be considered in the General Meeting have been made available to the shareholders on the company's internet pages, legislative requirements that documents must be sent to the shareholders in printed form shall not apply. This is applicable also to such documents which, according to legislation, must be |

vedlegges innkallingen til generalforsamlingen. En aksjonær kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

included in or attached to the notice of the General Meeting. Notwithstanding, a shareholder may demand to receive in printed form documents related to matters which are to be considered in the General Meeting.

Selskapet kan i innkallingen angi en frist for påmelding som ikke må utløpe tidligere enn fem (5) dager før generalforsamlingen.

The company may set a deadline in the Notice of General Meeting for registration of attendance to the General Meeting, which shall not fall earlier than five (5) days prior to the General Meeting.

Styret kan bestemme at aksjeeierne skal kunne avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon, i en periode før generalforsamlingen. For slik stemmegivning skal det benyttes en betryggende metode for å autentisere avsenderen.

The Board may decide that the shareholders may cast their vote in writing, including electronically, during a period prior to the General Meeting. For such voting an adequate method for authenticating the sender shall be applied.

Generalforsamlingen ledes av styrets leder eller den han oppnevner. På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres:

a) Godkjennelse av årsregnskap og årsberetning, herunder utdeling av utbytte.

b) Andre saker som etter lov eller vedtekter hører under generalforsamlingen.

The Chairman of the Board or a person designated by him shall preside at the General Meeting. The Annual General Meeting shall discuss and decide on the following matters.

a) Approval of the annual accounts and the annual report, including distribution of dividend, if any.

b) Other matters that pursuant to law or the Articles of Association fall under the authority of the general meeting

Generalforsamlingen kan holdes i Oslo.

The general meeting may be held in the municipality of Oslo.

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# APPENDIX C— UNAUDITED PRO FORMA FINANCIAL INFORMATION

# 1. UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

## 1.1 Introduction

During the course of 2021, the Company has completed certain transactions which are regarded as transactions that constitute significant gross changes or significant commitments, and includes the Mainstream Transaction, the Rainpower Transaction, the Shareholder Loan and the ACH Transaction, together the "**Transactions**", as explained below.

The Transactions represents "significant gross changes" and give rise to prepare pro forma financial information to comply with the requirements of the Norwegian Securities Trading Act by reference to the EU Prospectus Regulation regarding information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

## 1.2 The Internal Reorganisation

The Company was incorporated on 1 November 2020 and became the parent of the Group through the Internal Reorganisation in January 2021.

Prior to the Internal Reorganisation, the Company was a dormant shelf company with no material assets. In connection with, and as a result of the Internal Reorganisation, the Company acquired through its subsidiaries 51% of ACC and AOW, in addition to a 24.7% ownership interest in REC Silicon. Those acquisitions involved entities under common control. Under IFRS, the net assets and results of those entities, accounted for and disclosed in the Carve-out Combined Financial Statements for the year ended 31 December 2020 are referred to as the "**Combined Group**".

## 1.3 The Mainstream Transaction

On 19 January 2021, the Company, through its wholly indirectly owned subsidiary Danu BidCo, entered into the Mainstream SPA.

The Mainstream Transaction was completed on 11 May 2021 and resulted in the Company, through Danu BidCo owning 75% of the shares in Mainstream.

The cash consideration for the 75% stake in Mainstream is approximately EUR 667.1 million (or NOK 6,984.5 million) and the remaining 25% is EUR 222.4 (or NOK 2,328.3 million), representing the fair value of the Non-controlling interest's contribution in kind. In addition to the consideration payable on closing, the share purchase agreement contains a potential future earn-out payment payable at the earliest in 2023 of up to EUR 100 million based on secured or formally awarded additional project capacity to Mainstream in certain future bidding rounds. The earn-out element has been valued by the Company to approximately EUR 16 million (or NOK 167.5 million) on a 100% basis (whereas EUR 12 million or NOK 125.7 million on a 75% basis) in the preliminary purchase price allocation.

Transaction costs related to the Mainstream Transaction are approximately EUR 25.6 million.

The financing of the Mainstream Transaction is made through (i) the Private Placement and Greenshoe; and (ii) issuance of convertible bonds with nominal amount of NOK 1,500 million (or NOK 1,493.3 million, net of issuance costs of NOK 6.75 million), the "**Convertible Bond Issue**"; and (iii) issuance of green bond with nominal amount of NOK 2,500 million (or NOK 2,467.5 million, net of issuance costs of NOK 32.5 million), the "**Green Bond Issue**". Further and in connection with the Mainstream Transaction, the Company entered into the EUR 510 million Senior Facilities Agreement which was later partially cancelled to only comprise of a revolving credit facility (the "**RCF**") with a nominal amount of EUR 170 million. On 29 April 2021, the Senior Facilities Agreement, including the RCF was amended to comprise only of a EUR 400 million multicurrency revolving credit facility (the "**Amended RCF**") pursuant to an amendment and restatement agreement. It is assumed that a nominal amount of NOK 560 million (or NOK 495.1 million net of issuance costs of NOK 64.9 million) is drawn down on the Amended RCF at the closing of the Mainstream Transaction.

The issuance costs are all assumed being cash settled in the Unaudited Pro Forma Condensed Financial Information.

Also, and in connection with the Mainstream Transaction, the Company will use available cash reserves to settle the outstanding Mezzanine loan note in Mainstream, amounting to approximately EUR 39 million (or NOK 409.3 million).

## 1.4 The Rainpower Transaction

The Company has also acquired Rainpower in 2021 for a cash consideration of NOK 8.5 million. In connection with this acquisition, NOK 104.2 million in existing debt in Rainpower have been refinanced (whereas part of the NOK 50 million in Non-current borrowings and part of the NOK 73.1 million in Current borrowings) with a subordinated perpetual equity linked loan agreement (assessed as hybrid capital within equity for pro forma purposes). Also, Rainpower have entered into a new NOK 53,000,000 senior secured facilities agreement, the purpose of which is to provide financial support to Rainpower and certain of its subsidiaries through both existing and new credit facilities. For the purpose of the Unaudited Pro Forma Condensed Financial Information, it is assumed that this facility has not been utilized, and as such no pro forma adjustments have been performed.

Transaction costs related to the Rainpower Transaction are approximately NOK 9 million.

## 1.5 The Shareholder Loan

On 27 January 2021, the Company entered into a subordinated loan agreement of NOK 2 billion with Aker Capital to replace a Seller's credit of NOK 800 million arising in connection with the transfer of the shares of REC Silicon in 2021 into the Company, and the loan agreement of NOK 1,200 million entered in 19 January 2021 which in its turn replaced the loan agreement of NOK 1,200 million entered into in the end of 2020, related to the transfer of ACC and AOW in that year.

The Shareholder Loan bears an interest of 6% and has maturity date in 2026. Issuance costs related to the Shareholder Loan of NOK 10 million are payable in July 2021.

## 1.6 The ACH Transaction

ACH is a newly formed entity (1 January 2021) and subsidiary of the Company. ACH was admitted to trading on Euronext Growth (Oslo) on 11 March 2021, and raised new equity through a private placement of 187,500,000 shares with offer price of NOK 16 per share, raising gross proceeds of approximately NOK 3 billion (or NOK 2,933.5 million, net of transaction costs of approximately NOK 66.5 million). The Company participated in the private placement with NOK 500 million, and the net effect for the Combined Group was NOK 2,433.5 million.

## 1.7 Cautionary note regarding the Unaudited Pro Forma Condensed Financial Information

The Unaudited Pro Forma Condensed Financial Information has been prepared solely for illustrative purposes to show how the Transactions might have affected the Carve-out Combined Income Statement for the year ended 31 December 2020, had the Transactions occurred on 1 January 2020, and the Carve-out Combined Balance Sheet as of 31 December 2020, had the Transactions occurred on 31 December 2020.

The Unaudited Pro Forma Condensed Financial Information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Combined Group might have been, had the Combined Group completed the Transactions at an earlier point in time. For further information, see also Section 1.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

Although the Unaudited Pro Forma Condensed Financial Information is based on estimates and assumptions based on current circumstances believed to be reasonable, actual results could materially differ from those presented herein. Because of its nature, the Unaudited Pro Forma Condensed Financial Information addresses a hypothetical situation, and therefore, does not represent the Combined Group's actual financial position or results of operations if the Transactions and the Internal Reorganisation had in fact occurred on those dates, and is not representative of the results of operations for any future periods. It should be noted that greater uncertainty is attached to the Unaudited Pro Forma Condensed Financial Information than actual historical financial information. Investors are cautioned against placing undue reliance on this Unaudited Pro Forma Condensed Financial Information.

The unaudited pro forma adjustments are based on information currently available (see also Section 1.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information"). The assumptions and estimates underlying the pro forma adjustments applied to the historical financial information are described in the notes to the Unaudited Pro Forma Condensed Financial Information. Neither these adjustments nor the resulting pro forma financial information have been audited in accordance with Norwegian or United States generally accepted auditing standards. In evaluating the Unaudited Pro Forma Condensed Financial Information, each reader should carefully consider the historical financial statements of the Company, the Carve-out Combined Financial Statements and the notes thereto and the notes to the Unaudited Pro Forma Condensed Financial Information.

The Unaudited Pro Forma Condensed Financial Information has been compiled to comply with the requirements as set forth in Annex 20 of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

## 1.8 Basis of preparation of the Unaudited Pro Forma Condensed Financial Information

To account for the Internal Reorganisation and the Transactions in the Unaudited Pro Forma Condensed Financial Information, the starting point for the pro forma information is the Carve-out Combined Financial Statements as of and for the year ended 31 December 2020.

The Unaudited Pro Forma Condensed Financial Information has been prepared solely for illustrative purposes to show how the Transactions might have affected the Carve-out Combined income statement for year ended 31 December 2020, had the Transactions occurred on 1 January 2020, and the Carve-out Combined balance sheet as of 31 December 2020, had the Transactions occurred on 31 December 2020.

The IFRS accounting policies adopted in the preparation of the Unaudited Pro Forma Condensed Financial Information are consistent with those followed in the preparation of the audited Carve-out Combined Financial Statements as of and for the year ended 31 December 2020. The Unaudited Pro Forma Condensed Financial Information does not include all information required for financial statements under IFRS and should be read in conjunction with the historical information of the Company and of the Combined Group as well as other information included elsewhere in this Prospectus.

The Unaudited Pro Forma Condensed Financial Information has been prepared under the assumption of going concern.

The pro forma adjustments related to the Unaudited pro forma condensed income statement have all continuing impact, unless otherwise stated.

**Sources of the Unaudited Pro Forma Condensed Financial Information**

The Unaudited Pro Forma Condensed Financial Information is prepared using (i) the audited Carve-out Combined Financial Statements as of and for the year ended 31 December 2020, which have been prepared in accordance with IFRS as adopted by the EU (IFRS); and (ii) unaudited management accounts of Mainstream as of and for the year ended 31 December 2020, which have been prepared on the same accounting principles as the Mainstream's audited financial statements as of and for the year ended 31 December 2019 (IFRS); and (iii) unaudited management accounts of Rainpower as of and for the year ended 31 December 2020, which have been prepared on the same accounting principles as the Rainpower's audited financial statements as of and for the year ended 31 December 2019 (prepared in accordance with regulation on simplified application of international financial reporting standards, set by Fin.dept 21 January 2008, or "Simplified IFRS").

For the purpose of the preparation of the Unaudited Pro Forma Condensed Financial Information, management of the Company has not identified material adjustments related to the management accounts of Mainstream and Rainpower in order for them to comply with the accounting policies used in preparation of the Carve-out Combined Financial Statements for the year ended 31 December 2020 (IFRS).

**Exchange rates**

For the purposes of the preparation of the Unaudited Pro Forma Financial Information, the following exchange rates have been applied to convert the management accounts of Mainstream with presentation currency EUR to NOK, which is the presentation currency of the Combined Group (source: www.norges-bank.no):

EUR/NOK exchange rate of 10.72 for the year ended 31 December 2020;

EUR/NOK exchange rate of 10.47 as of 31 December 2020.

Also, all EUR amounts where the purchase price and other financing agreements are in this currency have been translated to NOK using the EUR/NOK exchange rate of 10.47 as of 31 December 2020, unless otherwise stated.

**Accounting treatment Mainstream Transaction and Rainpower Transaction**

Those transactions have been assessed by management of the Company to be within the scope of IFRS 3 *Business Combinations*. In connection with those transactions, management of the Company has performed a preliminary purchase price allocation (PPA) for each of the Mainstream Transaction and the Rainpower Transaction. Detail of the preliminary PPA for the Mainstream Transaction and the Rainpower Transaction are included in Section 1.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information". See also "Accounting treatment Subordinated perpetual equity linked loan agreement" below regarding the refinancing of Rainpower.

**Accounting treatment Subordinated perpetual equity linked loan agreement**

In connection with the Rainpower Transaction, certain debt in Rainpower totaling NOK 104.2 million have been refinanced by existing lender through issuance of a subordinated perpetual equity linked loan (see also above Section 1.4 The Rainpower Transaction). This loan agreement is perpetual with no scheduled maturity date and is not subject to any instalments. The Company has, for pro forma purposes, assessed that the NOK 104.2 million loan which have been refinanced by existing lenders is to be classified as hybrid capital within equity, based on IAS 32 *Financial instruments: presentation*.

**Accounting treatment Convertible Bond Issue**

The Company has preliminary assessed that the Convertible Bond Issue is a compound financial instrument in accordance with IAS 32 *Financial instruments: presentation,* with both an equity component and a liability component. Issuance costs (NOK 6.8 million) are allocated to the liability and equity component in proportion to the allocation of proceeds. For the purpose of the preparation of the Unaudited Pro Forma Condensed Financial Information, the Company has assessed that the fair value of the liability component, including its share of issuance costs to be approximately NOK 1,147.3 million (assuming an interest rate of 7% and where the issuance cost element has been calculated to NOK 5.2 million), and the equity element to be NOK 346 million. The equity element corresponds to the difference between the net proceeds of the Convertible Bond Issue of NOK 1,493.3 million and the fair value of the liability component (including its share of issuance costs) of NOK 1,147.3 million.

**Accounting treatment Shareholder Loan**

In connection with the Internal Reorganisation, the shares in REC Silicon were partially transferred as a contribution in kind into the Company, and partially with establishment of a "Seller's Credit" of approximately NOK 800 million in 2021. In addition to the Seller's Credit, the Company entered in 2021 into a loan agreement of approximately NOK 1,200 million towards Aker Capital. This loan agreement was replacing a loan agreement entered in 2020 with approximately the same amount (NOK 1,200 million) in connection with the transfer of ACC and AOW at the end of 2020. As the transfer of the REC Silicon shares was part of the Internal Reorganisation, involving entities under common control, they were transferred at their carrying value in the Carve-out Combined Financial Statements. The loan agreement established in connection with the transfer of ACC and AOW at the end of 2020 is also reflected in the Carve-out Combined Financial Statements. The Seller's Credit of approximately NOK 800 million and the loan agreement towards Aker Capital of NOK 1,200 million were established in 2021, and as such not included in the Carve-out Combined Financial Statements. The Shareholder Loan of NOK 2,000 million, entered into on 27 January 2021 with Aker Capital, is replacing both the Seller's Credit of NOK 800 million and the NOK 1,200 million loan agreement.

Further and as the transferred shares of REC Silicon have been reflected in the Carve-out Combined Financial Statements at their historical carrying value, the NOK 800 million reflected in the Seller's Credit (not included in the Carve-out Combined Financial Statements) is deemed to be a continuity difference and is therefore presented as a reduction in equity in the Unaudited Pro Forma Condensed Financial Statements. Also, the difference between the NOK 1,200 million loan (with booked value NOK 1,183.7 million as of 31 December 2020) and the Shareholder Loan of NOK 2,000 million, totaling NOK 816.4 million is presented as a pro forma increase in Non-current borrowings of NOK 1,000 million and a pro forma decrease in Current borrowings of NOK 183.7 million (representing reversal of Current borrowings as presented in the Carve-out Combined Financial Statements as of and for the year ended 31 December 2020), while the remaining amount of NOK 16.4 million is presented as Cash and cash equivalent. In the Unaudited pro forma income statement, the resulting pro forma effect is to eliminate historical interest expenses (included in the Carve-out Combined Financial Statements) related on the NOK 1,200 million loan, and replace with estimated interest expenses on the NOK 2,000 million Shareholder Loan.

**Tax treatment**

Fair value adjustments in the purchase price allocation normally give rise to deferred tax. Fair value adjustments in the preliminary purchase price allocation in the Unaudited Pro Forma Condensed Financial Information relates to the Mainstream Transaction. The Mainstream group had significant tax reducing temporary differences at 31 December 2020 for which no deferred taxes are recognised. Such unrecognized tax reducing temporary differences may have to be netted against the identified positive fair value adjustments of assets that relates to the same tax regimes, and consequently should not give rise to net deferred tax liability in the preliminary purchase price allocation. However, for the purpose of the preliminary purchase price allocation the Company does not have sufficient information, and it is assumed that there are no significant tax reducing temporary differences that can be netted against the tax effects on identified fair value adjustments.

## 1.9 Independent practitioner's assurance report on the compilation of unaudited pro forma financial information included in a prospectus

With respect to the Unaudited Pro Forma Condensed Financial Information, KPMG applied assurance procedures in accordance with ISAE 3420 "Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus" in order to express an opinion as to whether the Unaudited Pro Forma Condensed Financial Information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Combined Group. KPMG has issued an independent assurance report on the Unaudited Pro Forma Condensed Financial Information. KPMG's procedures on the Unaudited Pro Forma Financial Information have not been carried out in accordance with attestation standards and practices generally accepted in the United States of America, and accordingly, should not be relied on as if they had been carried out in accordance with those standards.

## 1.10 Unaudited pro forma condensed income statement for the year ended 31 December 2020

The table below sets out the Unaudited pro forma condensed income statement for the year ended 31 December 2020, as if the Transactions had occurred 1 January 2020.

| *(NOK thousands)* | Basis for pro forma | | | Pro forma adjustments | | | Pro forma for the Combined Group |
|---|---|---|---|---|---|---|---|
| | Combined Group | Mainstream | Rainpower | A | B | C | |
| **Revenues** | **26,592** | **60,632** | **537,852** | | | | **625,077** |
| Depreciation and amortisation | (5,407) | (16,905) | (25,815) | | | | (48,128) |
| Other operating expenses – in total | (216,143) | (420,567) | (563,005) | (274,432) | (9,000) | | (1,483,147) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Operating profit / (loss)** | **(194,957)** | **(376,840)** | **(50,968)** | **(274,432)** | **(9,000)** | | **(906,197)** |
| Net financial items | (6,694) | (219,213) | (23,320) | (190,511) | 3,467 | (119,285) | 555,557) |
| Share of profit / (loss) equity-accounted investees | (124,789) | (110,373) | | (7,119) | | | (242,281) |
| Tax benefit / (expense) | (4) | (3,345) | (7,865) | | 8,245 | | (2,969) |
| **Profit / (loss) for the period** | **(326,445)** | **(709,771)** | **(82,153)** | **(472,062)** | **2,712** | **(119,285)** | **(1,707,004)** |

**Pro forma adjustments for the purpose of the Pro forma condensed income statement for the year ended 31 December 2020**

***Pro Forma adjustment A - Mainstream Transaction***

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | **Pro forma adjustments A** | | | | **Total Pro forma adjustment A** |
|---|---|---|---|---|---|
| | (i) | (ii) | (iii) | (iv) | |
| Other operating expenses – in total | | | | (274,432) | (274,432) |
| Net financial items | (247,595) | 57,084 | | | (190,511) |
| Share of profit / (loss) equity-accounted investees | | | (7,119) | | (7,119) |

(i) To reflect estimated interest expenses totaling NOK 247.6 million, whereas NOK 81.6 million are related to the Convertible Bond Issue, NOK 88.5 million are related to the Green Bond Issue and NOK 77.5 million are related to the Amended RCF. The estimated interest expenses on the Convertible Bond Issue have been calculated based on an interest rate of approximately 7% on the fair value of the liability component (NOK 1,147.3 million) in addition to amortisation of issuance costs of NOK 1.3 million (related to the share of its issuance costs). The estimated interest expenses on the Green Bond Issue have been calculated based on an interest rate of 3.25%, in addition to amortisation of issuance costs of NOK 7.2 million. The interest expenses on the Amended RCF have been calculated based on an interest rate of 3.5% on the drawn down amount, an interest rate of 1% on the undrawn amount, in addition to amortisation of issuance costs of NOK 21.6 million (EUR 2.1 million) and based on the loan denominated NOK amount of NOK 560 million (for the drawn down amount) and NOK 3,628 million for the remaining amount which is undrawn). For further details on the accounting treatment of those arrangements, see Section 1.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information”.

(ii) To reflect the elimination of historical interest expenses related to the Mezzanine loan note of NOK 57.1 million (assumed being non-tax deductible), which have been assumed settled in cash. This adjustment will not have a continuing impact.

(iii) To reflect the effects of the preliminary PPA leading to a net decrease in Share of profit for equity-accounted investees with NOK 7.1 million. This pro forma adjustment consists of estimated amortisation of NOK 9.5 million (related to the identified fair value adjustments for assets in equity accounted investees in South Africa with NOK 231.7 million, based on an amortisation profile of 25 years, and corresponding estimated increase in tax benefit of NOK 2.4 million). For further details, see also Section 1.12 “Additional notes to the Unaudited Pro Forma Condensed Financial Information” related to the preliminary purchase price allocation for the Mainstream Transaction.

(iv) To reflect the estimated transaction costs of NOK 274.4 million, or EUR 25.6 million (assumed being non-tax deductible). This adjustment will not have a continuing impact.

***Pro Forma adjustment B - Rainpower Transaction***

The adjustment on Other operating expenses – in total of NOK 9 million reflects the transaction costs related to the Rainpower Transaction, and is assumed being non-tax deductible. This adjustment will not have a continuing impact.

The adjustment on Net financial items of NOK 3.5 million represents the elimination of estimated historical interest expenses related to the loans in Rainpower that have been refinanced with the subordinated perpetual equity linked loan (assessed as equity for pro forma purposes). See also section 1.4 “The Rainpower Transaction” and section 1.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information” for further details.

The adjustment on tax benefit of NOK 8.2 million represents the elimination of the expensed deferred tax assets in Rainpower during the year ended 31 December 2020, following the preliminary PPA (in which no deferred tax assets has been recognized, and thus leading to a reversal of the previously expensed deferred tax assets in profit and loss).

***Pro Forma adjustment C - Shareholder Loan***

This adjustment on Net financial items of NOK 119.3 million reflects (i) the elimination of historical interest expenses of NOK 2.7 million related to the existing loan with Aker Capital being replaced with the Shareholder Loan; and (ii) the addition of estimated interest expenses of NOK 122 million related to the Shareholder Loan (calculated based on an interest rate of 6%, and includes amortisation of issuance costs of NOK 2 million). For further details on the Shareholder Loan, see Section 1.5 “The Shareholder Loan” and Section 1.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information”.

## 1.11 Unaudited pro forma condensed balance sheet as of 31 December 2020

The table below sets out the Unaudited pro forma condensed balance sheet as of 31 December 2020, as if the Transactions had occurred 31 December 2020.

| *(NOK thousands)* | **Basis for pro forma** | | | **Pro forma adjustments** | | | | **Pro forma for the Combined Group** |
|---|---|---|---|---|---|---|---|---|
| | Combined Group | Mainstream | Rainpower | A | B | C | D | |
| Goodwill | | | 209,737 | 5,003,218 | (7,003) | | | 5,205,953 |
| Intangible assets | 3,801 | | 28,577 | | | | | 32,378 |
| Deferred tax assets | | 314 | | | | | | 314 |
| Property, plant and equipment | 40,711 | 522,882 | 79,642 | 7,354,523 | | | | 7,997,758 |
| Equity accounted investees | 620,254 | 547,529 | | 187,581 | | | | 1,355,363 |
| Inventories | | 6,258,411 | 2,224 | (5,845,900) | | | | 414,735 |
| Other operating assets | 42,451 | 800,505 | 172,653 | | | | | 1,015,609 |
| Cash and cash equivalents | 943,112 | 1,535,802 | 14,015 | 1,220,932 | (17,500) | 16,350 | 2,433,500 | 6,146,211 |
| Restricted cash | | 3,154,276 | | | | | | 3,154,276 |
| **Total assets** | **1,650,328** | **12,819,719** | **506,849** | **7,920,353** | **(24,503)** | **16,350** | **2,433,500** | **25,322,596** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Equity** | **319,360** | 3,188,230 | 15,503 | 3,686,868 | 79,674 | **(800,000)** | 2,433,500 | 8,923,135 |
| Deferred tax | | | | 407,328 | | | | 407,328 |
| Other non-current liabilities | 5,430 | 4,115 | | 125,640 | | | | 135,185 |
| Non-current borrowings | 1,000,000 | 7,250,590 | 50,000 | 4,109,852 | (37,000) | 1,000,000 | | 13,373,442 |
| Non-current lease liabilities | 28,451 | 523,835 | 64,679 | | | | | 616,965 |
| Current borrowings | 183,650 | 526,746 | 73,077 | (409,335) | (67,177) | (183,650) | | 123,311 |
| Current lease liabilities | 12,064 | 20,605 | 12,549 | | | | | 45,218 |
| Current operating liabilities | 101,372 | 1,305,599 | 291,041 | | | | | 1,698,102 |
| Total liabilities | 1,330,968 | 9,631,489 | 491,346 | 4,233,485 | (104,177 ) | 816,350 | | 16,399,462 |
| **Total equity and liabilities** | **1,650,328** | **12,819,719** | **506,849** | **7,920,353** | **(24,503)** | **16,350** | **2,433,500** | **25,322,597** |

## Pro forma adjustments for the purpose of the Pro forma condensed balance sheet as of 31 December 2020

### *Pro Forma adjustment A - Mainstream Transaction*

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | **Pro forma adjustments A** | | | | **Total Pro forma adjustment A** |
|---|---|---|---|---|---|
| | (i) | (ii) | (iii) | (iv) | |
| Goodwill | | | 5,003,218 | | 5,003,218 |
| Property, plant and equipment | | | 7,354,523 | | 7,354,523 |
| Equity accounted investees | | | 187,581 | | 187,581 |
| Inventories | | | (5,845,900) | | (5,845,900) |
| Cash and cash equivalents | 8,882,836 | (409,335) | (6,984,537) | (268,032) | 1,220,932 |
| Equity | 4,772,984 | | (818,084) | (268,032) | 3,686,868 |
| Deferred tax | | | 407,328 | | 407,328 |
| Other non-current liabilities | | | 125,640 | | 125,640 |
| Non-current borrowings | 4,109,852 | | | | 4,109,852 |
| Current borrowings | | (409,335) | | | (409,335) |

(i) To reflect the effects of the Private placement and Greenshoe, the Convertible Bond Issue, the Green Bond Issue and the Amended RCF, increasing Cash and cash equivalents with NOK 8,882.8 million, Equity with NOK 4,773 million and Non-current borrowings with NOK 4,109.5 million. The net proceeds of the Private Placement and Greenshoe increased Cash and cash equivalents with NOK 4,427 million with a corresponding increase in Equity. The net proceeds of the Convertible Bond Issue increased Cash and cash equivalents with NOK 1,493.3 million, NOK 346 million was allocated to Equity and the remaining amount of NOK 1,147.3 million increasing Non-current borrowings. The net proceeds of the Green Bond Issue increased Cash and cash equivalents with NOK 2,467.5 million with a corresponding increase in Non-current borrowings. The net proceeds of the Amended RCF (NOK 495.1 million or EUR 47.3 million) increased Cash and cash equivalents with NOK 495.1 million with corresponding increase in Non-current borrowings. Those adjustments assumed that all related issuance costs are settled in cash. For further details on those arrangements and accounting treatment, see Section 1.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information.

(ii) To reflect the settlement of the outstanding Mezzanine loan note with NOK 409.3 million (or EUR 39 million), reducing Cash and cash equivalents and Current borrowings with a corresponding amount.

(iii) This pro forma adjustment represents the effects of the acquisition of 75% of the shares in Mainstream, accounted for in accordance with IFRS 3 and based on the preliminary PPA as disclosed in Section 1.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information", whereas: a) the increase in Goodwill of NOK 5,003.2 million represents the Goodwill arising as part of the preliminary PPA; and b) the increase in Property, plant and equipment of NOK 7,354,5 million represents the fair value adjustments allocated to those tangible assets as part of the preliminary PPA (and including NOK 5,845.9 million reclassified from Inventories) as further described in Section 1.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information"; and c) the increase in Equity accounted investees of NOK 187.6 million represents the recognised fair value adjustments allocated to assets in those investees (net of tax); and d) the decrease in inventories of NOK 5,845.9 million representing the reclassification adjustment to Property, plant and equipment as part of the preliminary PPA; and e) the decrease in Cash and cash equivalents of NOK 6,984.5 million represents the estimated cash consideration for the acquisition of the 75% stake in Mainstream; and f) the net decrease in Equity of NOK 818.1 million represents the elimination of historical booked equity in Mainstream (NOK 3,188.2 million) and the addition of the Non-controlling interest (NOK 2,370.1 million) arising as part of the preliminary PPA; and g) the increase in deferred tax of NOK 407.3 million represents the tax effect of the fair value adjustments in Property, plant and equipment and inventories arising as part of the preliminary PPA; and h) the increase in Non-current borrowings of NOK 125.6 million represents the estimated earn-out element arising as part of the preliminary PPA.

(iv) To reflect the estimated transaction expenses of NOK 268 million (EUR 25.6 million), reducing Cash and cash equivalents with a corresponding decrease in Equity.

***Pro Forma adjustment B - Rainpower Transaction***

This adjustment is comprised of the following items, as explained, illustrated and summarized in the table below.

| *(NOK thousands)* | Pro forma adjustments B | | Total Pro forma adjustment B |
|---|---|---|---|
| | (i) | (ii) | |
| Goodwill | | (7,003) | (7,003) |
| Cash and cash equivalents | | (17,500) | (17,500) |
| Equity | 104,177 | (24,503) | 79,674 |
| Non-current borrowings | (37,000) | | (37,000) |
| Current borrowings | (67,177) | | (67,177) |

(i) To reflect the effects of the refinancing of Rainpower whereas the increase in equity (assessed as Hybrid capital with NOK 104.2 million represents the refinancing of part of Non-current borrowings (NOK 37 million presented as a decrease in Non-current borrowings) and part of current borrowings (NOK 67.2 million presented as a reduction in Current borrowings) with the subordinated perpetual equity linked loan. For further details, see also Section 1.4 "The Rainpower Transaction" and Section 1.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information.

(ii) To reflect the effects of the acquisition of all of the shares in Rainpower accounted for in accordance with IFRS 3, and based on the preliminary PPA as disclosed in Section 1.12 "Additional notes to the Unaudited Pro Forma Condensed Financial Information", whereas: a) the net decrease in Goodwill with NOK 7 million represents the difference between the historical booked value of Goodwill pre acquisition (NOK 209.7 million) and the Goodwill arising as part of the preliminary PPA (NOK 202.7 million); and b) the decrease in cash and cash equivalents of NOK 17.5 million represents the cash consideration transferred (NOK 8.5 million) and the estimated transaction expenses (NOK 9 million); and c) the decrease in equity of NOK 24.5 million represents the elimination of historical equity in Rainpower (NOK 15.5 million before the pro forma adjustment on equity B (i) above which is assessed as Hybrid capital), and the estimated transaction expenses (NOK 9 million).

***Pro Forma adjustment C - Shareholder Loan***

This adjustment relates to the replacement of the existing loan (with booked value NOK 1,183.7 million as of 31 December 2020 which is reflected in the Carve-out Combined Financial Statements) and the Seller's credit (of NOK 800 million arising in 2021 in connection with the acquisition of REC Silicon), with the Shareholder Loan of NOK 2,000 million, and reflecting in the following adjustments: a) increase in Non-current borrowings of NOK 1,000 million whereas NOK 816.4 million representing the difference between the Shareholder Loan (NOK 2,000 million) and the booked value of the existing loan (NOK 1,183.7 million) as well as reclassification of NOK 183.6 million (presented as current borrowings) to non-current borrowings; and b) decrease in Equity with NOK 800 million representing a continuity difference reflected in the Seller's credit established in 2021 (not reflected in the Carve-out Combined Financial Statements as this seller's credit did not exist per 31.12.20) in connection with the transfer of the shares in REC Silicon in 2021 (already reflected in the Carve-out Combined Financial Statements as this ownership was under common control per 31.12.20); and c) increase in Cash and cash equivalent of NOK 16.4 million representing the remaining available cash resources to cover ongoing operating expenses. For further details on the Shareholder Loan, see Section 1.5 "The Shareholder Loan" and Section 1.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information".

***Pro Forma adjustment D – ACH Transaction***

This adjustment reflects the net effects of the private placement by ACH performed in March 2021 on the Combined Group increasing cash and cash equivalent with NOK 2,433.5 million with a corresponding effect on equity.

## 1.12 Additional notes to the Unaudited Pro Forma Condensed Financial Information

**Preliminary purchase price allocation – Rainpower Transaction**

| *(amounts in NOK thousands)* | |
|---|---|
| Acquisition price | 8,500 |
| Booked value of equity (prior refinancing, see also section 10.4 "The Rainpower Transaction", section 10.8 "Basis of preparation of the Unaudited Pro Forma Condensed Financial Information" and adjustment B(i) in section 10.11 "Unaudited pro forma condensed balance sheet"). | 15,503 |
| Goodwill pre-acquisition | 209,737 |
| Excess value to be allocated | 202,734 |
| Excess value allocated to: | |
| Goodwill | 202,734 |

**Preliminary purchase price allocation - Mainstream Transaction[(i)]**

| *(amounts in NOK thousands)* | |
|---|---|
| Acquisition price (75% stake of all shares) | 6,984,537 |
| Contingent consideration (earn-out on a 75% basis) | 125,640 |
| Total consideration | 7,110,177 |
| Non-controlling interest (25%)(ii) | 2,370,146 |
| **Subtotal** | **9,480,323** |
| Booked value of equity in Mainstream | 3,188,230 |
| *Fair value adjustments identified* | |
| Equity accounted investees (net of tax)(iii) | 187,581 |
| Property, plant and equipment (including reclassification from Inventories) | 7,354,523 |
| Inventories (reclassified as Property, plant and equipment)(iv) | (5,845,900) |
| Net tax effect on fair value identified (Property, plant and equipment and inventories) | (407,328) |
| **Total fair value of identified assets and liabilities** | **4,477,105** |
| Goodwill (100%) | 5,003,218 |

(i) For the purpose of the preliminary PPA, and based on information currently available, it is assumed that there are no significant tax reducing temporary differences that can be netted against the tax effects on fair value identified. See also Section 1.8 “Basis of preparation of the Unaudited Pro Forma Condensed Financial Information”.

(ii) For the purpose of the preliminary PPA, the amount allocated to Non-controlling interest represents 25% of the consideration of Mainstream on a 100% level, in accordance with IFRS 3.19.

(iii) The fair value adjustment on Equity accounted investees includes assets with NOK 187.6 million includes assets under construction on which depreciation has not started, mainly related to Chile (NOK 13.8 million after tax, or NOK 18.8 million before tax), and assets ready for its intended use with an estimated useful life of 25 years which are mainly related to South Africa (NOK 173.8 million after tax, or NOK 231.8 million before tax).

(iv) The fair value adjustment on property, plant and equipment relates to assets under construction. Prior to the acquisition, Mainstream’s strategy has primarily been to build and sell, instead of build and operate power plants. Consequently, Mainstream has classified its projects primarily as inventory. Due to the Company’s current strategy and funding capabilities, the Company plans to build and hold a larger part of Mainstream’s projects under construction. Consequently, inventories with carrying value of NOK 5,845.9 million is reclassified to property, plant and equipment.

Fornebu, 12 May 2021

Øyvind Eriksen
(Chairman)

Kjell Inge Røkke

Lise Kingo

Lone Fønss Schrøder

Kristian Røkke
CEO

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# APPENDIX D — ASSURANCE REPORT ON PRO FORMA FINANCIAL INFORMATION

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To the Board of Directors of Aker Horizons ASA

# Independent Practitioner´s Assurance Report on the Compilation of Unaudited Pro Forma Condensed Financial Information to be included in a Prospectus

We have completed our assurance engagement to report on the compilation of Unaudited Pro Forma Condensed Financial Information of Aker Horizons ASA (the "Reporting Entity") by the Reporting Entity's management. The Unaudited Pro Forma Condensed Financial Information consists of the unaudited pro forma condensed balance sheet as at 31 December 2020 and the unaudited pro forma condensed income statement for the year then ended, and related descriptions and notes as set out in an appendix to the Prospectus ("the Appendix") related to the listing and admission to trading of common shares in the Reporting Entity on Oslo Stock Exchange ("the Prospectus"). The applicable criteria on the basis of which the Reporting Entity has compiled the Unaudited Pro Forma Condensed Financial Information are specified in Annex 20 of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129, which is incorporated in section 7-13 of the Securities Trading Act (Norway) and as described in the Unaudited Pro Forma Financial Information in the Appendix (the "applicable criteria".)

The Unaudited Pro Forma Condensed Financial Information has been compiled by management of the Reporting Entity to illustrate the impact of the Transactions as defined in the Appendix ("Transactions") on the Reporting Entity´s carve-out combined income statement for the year ended 31 December 2020 had the Transactions occurred on 1 January 2020 and on the Reporting Entity's carve-out combined balance sheet as of 31 December 2020 had the Transactions occurred on 31 December 2020. As part of this process, information about the Reporting Entity´s financial position and financial performance has been extracted by management from the Carve-out Combined Financial Statements as at 31 December 2020 on which an audit report was published 11 March 2021.

## Management's Responsibility for the Unaudited Pro Forma Condensed Financial Information

The Reporting Entity's management is responsible for compiling the Unaudited Pro Forma Condensed Financial Information on the basis of the applicable criteria.

## Our Independence and Quality Control

We are independent of the Reporting Entity as required by Norwegian laws and regulations. We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Practicioner's Responsibilities

Our responsibility is to express an opinion as required by Annex 20 section 3 of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 which is incorporated in section 7-13

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo, Alta, Arendal, Bergen, Bodø, Drammen, Elverum, Finnsnes, Hamar, Haugesund, Knarvik, Kristiansand, Mo i Rana, Molde, Skien, Sandefjord, Sandnessjøen, Stavanger, Stord, Straume, Tromsø, Trondheim, Tynset, Ålesund

of the Securities Trading Act (Norway) about whether the Unaudited Pro Forma Condensed Financial Information has been compiled, by the Reporting Entity's management, on the basis of the applicable criteria

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether the Reporting Entity's management has compiled the Unaudited Pro Forma Condensed Financial Information on the basis of the applicable criteria and whether this basis is consistent with the accounting policies of the Reporting Entity.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Condensed Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information, including any adjustments made to conform accounting policies, or assumptions used in compiling the Unaudited Pro Forma Condensed Financial Information. Our work has consisted primarily of comparing the underlying historical financial information used to prepare the Unaudited Pro Forma Condensed Financial Information to source documentation, assessing documentation supporting the adjustments and discussing the pro forma information with management of the Reporting Entity.

The purpose of Unaudited Pro Forma Condensed Financial Information included in a Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Reporting Entity as if the event had occurred or the Transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or Transactions, if the Transactions had taken place on 31 December 2020 and at 1 January 2020, would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Condensed Financial Information has been compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by management of the Reporting Entity in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria;
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information; and
- The unaudited pro forma financial information has been properly compiled on a basis consistent with the accounting policies of the Reporting Entity

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Reporting Entity, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Condensed Financial Information.

We believe that the evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Opinion

In our opinion:

- the Unaudited Pro Forma Condensed Financial Information has been properly compiled on the basis stated in the Appendix (the "applicable criteria".)

- the basis is consistent with the accounting policies of the Reporting Entity.

## Restriction on use and distribution

This report has been issued solely in connection with listing and admission to trading of common shares in the Reporting Entity on the Oslo Stock Exchange. Therefore, this report is not intended to be used in other jurisdictions and should not be used or relied upon for any purpose other than the listing described above.

Oslo, 12 May 2021
KPMG AS

Vegard Tangerud
*State Authorised Public Accountant*

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## REGISTERED OFFICE, ADVISORS AND INDEPENDENT AUDITOR

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