



**Solving global energy
challenges for future
generations.**

#PowerTheChange

Who we are

Aker Solutions delivers integrated solutions, products and services to the global energy industry. We enable low-carbon oil and gas production and develop renewable solutions to meet future energy needs.

By combining innovative digital solutions and predictable project execution we accelerate the transition to sustainable energy production.

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Key Figures

		1H 2023	1H 2022	2022
ORDERS AND RESULTS				
Order backlog	NOK mill	97,697	52,722	97,316
Order intake	NOK mill	24,796	20,686	88,238
Revenue	NOK mill	25,741	18,926	41,417
EBITDA	NOK mill	1,968	1,251	2,934
EBITDA margin	Percent	7.6	6.6	7.1
EBITDA ex. special items	NOK mill	2,073	1,274	3,022
EBITDA margin ex. special items	Percent	8.1	6.7	7.3
EBIT	NOK mill	1,368	700	1,857
EBIT margin	Percent	5.3	3.7	4.5
EBIT ex. special items	NOK mill	1,489	735	1,923
EBIT margin ex. special items	Percent	5.8	3.9	4.6
Net income	NOK mill	929	451	1,170
CASH FLOW				
Cash flow from operating activities	NOK mill	3,495	1,556	4,518
BALANCE SHEET				
Net interest-bearing debt	NOK mill	-7,655	-3,072	-5,147
Equity ratio	Percent	27.5	28.4	27.9
Liquidity reserve	NOK mill	11,078	10,026	11,170
SHARE				
Share price	NOK	38.9	26.8	37.4
Basic earnings per share (NOK)	NOK	1.87	0.88	2.42
Basic earnings per share (NOK) ex. special items	NOK	2.07	0.85	2.53
EMPLOYEES				
Total employees	Own employees	16,026	14,331	15,395
HSSE				
Lost time incident frequency	Per million worked hours	0.18	0.25	0.11
Total recordable incident frequency	Per million worked hours	1.29	1.15	1.09
Sick leave rate ¹	Percentage of total working hours	3.37	3.45	3.59

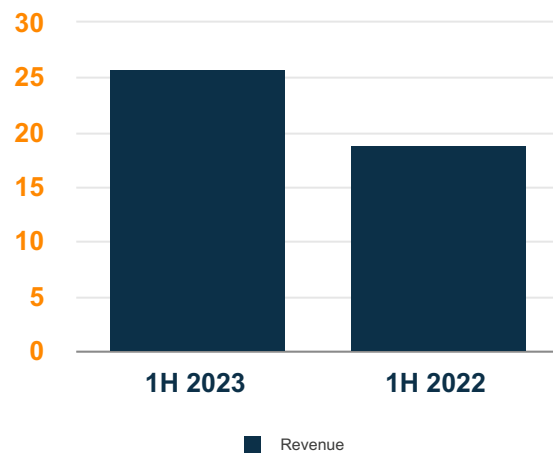
1) Sick leave rate for 2022 and 2023 are per May 31



Key Figures

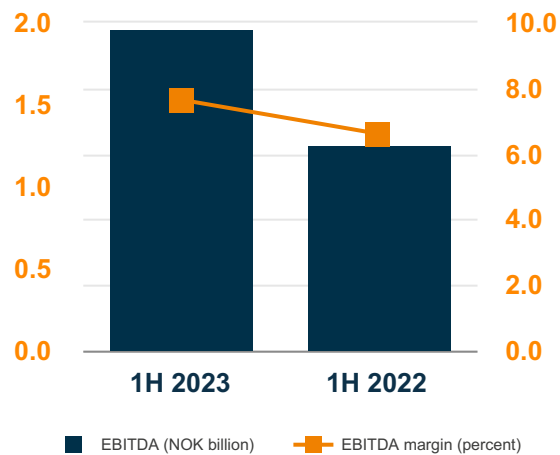
Revenue

Amounts in NOK billion



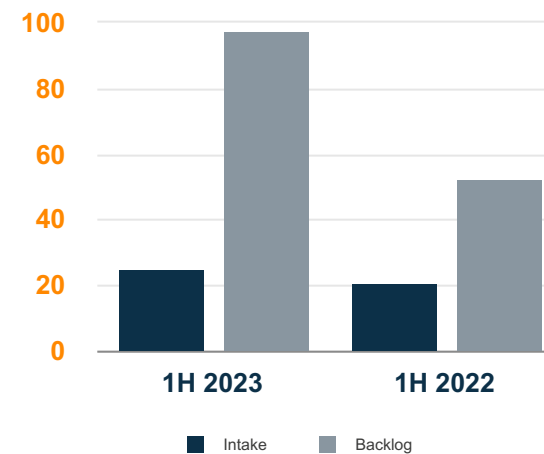
EBITDA and EBITDA margin

Amounts in NOK billion and percent



Order intake and backlog

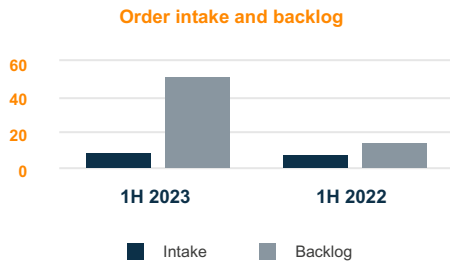
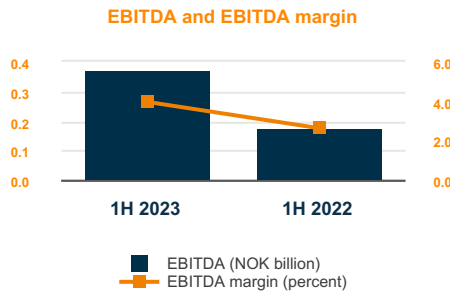
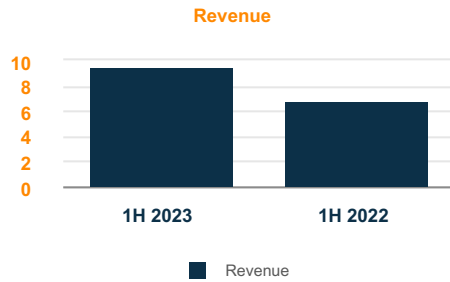
Amounts in NOK billion



Segment Key Figures

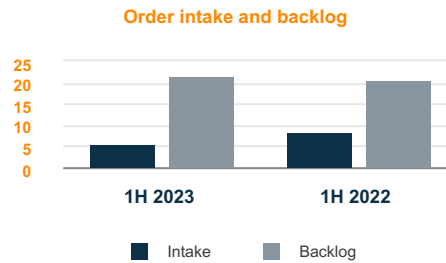
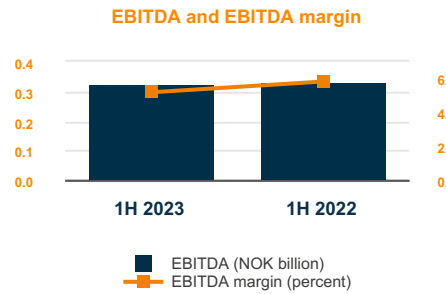
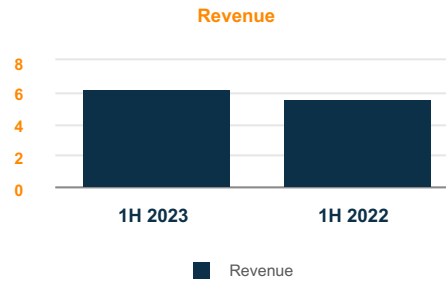
Renewables and Field Development

Amounts in NOK billion and percent



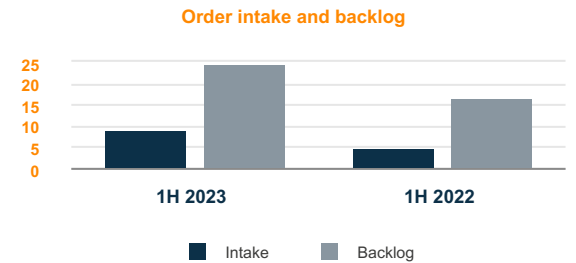
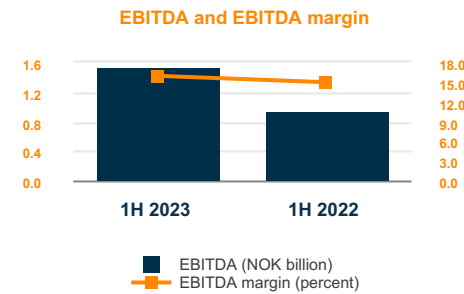
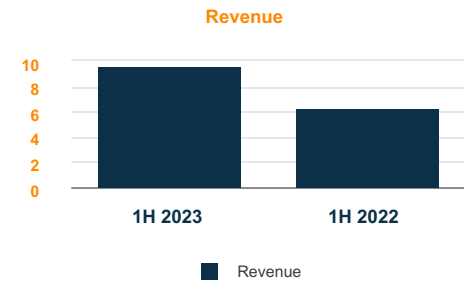
Life Cycle

Amounts in NOK billion and percent



Subsea

Amounts in NOK billion and percent



Key Developments

Financial Performance

Aker Solutions presents its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union.

Consolidated Financial Results

Aker Solutions' revenue increased to NOK 25.7 billion in the first half of 2023 from NOK 18.9 billion in the prior year. Earnings before interest and other financial items, taxes, depreciation and amortization (EBITDA) increased to NOK 1,968 million (7.6 percent) in the first half compared to NOK 1,251 million (6.6 percent) the year before. EBITDA excluding special items was NOK 2,073 million, compared to NOK 1,274 million a year earlier. This corresponded to an EBITDA margin excluding special items of 8.1 percent compared to 6.7 percent the year before. The positive development in EBITDA in the first half of 2023 compared to the year before, was mainly driven by solid performance in the Subsea segment as well as improvement in the Renewables and Field Development segment.

Interest income was NOK 175 million in the first half of 2023, compared to NOK 62 million in the previous year. Interest expenses were NOK 131 million compared to NOK 186 million the year before. Income before tax increased to NOK 1,290 million from NOK 701 million the year before. The effective tax rate for the period was 28.0 percent compared to 35.7 percent in the previous year.

Net income after tax in the first half of 2023 was NOK 929 million compared with NOK 451 million the previous year. Earnings per share were NOK 1.87 versus NOK 0.88 in the same period in 2022.

Excluding special items, the earnings per share for the first half of 2023 were NOK 2.07 versus NOK 0.85 the previous year.

Renewables and Field Development Financial Results

The Renewables and Field Development segment designs and delivers renewable energy solutions for offshore wind, hydrogen and carbon capture and storage (CCS), as well as engineering consulting services and project execution of oil and gas platforms, onshore facilities, marine operations and decommissioning.

Revenue in the Renewables and Field Development segment was NOK 9.5 billion in the first half of 2023, compared to NOK 6.8 billion the year before. The EBITDA margin was 4.0 percent, compared to 2.6 percent a year earlier. The margins in this segment was affected by several projects which were still in earlier phases of execution without margin recognition in the period, as well as commercial and operational challenges related to legacy renewables projects in the portfolio.

Order intake in the first half of 2023 was NOK 9.6 billion, compared NOK 7.6 billion in the prior year. This represented a book-to-bill of 1.0 times. The order backlog increased by 241 percent to NOK 51.6 billion at the end of the period, from NOK 15.1 billion a year earlier. This increase was mainly driven by record high order intake in the fourth quarter of 2022 related to projects under the NCS activity package.

Life Cycle (former Electrification, Maintenance and Modifications) Financial Results

The Life Cycle segment optimizes field life solutions. It has specialized capabilities for efficient execution of a range of maintenance and modifications services for offshore infrastructure, and offers decarbonization solutions including electrification.

Revenue in the Life Cycle segment was NOK 6.3 billion in the first half of 2023, compared to NOK 5.6 billion the year before. The EBITDA margin was 5.2 percent, compared to 5.8 percent a year earlier.

Order intake in the first half of 2023 was NOK 5.8 billion, compared to NOK 8.3 billion in the prior year. This represented a book-to-bill of 0.9 times. The order backlog increased to NOK 21.5 billion at the end of the period, from NOK 20.6 billion a year earlier.

Segment Key Figures

NOK million	Renewables & Field Development			Life Cycle			Subsea		
	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022
Revenue	9,497	6,753	14,857	6,276	5,650	12,164	9,659	6,368	14,055
EBITDA	376	177	487	326	329	663	1,541	954	2,305
EBITDA margin	4.0%	2.6%	3.3%	5.2%	5.8%	5.5%	16.0%	15.0%	16.4%
EBITDA ex. special items	379	178	488	326	329	663	1,541	954	2,307
EBITDA margin ex. special items	4.0%	2.6%	3.3%	5.2%	5.8%	5.5%	16.0%	15.0%	16.4%
EBIT	207	31	185	265	277	558	1,233	659	1,710
EBIT margin	2.2%	0.5%	1.2%	4.2%	4.9%	4.6%	12.8%	10.3%	12.2%
EBIT ex. special items	209	35	189	265	277	558	1,247	659	1,720
EBIT margin ex. special items	2.2%	0.5%	1.3%	4.2%	4.9%	4.6%	12.9%	10.4%	12.2%
NCOA (or working capital)	-5,030	-539	-2,912	210	140	245	-465	-1,274	-394
Order Intake	9,567	7,583	51,398	5,760	8,317	16,190	9,111	4,780	20,536
Order Backlog	51,556	15,139	50,790	21,464	20,626	21,617	24,644	16,705	24,654
Employees	5,876	4,962	5,484	4,224	4,435	4,381	4,802	3,927	4,271

Subsea Financial Results

The Subsea segment supplies a broad spectrum of market leading intelligent subsea products, systems and solutions globally, as well as subsea lifecycle services.

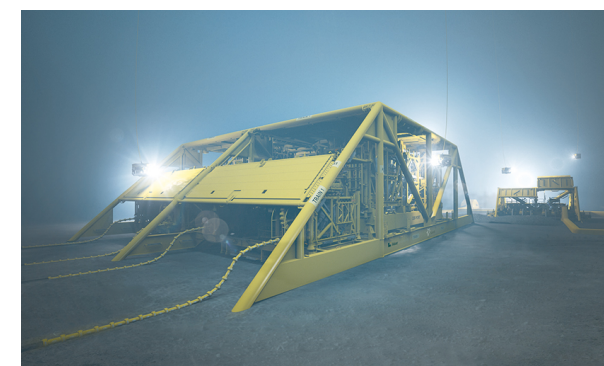
Revenue in the Subsea segment was NOK 9.7 billion in the first half of 2023, compared to NOK 6.4 billion the year before. The EBITDA margin was 16.0 percent, compared to 15.0 percent a year earlier, driven by solid performance on ongoing projects supported by a robust project portfolio with a high portion of standardized equipment.

Order intake in the first half of 2023 was NOK 9.1 billion, compared to NOK 4.8 billion in the prior year. This represented a book-to-bill of 0.9 times. The order backlog increased to NOK 24.6 billion at the end of the period, from NOK 16.7 billion a year earlier.

Assets, Equity and Liabilities

Non-current assets totalled NOK 14.5 billion at the end of first half 2023, compared with NOK 13.9 billion 12 months earlier. Goodwill and other intangible assets were NOK 5.9 billion at half-year 2023, which is slightly down from one year before. The company had a net cash position of NOK 7.7 billion per June 2023, compared with net cash position of NOK 3.1 billion in June 2022. The net cash consists of current and non-current borrowings and cash and cash equivalents. The debt at the end of June 2023 mainly consisted of a bond loan in the Norwegian market. The company ended the half-year 2023 with a total liquidity buffer of NOK 11.1 billion consisting of cash and bank deposits of NOK 8.1 billion as well as committed long-term revolving bank credit facilities of NOK 3.0 billion. The liquidity buffer as of June 30, 2022 was NOK 10.0 billion.

The book value of equity, including non-controlling interests, was NOK 10.5 billion at the end of the first half-year 2023, compared to NOK 8.8 billion one year earlier. The company's equity ratio was 27.5 percent, down from 28.4 percent a year earlier.



Cash Flow

Consolidated cash flow from operating activities depends on several factors, including progress on and delivery of projects, changes in working capital and prepayments from customers.

Net cash flow from operating activities was NOK 3.5 billion per June 30, 2023 compared with NOK 1.6 billion a year earlier. Net current operating assets were negative NOK 5.8 billion at the end of the first half-year 2023 versus negative NOK 2.3 billion a year earlier. Net current operating assets may fluctuate due to the timing of large milestone payments on projects as well as other timing effects and working capital movements.

Aker Solutions' net cash outflow from investing activities was NOK 497 million per June 30, 2023, compared with net outflow of NOK 190 million one year before. Investments in technology development and IT were NOK 81 million, compared with NOK 55 million a year earlier. Net cash outflow related to financing activities was NOK 1,540 million at the end of first half 2023, compared to NOK 1,125 million per June 30, 2022.

Key Operational Developments

In the first half-year of 2023, Aker Solutions has experienced high activity levels across segments with good progress on the project portfolio.

The majority of last years' record order intake was related to the Aker BP portfolio of projects. For the large platform projects, such as Yggdrasil and Valhall PWT, there has been high activity in detailed engineering and procurement, as well as preparing the yards for the upcoming construction phases. Furthermore, Aker Solutions is also progressing well with the early phases for subsea deliveries and

topside modifications to ensure tie-ins of new subsea fields to existing platforms.

The Renewables and Field Development segment is also engaged in several other large scale greenfield developments across energy verticals. At the Stord yard, there continues to be high activity on the Castberg FPSO which arrived from Singapore in April 2022. Aker Solutions is responsible for the hook-up work between the topside and the hull. Together with the client Equinor, the Castberg project has been a testing ground for applying new technologies and digital solutions such as 3D printing with more than 1,300 parts printed. Work has also started on the Rosebank FPSO for Altera and Equinor for the UK Continental Shelf. The project is being executed in a joint venture with Drydocks World-Dubai.

The renewables markets are expected to grow substantially in the years to come. Aker Solutions is actively engaged in projects within hydropower, offshore wind, carbon capture & storage and hydrogen. During the first half of 2023, Aker Solutions has completed the delivery of the eleven concrete foundations for the world's largest floating wind farm, Hywind Tampen. Aker Solutions is also executing several HVDC projects for deliveries to the UK and US.

Within CCS, Aker Solutions is working together with Aker Carbon Capture to bring about the world's first full-scale cement plant integrated with carbon capture technology in Brevik. The CO₂ captured at Brevik will be transported by ship to the Northern Lights facility on the West Coast of Norway before being transported for permanent storage subsea. Aker Solutions is the main contractor for both the onshore storage and subsea injection scopes. In early June, the twelfth and final CO₂ storage tank

was successfully lifted and installed at the Northern Lights CO₂-receiving facility.

Within Life Cycle, Aker Solutions has experienced high activity on both long term frame agreements and modification work on existing platforms for customers such as Aker BP, Equinor, Shell, BP and ConocoPhillips.

Decarbonization of oil and gas assets is high on the customers' agenda, and Aker Solutions has cemented its leading position through electrification of several offshore platforms including Troll West, Draugen, Njord and Yggdrasil.

The Subsea segment has also experienced high activity levels and strong order intake in the period. A key enabler for the solid performance is the efforts made to standardize subsea solutions together with clients. To date, Aker Solutions has been contracted to deliver more than 150 configurable subsea trees to clients such as Equinor, Aker BP, ConocoPhillips and TotalEnergies. Furthermore, the company is progressing well on the Jansz subsea gas compression project for Chevron in Australia.

In August 2022, Aker Solution announced its intention of merging its Subsea segment with SLB (former Schlumberger). The process of establishing the joint venture together with SLB and Subsea 7 is progressing to plan with an expected closing during the second half of 2023, given regulatory approvals.

ESG/Sustainability

The company has set ambitious targets for the energy transition. Within 2025, Aker Solutions target that renewables and transitional energy solutions will account for 1/3 of total revenues. In 2030, the target is 2/3 of total revenues. In addition, Aker Solutions will reduce its Scope 1 and 2 emissions by 50 percent 2030. For 2050, the target is net zero emissions.

Aker Solutions is a signatory to the UN Global Compact and is committed to its 10 principles. Aker Solutions supports the UN Sustainable Development Goals and has prioritized seven goals. Additional information on Aker Solutions' sustainability and human rights initiatives is available on the company's website www.akersolutions.com/sustainability.



During the first half of 2023, Aker Solutions further strengthened its [Climate Action Plan](#). The plan is a roadmap for how the company will reduce its emissions, engage its supply chain and provide solutions to reduce emissions for customers and projects. The plan addresses these issues through four key focus areas: reducing own emissions, uniting the supply chain, accelerating decarbonization, and integrating data systems.

Individuals have been selected to serve as “Climate Action Responsible” within each segment and within each project in the Life Cycle segment. These individuals will own the plan's activities in their segment or project, further supporting the evolution of the Climate Action Plan from a corporate initiative to a business-driven program.

As part of the Climate Action Plan, the company is pursuing the implementation of ISO 50001 to enable emissions reductions and optimize energy use. In 2022, three locations were certified to the standard and the company is now halfway through certification for the location in Stord, Norway.

Aker Solutions is required by law to ensure that modern slavery is not taking place within its business operations and its supply chain. Aker Solutions prepares an annual report called UK Modern Slavery Transparency Statement, which has been approved by the Board of Directors, and is available on the website. This statement is also registered in the UK's Modern Slavery Registry.

Aker Solutions fulfill the requirements for “larger enterprises” under the Norwegian Transparency Act. The 2022 Transparency Act report is available on the website. The report has been developed to comply with the legal requirements as stated in the Act.

Aker Solutions is strongly committed to the principles of non-discrimination and equal opportunity, regardless of gender, age, ethnicity, or other factors. In accordance with the Code of Conduct and People Policy, the company works consistently to remove potential bias in people processes and leadership practice.

Aker Solutions supports a wide range of initiatives to promote diversity and a more inclusive workplace,

including employee resource groups (ERGs) and targeted training and development programs. In April 2023, a corporate Diversity Equity and Inclusion (DEI) role was established to develop a company-wide strategy and roadmap, coordinating efforts in this area across the organization. DEI targets and initiatives will be reported on in detail in the 2023 annual report in compliance with the Norwegian Equality and Discrimination Act (“Aktivitets- og redegjørelsesplikten”).

Organization

On April 1, 2023 the new organizational set-up approved by the Board of Directors in 2022 was put into effect. The new structure reflects a fine-tuning of the strategy and expected operational synergies related to execution of the large project portfolio and the company's growth agenda. The main effects were at the leadership level, while there was limited impact for most of the people and projects. There were only insignificant financial changes to the reporting segments and historical figures are not restated.

The new organization involved some changes at the executive management level. Jo Kjetil Krabbe was appointed executive vice president (EVP) for the new segment Power Solutions. Krabbe, a Norwegian national, has more than 30 years of leadership experience with Aker Solutions, most recently as SVP of our subsea business in APAC, and in 2022 as Head of Performance. Anders Hannevik stepped down as EVP and into another senior role in Aker Solutions. Marianne Hagen resigned from the EMT to pursue opportunities outside Aker Solutions.

Recruitment is a key part of the growth strategy and transition journey. During the first half of 2023, the company has recruited around 1,270 new skilled employees globally. This means the company is on

track with its target of hiring 2,000 new colleagues in 2023.

Health, Safety, Security and Environment

Aker Solutions is committed to a goal of zero harm to people, assets and the environment. The cornerstone of this objective is a strong, structured and company-wide HSSE system, setting clear standards for HSSE management and leadership. Regular audits aim to identify, isolate and help address potential shortcomings. Aker Solutions is focused on continuous improvement and learning throughout the organization and the HSSE system is a key enabler in the quest for ever more stringent standards. At Aker Solutions, the culture is founded on the principle that HSSE is the personal responsibility of every employee.

The company investigates all incidents at a level appropriate to the actual or potential outcome in order to learn and improve. The company had 34 recordable injuries in the first half of 2023. This is an increase compared to 19 in the same period last year. Most of the cases were related to movement, construction and manual handling aspects resulting in cuts, pinches, strains or foreign objects in the eye. The total recordable injury frequency (TRIF) has increased to 1.29 in the first half of 2023 compared to 1.15 in the same period last year. To turn this trend, several initiatives have been introduced.

During the first six months of 2023, 5 serious incidents occurred in operations. This is an increase compared to 3 in the same period last year. The serious incident frequency (SIF) has reduced to 0.12 compared to 0.21 in June last year. Dropped objects continues to be the one of the contributing events. These incidents have been investigated thoroughly and have led to organizational, systemic and

behavioural lessons being implemented across our operation. Both frequencies are 12-month rolling and per million worked hours, which means the number of incidents in the second half of 2022 affects the frequency number of the first half of 2023. The numbers include subcontractors under our direct management.

The sick leave has, as expected, improved after COVID, but is still high among non-office. This is related to recommendations to stay home if any symptoms on flu or similar. Sick leave related to the high work load is identified as a health risk and closely followed up. The workload in parts of the organisation has been high lately, and it will continue to be high. This results in higher workload both among office and non-office personnel. This again results in higher risk for stress-related sick leave in general, but also injuries among non-office personnel related to the high work load and high number of hired ins and other workload related risk. The organisation is working proactively to mitigate these risks. The performance is also closely monitored to act on trends as early as possible.



To strengthen the culture further and improve the company's HSSE performance Aker Solutions has continued to roll out the HSSE Leadership

development program in parts of the organization. Implementation of Control of Work Process in the different segments is ongoing. The Aker Solutions Control of Work process fully integrates the Safe Working Essentials initiative that has been developed by Step Change in Safety in the UK, of which Aker Solutions is a member.

Aker Solutions has continued to work on the collaboration agreement with Equinor, Aibel and Rosenberg Worley with the goal of learning, collaboration and establishing a 2025 goal that will improve the industry's HSSE performance. This year the collaboration has been strengthened by inviting Aker BP and Vår Energy. Aker Solutions has rolled out two quarterly HSSE Mindset Modules on Major Accident Management and Prevent Personal Injuries as part of this collaboration program. In the second half of the year, the focus will be on Safe work at height/Prevent falling objects and on Health and Working Environment.

On a regular basis, the company communicates HSSE information to its global workforce to drive personal zero targets and risk awareness. The company continuously works to identify, analyze and mitigate intentional security threats to personnel and assets.

Outlook

There are considerable changes happening in Aker Solutions' markets. The Ukraine war and subsequent energy crisis in Europe have showed the importance of both energy security, energy affordability and energy transition. It has also highlighted the need for increased energy spending.

Despite the strong order intake in 2022, tendering activity during the first half of 2023 continues to be strong, and Aker Solutions is currently bidding for

contracts totalling about NOK 100 billion, with a good balance between segments.

Aker Solutions continues to see robust multi-year market growth across relevant market segments. A substantial step-up in capital spending is projected in oil and gas in geographical regions where Aker Solutions has a strong position, such as the North Sea, South America and West Africa. This, combined with the ambitions for energy transition and growth in renewables energy production is likely to lead to high activity levels across the industry in the years to come.

In the market for renewables, the momentum continues to accelerate, supported by growing national ambitions in several countries and regions. Even so, the renewables industry requires continued policy support. Aker Solutions, in line with many other industry players, experiences that current frameworks within the offshore wind industry are unsustainable for the longer term. The company sees a clear need for change in the way authorities, operators and suppliers work together.

To secure the future of the industry, authorities have a key role to play in order to develop a sustainable framework to increase predictability and improve risk-reward balance in the industry. Higher auction prices are necessary for both developers and the supply chain to deliver on the necessary investments to reach energy transition targets. There is also a clear need for more long-term thinking, to enable industrialization of the renewables industry, with a strong focus on standardization.

Going forward, Aker Solutions will only focus on customers who see the value of working in long-term partnerships, with aligned incentives and sustainable risk-reward balance, in order to achieve the best outcomes for all parties.

Digitalization is a key strategic focus area for Aker Solutions. By investing in smart industrial platforms, enabling wider adoption of low code, and using technologies such as Artificial Intelligence (AI), the company is working with an ecosystem of partners, such as Aize, Cognite and Accenture, to increase productivity in our core business processes and supply chain, as well as supporting our customers to reduce costs, improve quality and improve their environmental footprint.

In addition, Aker Solutions is focused on developing innovative technology solutions tackling the energy challenges of the future. Disruptive solutions like subsea power distribution, floating foundations and ZEUS (100 percent emission free Oxyfuel Thermal Power Plant) will enable reliable, cost efficient energy production with lower environmental footprint than traditional technology. Aker Solutions work closely with an ecosystem of partners, including developers, authorities, research institutes and industrial players to mature and industrialize such solutions. Technological developments are crucial to meet energy transition targets, as well as for Aker Solutions to enhance competitive differentiation in these markets.

To summarize, the market outlook remains positive and Aker Solutions is well positioned to capitalize on near-term market recovery and the longer term structural changes in world energy markets.

Risk Factors

Aker Solutions' global footprint, operations and exposure to energy markets provide both opportunities and risks that may affect the company's operations, performance, finances, reputation, and share price. External risk factors such as pandemics, market risk, supply chain risks, cybercrime, compliance and integrity risks, political risks, risks related to civil- or political unrest

including war, and climate related risks may have a significant adverse impact on the company, in addition to internal risk factors such as operational risks and financial risks. Several of these risk factors are described below, and further detailed information on inherent risks and uncertainties are provided in the 2022 Annual Report.

Geopolitical uncertainty

The conflict in Ukraine and US-China tensions pose significant risks to the global economy in 2023. A Taiwan crisis could significantly affect international trade.

The war escalation in Ukraine carries the risk for health and safety incidents caused by deployment of weapons having impact outside the geographical borders of the war zone, while a positive resolution of the war could lead to a reconfiguration of the labor market and supply chain.

The increasing reliance on technology and interconnectedness exposes the company to cybersecurity risks. Cyber-attacks, hacking, and information warfare can destabilize governments, economies, and international relations.

In February, an Aker Solutions subsidiary in Brazil was subject to a cyber attack that impacted its IT systems. Together with external experts, Aker Solutions quickly carried out several mitigating actions and was able to contain the threat. The virus did not spread to Aker Solutions, and operations in Brazil were not severely affected. Since the attack, Aker Solutions has implemented hardening measures such as offline backups of key services to ensure restoration capabilities in case of similar attacks in the future.

Aker Solutions is monitoring the developments in the macro environment and has put in place

mitigating actions to reduce risk exposure, strengthening existing controls and establishing new business continuity plans.

Market Risks

On the macro level there continues to be a dynamic environment. Some of the principal factors that contribute to market risk are outlined below:

- Increased volatility and uncertainty in current geopolitical and market situation may affect the speed and direction of the energy transition to renewables and lower carbon economy, including environmental requirements, impact upon oil company activities and the overall development of the market
- Local content requirements, legislative restrictions and/or prohibitions on oil and gas activities in countries of existing or planned operations
- These factors may influence oil price and oil companies' exploration, development, energy transition, production, investment, modification and maintenance activity
- Please see 2022 Annual Report for further details and information on market risks

Climate Related Risks

Aker Solutions follows the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The TCFD recommended disclosures and our responses for 2022 can be found in the independent Climate Risk Review, updated annually, on our website.

Operational Risks

The purpose of operational risk management is to treat risks related to day-to-day operations. Aker Solutions uses both reimbursable and fixed-price contracts. Contracts that include fixed prices for all

or parts of the deliverables are subject to the risk of potential cost overruns. Aker Solutions is involved in projects that are rapidly developing with complex technology solutions, requiring top engineering teams, high quality manufacturing and reliable high-end supply chain. Some of the principle operational risks are outlined below:

- Delivery and Execution Models for projects related to new energy not yet stabilized or proven due to immaturity, uncertainty and/or unsolved complexity
- Lower Project Margins, related to schedule, experience and productivity of the new solutions
- Delay in the qualification process of the new technologies
- Partnerships, joint ventures and other types of cooperation that expose the company to risks and uncertainties outside its control
- Non-delivery and/or disputes with key supplier(s)
- Shortage in labor markets and insufficient experienced talents required to execute projects

A risk mitigation plan is embedded in the 2022 Annual Report.

Financial Risks

The objective of financial risk management is to manage exposure from financial risks, increase predictability of earnings and minimize potential adverse effects on financial performance. Financial risk management and exposures are described in detail in note 22 in the annual report 2022, and capital management is described in note 23. The main financial risks include currency risk, liquidity risk, interest rate risk, credit risk and price risk. Please see Annual Report 2022 for further details and information on financial risks.

Aker Solutions has prepared an assessment of the impact from the Pillar two-rules, also known as "Global minimum tax" or GloBE which is planned to be effective from 2024. The preliminary conclusion is that any potential "top-up" tax will not be material for the group.

Aker Solutions' financial position is solid. As at the second quarter of 2023, the company has a net cash position of NOK 7.7 billion. Net interest-bearing debt to EBITDA is robust at minus 2.5 times, well below the leverage covenants at 3.5 times. The liquidity reserve is healthy at NOK 11.1 billion, consisting of NOK 8.1 billion of cash and cash equivalents and NOK 3.0 billion of undrawn revolving credit facility. This represents a solid financial position and the liquidity risk is deemed to be low.

Aker Solutions is committed to an active policy of risk management. The company will take mitigating actions to increase flexibility in its operations, for instance by seeking to drive down costs, build a sustainable global workforce, and investing to develop as a leading supplier to sustainable energy solutions such as floating offshore wind, carbon capture and storage and low-carbon technologies. This is underpinned by a strong focus on industrialization standardization and continuous improvements. Please see Annual Report 2022 for further details and information on risk factors.

Fornebu, July 12, 2023

The Board of Directors and CEO of Aker Solutions ASA

Consolidated Financial Statements

Aker Solutions
June 30, 2023

Consolidated Financial Statements

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Alternative Performance Measures

The subtotals and totals in some of the tables may not equal the sum of the amounts shown due to rounding.

Declaration by the Board of Directors and Chief Executive Officer

The Board and chief executive officer have today considered and approved the half-year results and financial statements for the Aker Solutions group for the period ended on June 30, 2023.

This declaration is based on reports and statements from the chief executive officer, chief financial officer and on the results of the group's business as well as other essential information provided to the Board to assess the position of the group.

To the best of our knowledge:

- The half-year 2023 financial statements for the group have been prepared in accordance with IAS 34 Interim Financial Reporting.
- The information provided in the financial statements gives a true and fair portrayal of the group's assets, liabilities, financial position and results taken as a whole as of June 30, 2023.
- The Board of Directors report of the group provides a true and fair overview of the development, performance and financial position of the group taken as a whole, and the most significant risks and uncertainties facing the group.

Fornebu, July 12, 2023

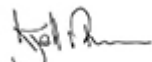
Board of Directors of Aker Solutions ASA



Leif-Arne Langøy
Chairman



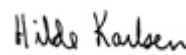
Øyvind Eriksen
Deputy Chairman



Kjell Inge Røkke
Director



Birgit Aagaard-Svendsen
Director



Hilde Karlsen
Director



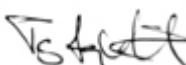
Jan Arve Haugan
Director



Elisabeth Heggelund Tørstad
Director



Lone Fønss Schrøder
Director



Tommy Angeltveit
Director



Stian Pettersen Sagvold
Director



Line Småge Breidablikk
Director



Kjetel Digre
Chief Executive Officer

Income Statement

Consolidated income statement

<i>Amounts in NOK million</i>	Note	1H 2023	1H 2022	2022
Revenue from customer contracts	3, 4	25,659	18,829	41,220
Other income	3, 11	82	97	197
Revenue and other income		25,741	18,926	41,417
Operating expenses		-23,773	-17,675	-38,482
Operating income before depreciation, amortization and impairment		1,968	1,251	2,934
Depreciation and amortization	6, 7	-584	-539	-1,100
Impairment	8	-16	-11	22
Operating income		1,368	700	1,857
Interest income	5	175	62	170
Interest expenses	5	-131	-186	-338
Net other financial items	5	-122	125	26
Income before tax		1,290	701	1,715
Income tax		-361	-250	-545
Net income		929	451	1,170
Net income attributable to:				
Equity holders of the parent company		915	433	1,179
Non-controlling interests		14	18	-8
Net income		929	451	1,170
Earnings per share in NOK (basic and diluted)	9	1.87	0.88	2.42

Other Comprehensive Income (OCI)

Consolidated statement of other comprehensive income

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
Net income	929	451	1,170
Other Comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Cash flow hedges, effective portion of changes in fair value	161	129	175
Cash flow hedges, reclassified to income statement	-91	-29	-81
Cash flow hedges, deferred tax	-19	-23	-25
Translation differences - foreign operations	785	519	399
Total	836	596	467
Items that will not be reclassified to profit or loss:			
Remeasurements of defined pension obligations	0	0	-143
Remeasurements of defined pension obligations, deferred tax asset	0	0	31
Change in fair value of equity investments over OCI	-4	-76	-78
Total	-4	-76	-190
Other comprehensive income (loss), net of tax	832	520	278
Total comprehensive income	1,761	970	1,448
Total comprehensive income (loss) attributable to:			
Equity holders of the parent company	1,748	947	1,455
Non-controlling interests	13	23	-7
Total comprehensive income	1,761	970	1,448

Balance Sheet

Consolidated statement balance sheet

<i>Amounts in NOK million</i>	Note	June 30, 2023	June 30, 2022	December 31, 2022
Assets				
Non-current assets				
Property, plant and equipment	6	4,246	3,424	3,596
Intangible assets including goodwill	7	5,933	6,101	5,949
Right-of-use assets and investment property	11	2,809	2,824	2,723
Deferred tax assets		605	671	584
Lease receivables	11	561	572	561
Investments in companies	14	116	94	128
Interest-bearing receivables		209	212	201
Other non-current assets		61	28	26
Total non-current assets		14,540	13,927	13,768
Current assets				
Current tax assets		88	79	67
Inventories		353	229	275
Trade receivables		6,046	4,782	5,857
Customer contract assets and other receivables		5,748	4,648	4,419
Prepayments		2,601	1,652	1,981
Derivative financial instruments		565	502	406
Interest-bearing receivables		167	150	146
Cash and cash equivalents		8,078	5,026	6,170
Total current assets		23,646	17,068	19,320
Total assets		38,185	30,995	33,088

<i>Amounts in NOK million</i>	Note	June 30, 2023	June 30, 2022	December 31, 2022
Equity and liabilities				
Equity				
Share capital		532	532	532
Share premium		3,687	3,687	3,687
Reserves		2,319	1,612	1,486
Retained earnings		3,968	2,896	3,539
Total equity attributable to the parent	9	10,506	8,727	9,244
Non-controlling interests	9	-3	64	-4
Total equity		10,502	8,791	9,240
Non-current liabilities				
Non-current borrowings	10	417	958	962
Non-current lease liabilities	11	3,792	3,942	3,679
Pension obligations		1,039	982	1,031
Deferred tax liabilities		647	517	459
Other non-current liabilities		36	25	36
Total non-current liabilities		5,931	6,423	6,168
Current liabilities				
Current tax liabilities		128	55	65
Current borrowings	10	6	996	60
Current lease liabilities	11	736	707	734
Provisions	12	2,389	1,519	1,719
Trade payables		3,463	2,360	2,645
Other payables		10,165	7,790	9,066
Customer contract liabilities		4,443	1,974	3,134
Derivative financial instruments		422	380	255
Total current liabilities		21,752	15,781	17,679
Total liabilities		27,683	22,204	23,847
Total equity and liabilities		38,185	30,995	33,088

Cash Flow

Consolidated statement of cash flow

Amounts in NOK million	Note	1H 2023	1H 2022	2022
Cash flow from operating activities				
Net income		929	451	1,170
Adjustment for:				
Income tax		361	250	545
Net financial cost		77	-1	142
Depreciation, amortization and impairment	6, 7, 8	600	551	1,077
Other (profit) loss on disposals and non-cash effects		-119	121	9
Net income after adjustments		1,849	1,372	2,944
Changes in operating assets and liabilities		1,799	307	1,793
Cash generated from operating activities		3,648	1,679	4,737
Income taxes paid		-153	-123	-219
Net cash from operating activities		3,495	1,556	4,518
Cash flow from investing activities				
Interest received		166	51	157
Dividends received		2	1	13
Acquisition of property, plant and equipment	6	-631	-124	-507
Payments for capitalized development	7	-81	-55	-113
Acquisition of subsidiaries, net of cash		-13	-118	-169
Sale of subsidiaries, net of cash		0	0	17
Proceeds from sale of property, plant and equipment		0	4	6
Change in interest-bearing receivables		0	-9	18
Sale of shares and funds		0	0	-7
Cash collection from lease receivables	11	60	60	110
Net cash used in investing activities		-497	-190	-476

Amounts in NOK million	Note	1H 2023	1H 2022	2022
Cash flow from financing activities				
Interest paid		-131	-174	-319
Proceeds from borrowings	10	0	0	6
Repayment of borrowings	10	-530	-513	-1,450
Payment of lease liabilities	11	-390	-340	-695
Paid dividend		-489	-97	-97
Other financing activities		0	0	-11
Net cash from financing activities		-1,540	-1,125	-2,566
Net increase (decrease) in cash and cash equivalents				
		1,458	241	1,476
Cash and cash equivalents at the beginning of the period		6,170	4,560	4,560
Effect of exchange rate changes on cash and cash equivalents		450	225	134
Cash and cash equivalents at the end of the period		8,078	5,026	6,170

Equity

Consolidated statement of changes in equity

<i>Amounts in NOK million</i>	Share capital	Share premium	Treasury share reserve	Retained earnings	Hedging reserve	Translation reserve	Fair value reserve	Equity attributable to parent	Non-controlling interests	Total equity
Equity as of January 1, 2022	532	3,687	-7	2,428	-58	1,159	93	7,833	28	7,861
Net income	0	0	0	433	0	0	0	433	18	451
Other comprehensive income	0	0	0	0	77	514	-76	515	5	520
Total comprehensive income	0	0	0	433	77	514	-76	947	23	970
Sale (purchase) of treasury shares	0	0	2	36	0	0	0	38	0	38
Employee share purchase program	0	0	0	5	0	0	0	5	0	5
Realization of equity investments	0	0	0	90	0	0	-90	0	0	0
Paid dividends	0	0	0	-97	0	0	0	-97	0	-97
Acquisition of subsidiaries with NCI	0	0	0	0	0	0	0	0	12	12
Other changes to equity	0	0	0	1	0	0	0	1	0	1
Equity as of June 30, 2022	532	3,687	-5	2,896	18	1,672	-73	8,727	64	8,791
Equity as of December 31, 2022	532	3,687	-4	3,539	10	1,556	-76	9,244	-4	9,240
Net income	0	0	0	915	0	0	0	915	14	929
Other comprehensive income	0	0	0	0	51	786	-4	833	-1	832
Total comprehensive income	0	0	0	915	51	786	-4	1,748	13	1,761
Sale (purchase) of treasury shares	0	0	1	23	0	0	0	23	0	23
Employee share purchase program	0	0	0	9	0	0	0	9	0	9
Tax adjustment from previous year	0	0	0	-25	0	0	0	-25	0	-25
Adjustment arising from change in NCI	0	0	0	12	0	0	0	12	-12	0
Paid dividends	0	0	0	-489	0	0	0	-489	0	-489
Taxes on equity transactions	0	0	0	-16	0	0	0	-16	0	-16
Other changes to equity	0	0	0	-1	0	0	0	-1	0	-1
Equity as of June 30, 2023	532	3,687	-3	3,968	61	2,342	-80	10,506	-3	10,502

Notes

Note 1 Company Information

Aker Solutions is a global provider of products, systems and services to the oil and gas and renewable industry. The company had about 16,000 own employees and was present in about 20 countries as of June 30, 2023. The main office is in Fornebu, Norway and the parent company Aker Solutions ASA is listed on the Oslo Stock Exchange under the ticker AKSO.

Note 2 Basis of Preparation

Statement of Compliance

Aker Solutions' half-year financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles used in the half-year financial statements are consistent with those used in the 2022 Annual Report. As the half-year financial statements do not include all the information and disclosures required in the annual report, they should be read in conjunction with the 2022 Annual Report available at www.akersolutions.com. The half-year financial statements are unaudited, except the annual 2022 figures that have been derived from the audited annual financial statement.

Judgments and Estimates

The preparation of the half-year financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions each reporting period that affect the income statement and balance sheet. The accounting estimates will by definition seldom precisely match actual results. In preparing these half-year financial statements, significant judgments made by management in applying the group's accounting policies and the key sources of uncertainty in the estimates were consistent with those described in the 2022 Annual Report available on www.akersolutions.com.



Note 3 Revenue

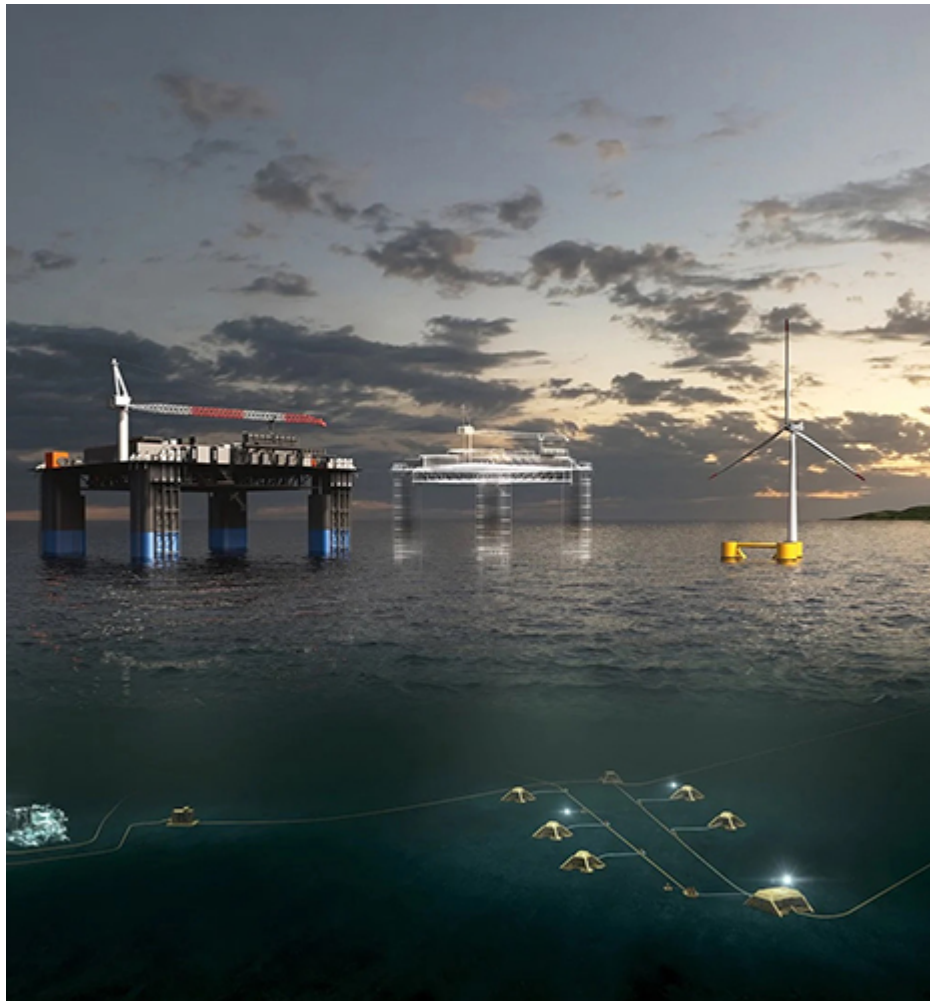
The following tables show the revenue from customer contracts by type and per country. Revenue figures include only external revenues and revenue per country is based on location of the selling company.

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
Renewables and Field Development	9,441	6,735	14,808
Life Cycle	6,260	5,636	12,135
Subsea construction contracts	8,125	5,077	11,377
Subsea service contracts	1,518	1,274	2,628
Other	314	107	273
Total revenue from customer contracts (IFRS 15)	25,659	18,829	41,220
Operating lease revenue and other income	82	97	197
Total revenue	25,741	18,926	41,417

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
Norway	20,994	15,111	33,142
USA	1,387	991	2,364
Brazil	958	641	1,292
UK	567	431	970
Brunei	431	330	694
Canada	427	330	692
Angola	357	353	777
Malaysia	263	428	824
Congo	84	56	146
Ghana	77	11	27
India	45	43	95
Australia	24	44	77
Other countries	44	61	120
Total revenue from customer contracts	25,659	18,829	41,220
Other income (than customer contracts)	82	97	197
Total revenue	25,741	18,926	41,417

Note 4 Segments

Aker Solutions is a global provider of equipment, systems and services to oil and gas and renewable energy industries. The company has three reporting segments. A minor reorganization, affecting all segments was carried out April 1, 2023. Historical figures have not been restated as changes are insignificant.



Renewables and Field Development

The Renewables and Field Development segment serves the renewable business and pursues and executes projects within offshore wind and carbon capture as well as the market for traditional oil and gas platforms, engineering consulting services, onshore facilities, decommissioning and marine operations.

Life Cycle

The Life Cycle (former Electrification, Maintenance and Modifications) segment provides solutions for the electrification of oil and gas infrastructures as well as onshore facilities, maintenance and modification services including asset integrity management for offshore facilities and services for offshore topsides, late-life and decommissioning activities.

Subsea

The Subsea segment provides market-leading intelligent subsea systems, products, services and low-carbon solutions used in oil & gas production. The segment provides design, engineering, procurement, manufacturing, fabrication, installation and extensive life-of-field services for subsea systems and field infrastructure.

Other

The Other segment includes Aker Solutions Hydropower and Benestad businesses, unallocated corporate costs, leasing of property shared across segments and the effect of hedges not qualifying for hedge accounting.

Accounting principles

The accounting principles of the operating segments are generally the same as described in the annual report. As noted in the annual report, the operating segments apply hedge accounting independently of whether the hedge qualifies for hedge accounting or not in accordance with IFRS. When contract revenues and contract costs are denominated in a foreign currency, the subsidiary hedges the exposure against corporate treasury. A correction for the non-qualifying hedges and elimination of internal transactions are made in the consolidated financial statements. This means that the group's segment report reflects both internal and external hedges before any adjustment for non-qualifying hedges and before internal transactions are eliminated in the Other segment.

Segment Performance

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
INCOME STATEMENT			
Revenue			
Renewables and Field Development	9,497	6,753	14,857
Life Cycle	6,276	5,650	12,164
Subsea	9,659	6,368	14,055
Total operating segments	25,432	18,771	41,076
Other	394	203	457
Eliminations	-85	-48	-116
Total	25,741	18,926	41,417
Operating income before depreciation, amortization and impairment (EBITDA)			
Renewables and Field Development	376	177	487
Life Cycle	326	329	663
Subsea	1,541	954	2,305
Total operating segments	2,243	1,460	3,455
Other	-275	-209	-520
Total	1,968	1,251	2,934
Operating income (EBIT)			
Renewables and Field Development	207	31	185
Life Cycle	265	277	558
Subsea	1,233	659	1,710
Total operating segments	1,705	967	2,453
Other	-337	-267	-596
Total	1,368	700	1,857

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
BALANCE SHEET			
Net current operating assets (NCOA)			
Renewables and Field Development	-5,030	-539	-2,912
Life Cycle	210	140	245
Subsea	-465	-1,274	-394
Total operating segments	-5,285	-1,673	-3,061
Other	-467	-635	-971
Total	-5,753	-2,307	-4,032

Refer to alternative performance measures for further information on NCOA.

Note 5 Finance Income and Expense

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
Interest income from lease receivables	15	14	29
Other interest income	160	48	141
Interest income	175	62	170
Interest expense on lease liability	-97	-99	-195
Interest expense on financial liabilities measured at amortized cost	-25	-78	-130
Interest expense on financial liabilities measured at fair value	-10	-10	-13
Interest expense	-131	-186	-338
Net foreign exchange gain (loss)	-231	84	22
Profit (loss) on foreign currency forward contracts	67	46	16
Other finance income	55	3	12
Other financial expenses	-13	-9	-24
Net other finance items	-122	125	26
Net finance cost	-77	1	-142



Note 6 Property, Plant and Equipment

<i>Amounts in NOK million</i>	Buildings and sites	Machinery and equipment	Under construction	Total
Balance as of December 31, 2022	1,658	1,412	526	3,596
Additions ¹	15	16	517	549
Reclassifications from assets under construction	5	55	-59	0
Reclassification	0	-3	3	0
Depreciation	-48	-179	0	-227
Acquisitions through business combinations	25	3	0	28
Disposals and scrapping	0	-1	-1	-2
Currency translation differences	140	124	38	302
Balance as of June 30, 2023	1,795	1,427	1,024	4,246

1) Excluding NOK 82 million paid capital expenditure capitalized in 2022

Note 7 Intangible Assets and Goodwill

<i>Amounts in NOK million</i>	Capitalized development	Goodwill	Other	Total
Balance as of December 31, 2022	820	5,037	91	5,949
Additions from internal development ¹	51	14	4	69
Amortization	-111	0	-7	-118
Impairment	-2	0	0	-2
Acquisitions through business combinations	0	-1	0	-1
Currency translation differences	33	4	0	37
Balance as of June 30, 2023	791	5,055	88	5,933

1) Excluding NOK 12 million paid capital expenditure capitalized in 2022

Note 8 Impairment of Assets

There are considerable changes happening in Aker Solution's markets. The Ukraine war and subsequent energy crisis in Europe have shown the importance of energy security, energy affordability and energy transition. The war and subsequent energy crisis have highlighted the need for increased investments in the energy sector. Despite the challenges, the market outlook for Aker Solutions remains positive. Aker Solutions has completed the assessment of impairment indicators and performed impairment tests for those assets and cash generating units (CGUs) where impairment indicators have been identified. In first-half 2023, net impairment of individual assets of NOK 16 million was recognized. In 2022, Aker Solutions recognized net reversal of impairment of NOK 22 million, of which NOK -11 million of impairment was recognized in first-half of the year.

The table below summarizes the impairments identified in the individual asset and CGU testing:

<i>Amounts in NOK million</i>	Renewables & Field Development			Life Cycle			Subsea			Other			Total		
	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022	1H 2023	1H 2022	2022
Impairment of intangible assets	0	3	3	0	0	0	0	0	0	2	0	3	2	3	6
Impairment of property, plant and equipment	0	0	0	0	0	0	0	0	3	0	2	3	0	2	6
Impairment of right-of-use assets	0	0	0	0	0	0	14	0	5	0	6	-39	14	6	-34
Total impairment	0	3	3	0	0	0	14	0	8	2	8	-34	16	11	-22

Note 9 Equity

Aker Solutions ASA was founded May 23, 2014, and the share capital was NOK 531,540,456 divided into 492,167,089 shares, each having a nominal value of NOK 1.08 as of June 30, 2023. All issued shares are fully paid.

Aker Solutions ASA holds 3,223,272 treasury shares as of June 30, 2023. The group purchases its own shares (treasury shares) to meet obligations under employee share purchase programs and variable pay programs for management. Treasury shares are not included in the weighted average number of ordinary shares. Earnings per share have been calculated based on an average of 488,515,079 shares outstanding June 30, 2023.

The General Meeting on April 13, 2023 approved distribution of a dividend of NOK 1.00 per share which was proposed by the Board of Directors. The dividend was paid April 24, 2023.



Note 10 Borrowings

Interest bearing borrowings are recognized initially at fair value less transaction costs and subsequent at amortized cost.

<i>Amounts in NOK million</i>	Maturity	June 30, 2023	June 30, 2022	December 31, 2022
Bond - ISIN NO 0010853286	June 2024	438	943	915
Bond - ISIN NO 0010814213	July 2022	0	912	0
Brazilian Development Bank EXIM and capex loans		0	8	0
Revolving Credit Facility (NOK 3,000 million) ¹	January 2028	-16	-4	0
Other loans and amortization effects		2	94	108
Total borrowings		423	1,954	1,023
Current borrowings		6	996	60
Non-current borrowings		417	958	962
Total borrowings		423	1,954	1,023

1) The carrying amount includes fees for establishing the credit facility which is deferred according to the amortized cost method

Borrowings are measured at amortized cost, and interest rate variations will not affect the valuation as they are held to maturity. The bonds were issued in the Norwegian bond market. Fair value of the remaining bond was NOK 437 million per June 30, 2023, compared to carrying amount of NOK 438 million. Fair value of the bonds were NOK 1,850 million per June 30, 2022, compared to carrying amount of NOK 1,855 million. Aker Solutions has repurchased NOK 563 million of the bond maturing in 2024 whereof NOK 477 million in the first half of 2023.

In May, 2022, Aker Solutions acquired Aker Solutions Hydropower AS (former Rainpower) from related party Aker Horizons. The company had a subordinated perpetual equity linked loan which resulted in a non-controlling interest within equity. In June 2023, an agreement was entered into with the loan provider to settle the loan by partial payment and partial forgiveness. As a result, the loan provider does not have any minority interest in Aker Solutions Hydropower AS.

As of June 30, 2023 Aker Solutions is in compliance with financial covenants in all loan agreements.

Note 11 Leases and Investment Property

The company leases a number of office buildings, manufacturing and service sites in addition to some machines and vehicles. Contracts that contain a lease are recognized on the balance sheet as a right-of-use asset and lease liability unless the lease is short-term or low-value. Vacated leased property made available for sub-lease and property with operational sub-leases are classified as investment property. The right-of-use asset is depreciated over the lease term and is subject to impairment testing. Subleases covering the major part of the lease term in the head-lease are classified as finance subleases.

The movement in the right-of-use assets and lease liabilities during the period is summarized below:

<i>Amounts in NOK million</i>	Land and building	Investment property	Machinery, vehicles and other	Total	Lease liabilities	Lease receivable (sublease)
Balance as of December 31, 2022	2,113	582	28	2,723	4,413	697
Additions and remeasurement	216	0	7	223	223	0
Depreciation expense	-213	-21	-4	-238	n/a	n/a
Impairments	-14	0	0	-14	n/a	n/a
Interest expense/sublease interest income	n/a	n/a	n/a	n/a	97	15
Lease payments/sublease payments	n/a	n/a	n/a	n/a	-487	-73
Transfer between categories	12	-12	0	0	n/a	n/a
Currency translation differences	56	59	0	115	281	79
Balance as of June 30, 2023	2,170	607	31	2,809	4,528	718

Note 12 Provisions

<i>Amounts in NOK million</i>	Warranties	Onerous contracts	Other	Total
Balance as of December 31, 2022	464	841	415	1,719
Change in the period	114	215	274	603
Currency translation	21	1	45	67
Balance as of June 30, 2023	598	1,057	734	2,389

Additional losses for onerous contracts related to renewables projects have been recognised in 2023. The provisions are mainly driven by commercial and operational challenges.

Note 13 Related Parties

Aker Solutions is an associate of Aker ASA, and 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 Solutions. Related party relationships also include entities under joint control or significant influence by Aker Solutions. Related parties are in a position to enter into transactions with the company that would potentially not be undertaken between unrelated parties. Transactions with related parties are based on negotiations between the parties, and management believes that the agreed prices is a fair approximation to arms length prices.

Aker Solutions has several transactions with related parties on a recurring basis as part of normal business and leases property from related parties. The following tables present a summary of transactions included in the income statement and balances between Aker Solutions group and its related parties.

Related Party Transactions Included in Income statement

<i>Amounts in NOK million</i>	1H 2023	1H 2022	2022
Operating revenues	156	185	404
Operating costs	-544	-222	-1,068
Depreciation and impairment of ROU assets	-24	-26	-52
Net financial items	6	5	9

Related Party Transactions Included in Balance Sheet

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022	December 31, 2022
Right-of-use (ROU) assets	518	568	530
Trade receivables	66	77	84
Non-current interest-bearing receivables	206	209	199
Current interest-bearing receivables	10	19	10
Non-current leasing liabilities	-580	-652	-596
Trade payables	-15	-129	-25
Current leasing liabilities	-51	-52	-49

Note 14 Investment in Companies

Joint ventures are those entities where the company has joint control and rights to net assets. Associates are those entities where the company has significant influence, but not control or joint control (usually between twenty and fifty percent of voting power). Interests in associates and joint ventures are accounted for using the equity method.

Other investments are those entities in which the company does not have significant influence. These are usually entities where the company holds less than twenty percent of the voting power. Such investments are designated as equity securities at fair value through other comprehensive income (FVOCI) as they represent long-term strategic investments. When the investments are sold, the accumulated gain or loss in equity is not reclassified to the income statement.

The result recognized in OCI for first-half 2023 was a loss of NOK 4 million (loss of NOK 76 million in first-half 2022) and a loss of NOK 78 million for full year 2022.

The company has recognised the following balances for investments in other companies:

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022	December 31, 2022
Joint Ventures and Associates	95	67	103
Other investments	21	28	25
Total investment in companies	116	94	128

Note 15 Subsea JV Transaction

In 2022, Aker Solutions announced that it had entered into an agreement to form a subsea joint venture (JV) with SLB (former Schlumberger) and Subsea 7. Aker Solutions and SLB will contribute their subsea businesses into the JV which following the transactions will be owned by SLB (70 percent), Aker Solutions (20 percent) and Subsea 7 (10 percent).

The transactions to establish the JV is subject to approval by regulatory authorities in a number of jurisdictions. The regulatory processes are progressing as expected and the transactions are still expected to close during the second half of 2023 if approved by the regulatory bodies.

Until such clearances are obtained, Aker Solutions and SLB will continue to operate their respective subsea businesses completely independent and autonomous of each other. Aker Solutions is in the process of carrying out a number of internal re-organizations in several countries relating to the subsea business as preparation for the Subsea JV transactions. These changes will be carried out regardless of the transactions.

Alternative Performance Measures

Aker Solutions discloses alternative performance measures in addition to those normally required by IFRS as such performance measures are frequently used by securities analysts, investors and other interested parties. Alternative performance measures are meant to provide an enhanced insight into the operations, financing and future prospects of the company.

Profit Measures

EBITDA and EBIT terms are presented as they are used by financial analysts and investors. Special items are excluded from EBITDA and EBIT as alternative measures to provide enhanced insight into the financial development of the business operations and to improve comparability between different periods.

EBITDA	is short for earnings before interest, taxes, depreciation and amortization. EBITDA corresponds to the “operating income before depreciation, amortization and impairment” in the consolidated income statement in the report.
EBIT	is short for earnings before interest and taxes. EBIT corresponds to “operating income” in the consolidated income statement in the report.
Margins	such as EBITDA margin and EBIT margin are used to compare relative profit between periods. EBITDA margin and EBIT margin are calculated as EBITDA or EBIT divided by revenue.
Special items	may not be indicative of the recurring operating results or cash flows of the company. Profit measures excluding special items are presented as alternative measures to improve comparability of the underlying business performance between the periods.



Profit Measures continues on next page

Profit Measures cont.

	Renewables & Field Development				Life Cycle				Subsea				Other				Aker Solutions			
	2Q 2023	2Q 2022	1H 2023	1H 2022	2Q 2023	2Q 2022	1H 2023	1H 2022	2Q 2023	2Q 2022	1H 2023	1H 2022	2Q 2023	2Q 2022	1H 2023	1H 2022	2Q 2023	2Q 2022	1H 2023	1H 2022
<i>Amounts in NOK million</i>																				
Revenue	5,369	3,958	9,497	6,753	3,343	3,160	6,276	5,650	5,335	3,386	9,659	6,368	199	132	310	155	14,246	10,635	25,741	18,926
Non-qualifying hedges	0	0	0	0	0	0	0	0	0	0	0	0	-54	-54	-123	-44	-54	-54	-123	-44
Sum of special items excluded from revenue	0	0	0	0	0	0	0	0	0	0	0	0	-54	-54	-123	-44	-54	-54	-123	-44
Revenue ex. special items	5,369	3,958	9,497	6,753	3,343	3,160	6,276	5,650	5,335	3,386	9,659	6,368	145	78	187	111	14,192	10,581	25,618	18,882
EBITDA	208	76	376	177	164	189	326	329	883	525	1,541	954	-156	-137	-275	-209	1,099	653	1,968	1,251
Restructuring cost	0	0	2	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	3	1
Non-qualifying hedges	0	0	0	0	0	0	0	0	0	0	0	0	10	32	15	14	10	32	15	14
Other special items	0	0	0	0	0	0	0	0	0	0	0	0	58	6	88	8	58	6	88	8
Sum of special items excluded from EBITDA	0	0	2	1	0	0	0	0	0	0	0	1	68	38	103	22	68	38	105	23
EBITDA ex. special items	208	76	379	178	164	189	326	329	883	525	1,541	954	-88	-99	-172	-187	1,167	691	2,073	1,274
EBITDA margin	3.9%	1.9%	4.0%	2.6%	4.9%	6.0%	5.2%	5.8%	16.6%	15.5%	16.0%	15.0%					7.7%	6.1%	7.6%	6.6%
EBITDA margin ex. special items	3.9%	1.9%	4.0%	2.6%	4.9%	6.0%	5.2%	5.8%	16.6%	15.5%	16.0%	15.0%					8.2%	6.5%	8.1%	6.7%
EBIT	120	0	207	31	133	163	265	277	735	377	1,233	659	-191	-171	-337	-267	798	369	1,368	700
Sum of special items excluded from EBITDA	0	0	2	1	0	0	0	0	0	0	0	1	68	38	103	22	68	38	105	23
Impairments	0	3	0	3	0	0	0	0	0	0	14	0	2	8	2	8	2	11	16	11
Sum of special items excluded from EBIT	0	3	2	4	0	0	0	0	0	0	14	1	70	46	105	30	69	49	122	35
EBIT ex. special items	119	3	209	35	133	163	265	277	735	377	1,247	659	-121	-125	-232	-236	867	418	1,489	735
EBIT margin	2.2%	0.0%	2.2%	0.5%	4.0%	5.1%	4.2%	4.9%	13.8%	11.1%	12.8%	10.3%					5.6%	3.5%	5.3%	3.7%
EBIT margin ex. special items	2.2%	0.1%	2.2%	0.5%	4.0%	5.1%	4.2%	4.9%	13.8%	11.1%	12.9%	10.4%					6.1%	4.0%	5.8%	3.9%

Profit Measures continues on next page



Profit Measures cont.

<i>Amounts in NOK million</i>	Aker Solutions			
	2Q 2023	2Q 2022	1H 2023	1H 2022
Net income	539	276	929	451
Sum of special items excluded from EBIT	69	49	122	35
Other financial items (special items)	2	0	64	0
Non-qualifying hedges	-25	-83	-66	-48
Tax effects on special items	-15	-11	-26	-6
Net income ex. special items	571	231	1,023	431
Net income to non-controlling interests	-12	-7	-14	-18
Net income ex. non-controlling interests	559	224	1,009	413
Average number of shares (in '000)	488,515	489,042	488,515	489,042
Earnings per share ¹	1.08	0.55	1.87	0.88
Earnings per share ex. special items²	1.14	0.47	2.07	0.85

1) Earnings per share is calculated using Net income, adjusted for non-controlling interests, divided by average number of shares

2) Earnings per share ex. special items is calculated using Net income ex. Special items, adjusted for non-controlling interests, divided by average number of shares

Order Intake Measures

Order intake, order backlog and book-to-bill ratios are presented as alternative performance measures, as they are indicators of the company's revenues and operations in the future.

Order intake includes new agreed customer contracts in the period in addition to growth in existing contracts. For construction contracts, the order intake includes the value of agreed contracts and options, and value of agreed change orders and options. It does not include potential options and change orders. For service contracts, the order intake is based on estimated customer revenue in periods that are firm in the contracts.

Order backlog represents the estimated value of remaining work on agreed customer contracts. The order backlog does not include parts of the Services segment, which is short-cycled or book-and-turn in nature. The order backlog does also not include potential growth or value of options in existing contracts.

Book-to-bill ratio is calculated as order intake divided by revenue in the period. A book-to-bill ratio higher than 1 means that the company has secured more contracts in the period than what has been executed in the same period.

	2Q 2023			1H 2023			2Q 2022			1H 2022		
	Order intake	Revenue from customer contracts	Book-to-bill	Order intake	Revenue from customer contracts	Book-to-bill	Order intake	Revenue from customer contracts	Book-to-bill	Order intake	Revenue from customer contracts	Book-to-bill
<i>Amounts in NOK million</i>												
Renewables & Field Development	6,716	5,368	1.3x	9,567	9,496	1.0x	6,040	3,958	1.5x	7,583	6,752	1.1x
Life Cycle	933	3,343	0.3x	5,760	6,276	0.9x	3,858	3,160	1.2x	8,317	5,650	1.5x
Subsea	4,319	5,331	0.8x	9,111	9,654	0.9x	3,686	3,384	1.1x	4,780	6,365	0.8x
Other/eliminations	338	159		358	233		64	88		7	62	
Aker Solutions	12,307	14,202	0.9x	24,796	25,659	1.0x	13,647	10,590	1.3x	20,686	18,829	1.1x

Financing Measures

Alternative financing and equity measures are presented as they are indicators of the company's ability to obtain financing and service its debts.

Liquidity buffer (liquidity reserve) is a measure of available cash and is calculated by adding together the cash and cash equivalents and the unused credit facility.

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022
Cash and cash equivalents	8,078	5,026
Credit facility (unused)	3,000	5,000
Liquidity buffer/reserve	11,078	10,026

Net current operating assets (NCOA) or working capital is a measure of the current capital necessary to maintain operations. Working capital includes trade receivables, trade payables, accruals, provisions and current tax assets and liabilities.

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022
Current tax assets	88	79
Inventory	353	229
Customer contract assets and other receivables	5,748	4,648
Trade receivables	6,046	4,782
Prepayments	2,601	1,652
Current tax liabilities	-128	-55
Provisions	-2,389	-1,519
Trade payables	-3,463	-2,360
Other payables	-10,165	-7,790
Customer contract liabilities	-4,443	-1,974
Net current operating assets (NCOA)	-5,753	-2,307

Equity ratio

is a financial ratio indicating the relative proportion of equity used to finance a company's assets and is a measure of the level of leverage used by a company.

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022
Equity	10,502	8,791
Total assets	38,185	30,995
Equity ratio	27.5%	28.4%





Net interest-bearing debt to EBITDA (leverage ratio)

Net interest-bearing debt to EBITDA (leverage ratio) is a key financial measure that is used to assess the borrowing capacity of a company. The ratio shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant. The ratio is one of the debt covenants of the company.

The ratio is calculated as net interest-bearing debt (total principal debt outstanding less unrestricted cash) divided by EBITDA. If a company has more cash than debt, the ratio can be negative. The leverage ratio for Aker Solutions does not include the effects of IFRS 16 Leasing, as the debt covenants are based on frozen GAAP.

Further, the EBITDA is calculated based on the last four quarter period and it excludes certain special items as defined in the loan agreements, such as restructuring of offices (onerous leases) and other restructuring costs.

<i>Amounts in NOK million</i>	June 30, 2023	June 30, 2022
Non-current borrowings	417	958
Current borrowings	6	996
Cash and cash equivalents	-8,078	-5,026
Net interest-bearing debt	-7,655	-3,072
Trailing four quarters:		
EBITDA	3,651	2,275
IFRS 16 effects excl. onerous lease cost	642	574
EBITDA excl. IFRS 16 effects and onerous lease cost	3,009	1,701
Restructuring cost	0	0
Non-qualifying hedges	4	20
Gain on non-cash dividend distribution and sale of PPE	13	16
Adjusted EBITDA	3,025	1,738
Net interest-bearing debt to EBITDA (leverage ratio)	-2.5	-1.8

A worker in an orange Aker Solutions uniform and white hard hat is working in a factory. Sparks are flying around him, and another worker in a green hard hat is visible in the background. The worker's uniform has the Aker Solutions logo and name on the back.

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