2024 ANNUAL REPORT

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4.1.2 FINANCIAL HIGHLIGHTS

The main financial highlights of the year and their associated financial impact are reported in note 4.3.1 Financial Highlights.

4.1.3 FINANCIAL REVIEW IFRS

in US$ million	FY 2024	FY 2023
Revenue	**4,784**	**4,963**
Lease and Operate	2,074	1,563
Turnkey	2,710	3,400
EBITDA	**1,041**	**1,239**
Lease and Operate	842	695
Turnkey	287	646
Other	(88)	(101)
Profit/(loss) attributable to shareholders	**150**	**491**

PROFITABILITY

Revenue

Total revenue decreased by 4% to US$4,784 million compared with US$4,963 million in 2023. This decrease was mainly driven by the Turnkey segment despite the positive impact of the Lease and Operate segment.

Turnkey revenue decreased by 20% to US$2,710 million, compared with US$3,400 million in the year-ago period, mainly explained by (i) the completion of FPSO *Prosperity* during the last quarter of 2023 and *FPSO Sepetiba* early January 2024, and (ii) a reduced level of progress during the period compared with the year-ago period on *FPSO Almirante Tamandaré, FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA* as those projects approached completion during the current year. This was partially offset by (iii) the progress on the awarded contracts for the *FPSO Jaguar*, *GranMorgu FPSO* and FSO Trion projects and (iv) the increased support to the fleet through brownfield projects.

Lease and Operate revenue increased by 33% to US$2,074 million, compared with US$1,563 million in the year-ago period. This reflects mainly the following events: (i) FPSO *Prosperity* and *FPSO Sepetiba* joining the fleet upon successful delivery during the last quarter of 2023 and early January 2024 respectively, (ii) full consolidation of the lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* following the acquisition of additional shares ('Sonangol transaction'), and (iii) an increase in reimbursable scope on the fleet partially offset by (iv) reduced revenue from FPSO *Liza Unity* only contributing in 2024 as an operating contract following the purchase of the unit by the client at the end of 2023 (therefore not contributing to lease revenue in 2024) and (v) regular declining profile of interest revenue from finance leases.

EBITDA

EBITDA based on IFRS accounting policies amounted to US$1,041 million, representing a 16% decrease compared with US$1,239 million in the year-ago period. This variance is further detailed as follows by segment:

- Turnkey EBITDA decreased to US$287 million in the current year, compared with US$646 million in the year-ago period, as a result of (i) the completion of FPSO *Prosperity* during last quarter of 2023 and of *FPSO Sepetiba* early January 2024, (ii) a reduced level of progress during the period compared with the year-ago on *FPSO Almirante Tamandaré*, *FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA* as those projects approached completion during the current year. This was partially offset by (iii) the increased support to the fleet through brownfield projects, (iv) an improved performance on some projects in the portfolio affected in prior years by the historical consequences of the pandemic and subsequent pressure on the global supply chain and (v) a reduced investment on Floating Offshore Wind projects following the implementation of the Ekwil Joint Venture in partnership with Technip Energies. Finally, it should be noted that with respect to the awarded contracts for the *GranMorgu FPSO* and FSO Trion projects which contributed to the revenue during the period, no contribution to EBITDA was recognized as those projects had not reached the requisite 'stage of completion' to allow margin to be recognized at the end of the current period. With regards to *FPSO Jaguar,* the contribution to EBITDA is limited over the period as the project just reached the requisite 'stage of completion' during the last quarter of 2024.
- Lease and Operate EBITDA for the current period increased by 21% to US$842 million versus US$695 million in the year-ago period. This increase resulted from (i) the same drivers as for the Lease and Operate revenue, and (ii) the net gain arising from the acquisition of interests held by Sonangol related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* and the

divestment in the parent company of the Paenal shipyard in Angola recognized in Other Operating Income, both impacting the Lease and Operate segment due their strategic and commercial link for a total amount of US$32 million partially offset by (iii) additional non-recurring maintenance costs for the fleet under operation.

The other non-allocated costs charged to EBITDA amounted to US$(88) million in 2024, a US$(13) million decrease compared with the US$(101) million in the year-ago period, which is mainly explained by the one-off impact of US$11 million restructuring costs following the implementation of an optimization plan related to the Company's support functions' activities in the year-ago period.

EBITDA is reconciled to the consolidated income statement as follows:

in US$ million	Notes	FY 2024	FY 2023
Profit/(loss)		**211**	**614**
Add: Income tax expense	4.3.10	73	(25)
Less: Share of profit/(loss) of equity accounted investees	4.3.29	(19)	(19)
Add: Net financing costs	4.3.9	663	575
Operating profit/(loss) (EBIT)		**928**	**1,145**
Add: Depreciation, amortization and impairment	4.3.5	113	94
EBITDA		**1,041**	**1,239**

Net income

Depreciation, amortization and impairment increased by US$19 million compared with the year-ago period, mostly explained by the US$39 million *FPSO Cidade de Anchieta* impairment (refer to note 4.3.13 Property Plant and equipment), partially offset by the impairment of a funding loan provided to some equity-accounted entities, which was recognized a year ago.

Net financing costs totaled US$(663) million, compared with US$(575) million in the year-ago period. This increase of 15% compared with prior year is mainly explained by (i) increased project financing to fund continued investment in growth on *FPSO Almirante Tamandaré*, *FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA*, and (ii) additional interest expense generated by the construction financing of *FPSO Jaguar*, partially offset by (iii) lower interest expense on FPSOs *Liza Unity*, *Prosperity* and *Liza Destiny* following the purchase of the units by the client and the full repayment of the project loans in November 2023, November 2024 and December 2024 respectively, and (iv) the scheduled amortization of project loans for the fleet under operations.

The effective tax rate over 2024 increased to 27%, compared with (4)% in the year-ago period. The increase is primarily driven by the initial recognition of a deferred tax asset on a tax goodwill in Switzerland in prior year.

As a result, the consolidated net income attributable to shareholders stood at US$150 million, a decrease of US$(341) million compared with the prior year.

STATEMENT OF FINANCIAL POSITION

in millions of US$	2024	2023	2022	2021	2020
Total equity	5,844	5,531	4,914	3,537	3,462
Net debt[1]	8,137	8,748	7,881	6,681	5,209
Cash and cash equivalents	806	543	683	1,021	414
Total assets	17,157	17,176	15,889	13,211	11,085

1 Net debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents.

Total equity increased from US$5,531 million at December 31, 2023 to US$5,844 million at December 31, 2024, notwithstanding the dividend distributed to the shareholders of US$150 million and the Company's cumulative share repurchase amount of US$102 million in relation to:

- The share repurchase program (the 'Structural Buyback') effective from March 1, 2024, which was fully completed end of 2024 for a total amount of c. US$70 million. The objective of this program was to reduce the Company's share capital. Therefore, all shares purchased have been cancelled at the end of 2024. and;

- The additional share repurchase program (the 'Incremental Buyback') effective from August 8, 2024, which is expected to be completed by end of April 2025 for a total amount of c. US$71 million. The objective of this program is to reduce share capital and, in addition, provide shares for regular management and employee share programs.

The increase mainly resulted from (i) the positive result over the current period, (ii) the positive impact of the Sonangol transaction on foreign currency translation reserves and non-controlling interests with the entity being now fully consolidated, (iii) the gain recognized in retained earnings from the 13.5% divestment to CMFL completed in October 2024, and (iv) capital contributions from non-controlling interests in special purpose entities, partially offset by (v) the decrease of the hedging reserves and dividends to non-controlling interests.

The movement in the hedging reserve was mainly caused by (i) the decrease in marked-to-market value of forward currency contracts, driven by the appreciation of the US$ exchange rate versus the hedged currencies (especially EUR and BRL), partially offset by (ii) the increase in the marked-to-market value of interest rate swaps due to increasing US$ market interest rates.

Net debt decreased by US$(611) million to US$8,137 million at year-end 2024. While the Company's net debt was positively impacted by (i) the amount of the net cash proceeds of the sale of FPSO *Liza Destiny* and FPSO *Prosperity* (with a cash consideration of US$1,760 million received, primarily used for the full repayment of the US$1,384 million project financing) and by (ii) the Lease and Operate segment's strong operating cash flow, the Company drew (iii) on project finance facilities for FPSO *ONE GUYANA*, *FPSO Almirante Tamandaré* and *FPSO Alexandre de Gusmão* in order to fund continued investment growth, and (iv) on the construction financing for *FPSO Jaguar*, completed in November 2024.

The Company completed the acquisition of the shares in the lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* from its partner Sonangol EP, and simultaneously completed the sale of all its shares in the parent company of the Paenal shipyard in Angola to a subsidiary of Sonangol EP, for a total net consideration paid of approximately US$40 million. As part of this transaction, the Company took the full control over the lease and operating entities in Angola which were previously equity-accounted, decreasing its net debt as of December 2024 by US$49 million.

More than a third of the Company's debt as of December 31, 2024 consisted of non-recourse project financing (US$3.6 billion) in special purpose investees. The remainder (US$5.3 billion) comprised (i) borrowings to support the ongoing construction of *FPSO Almirante Tamandaré*, FPSO *ONE GUYANA* and *FPSO* A*lexandre de Gusmão,* which will become non-recourse following project execution finalization and release of the related parent company guarantee, (ii) the project loan for *FPSO Jaguar* which will be repaid following completion of construction, (iii) the Company's RCF, which was drawn for US$500 million as at December 31, 2024, and (iv) the US$89 million Revolving Credit Facility for MPF hull financing. Cash and cash equivalents amounted to US$806 million (December 31, 2023: US$543 million). Lease liabilities totaled US$93 million as of December 31, 2024.

Total assets remain stable at US$17.2 billion as of December 31, 2024, compared with US$17.2 billion at year-end 2023. This primarily resulted from (i) the decrease of finance lease receivables following the sale of FPSO *Liza Destiny* and FPSO *Prosperity* during the current period, and (ii) a reduction of the gross amount of finance lease receivables in line with the repayment schedules, offset by (iii) the increase of contract assets and receivables related to the FPSO projects under construction at the end of the year, and (iv) the recognition of all assets from the lease and operating entities in Angola following the acquisition of shares of Sonangol EP, where the Company took full control over those entities during the period compared to the net equity investment recognized in the prior year.