



2024 ANNUAL REPORT



TRUE.
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TRANSITION.

4 FINANCIAL INFORMATION 2024

The finance lease contracts of FPSO *ONE GUYANA* and FSO Trion (under construction as per December 31, 2024) contain options for the client to purchase the underlying asset or terminate the contract early. These options are exercisable at any time starting from the delivery date of the vessel.

4.3.16 OTHER FINANCIAL ASSETS

The breakdown of the non-current portion of other financial assets is as follows:

	31 December 2024	31 December 2023
Non-current portion of other receivables	130	113
Non-current portion of loans to joint ventures and associates	6	38
Total	136	151

The increase in non-current portion of other receivables relates to the extension of the lease period for *FPSO Cidade de Anchieta* which is considered as a lease reassessment as per IFRS 16. This leads to an update of the linearized revenue up to the new end date of the contract which led to the recognition of an accrued income of US\$31 million. This is partially offset by the recognition of the linearized revenue for *FPSO Cidade de Anchieta* on accrued income recognized in prior years.

The current portion of (i) other receivables and sublease receivables, and (ii) loans to joint ventures and associates, is included within 'Trade and other receivables' in the statement of financial position.

In relation to the exposure to credit risk at the reporting date on the carrying amount of the interest-bearing loans, non-current portion of other receivables and sublease receivables, please refer to note 4.3.8 Net Impairment Gains/(Losses) on Financial and Contract Assets and note 4.3.27 Financial Instruments – Fair Values and Risk Management for the risk of recoverability (i.e. for expected credit losses). The Company does not hold any collateral as security.

The breakdown of loans to joint ventures and associates is presented below.

LOANS TO JOINT VENTURES AND ASSOCIATES

	Notes	31 December 2024	31 December 2023
Current portion of loans to joint ventures and associates	4.3.19	0	3
Non-current portion of loans to joint ventures and associates		6	38
Total	4.3.31	6	41

The decrease in 'Non-current portion of loans to joint ventures and associates' results from the acquisition of lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* (refer to note 4.3.30 Business Combinations for further details) and the accompanying change in consolidation method triggered by the completion of the acquisition of shares from Sonangol EP.

The maximum exposure to credit risk at the reporting date is the carrying amount of the loans to joint ventures and associates, taking into account the risk of recoverability. The Company does not hold any collateral as security.

4.3.17 DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities and associated net positions are summarized as follows:

Deferred tax positions (summary)

	31 December 2024			31 December 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, plant and equipment	-	-	-	0	-	0
Tax losses	28	-	28	2	-	2
Other	283	178	105	245	173	72
Book value at 31 December	311	178	133	247	173	74

Deferred tax assets increased by US\$64 million during the current year, mainly due to the recognition of deferred tax assets for losses carried forward for the period and the partial reversal of the valuation allowance for Swiss tax goodwill (refer to 4.3.10 Income Tax Expense).

Movements in net deferred tax positions

		2024	2023
	<i>Note</i>	Net	Net
Deferred tax at 1 January		74	(26)
Deferred tax recognized in the income statement	4.3.10	71	156
Deferred tax recognized in other comprehensive income		(14)	(57)
Foreign currency variations		2	-
Total movements		59	100
Deferred tax at 31 December		133	74

Expected realization and settlement of deferred tax positions is within 20 years. The deferred tax losses are expected to be recovered, based on the anticipated profit in the applicable jurisdiction. The Company has US\$26 million (2023: US\$48 million) of deferred tax assets unrecognized in 2024, due to the valuation allowance of current tax losses. The term in which these unrecognized deferred tax assets could be settled depends on the respective tax jurisdiction and ranges from five years to an unlimited period of time.

On a cumulative basis, a total amount of US\$2,221 million at the end of 2024 (2023: US\$2,306 million) corresponds to deferred tax assets basis unrecognized on temporary differences, unused tax losses and tax credits.

Deferred tax in connection with unused tax losses carried forward, temporary differences and tax credits:

	31 December 2024	31 December 2023
Unused tax losses carried forward, temporary differences and tax credits not recognized as a deferred tax asset	2,221	2,306
Unused tax losses carried forward, temporary differences and tax credits recognized as a deferred tax asset	311	247
Total	2,531	2,553

'Unused tax losses carried forward, temporary differences and tax credit not recognized as a deferred tax asset' remained in line with the previous year. A significant portion of this balance relates to the deferred tax asset in relation to a tax goodwill in Switzerland. In determining the taxable profits, the Company updated its assessment and modeling to determine that an amount of US\$1,995 million could possibly be unrecoverable, which is concluded based on the assessment of profitability and commercial uncertainties (i.e. future awards) impacting future profits. Based on the uncertainty of recovering this tax asset in future years in light of applicable enacted Swiss tax regulations, the Company determined the expected value based on a range of possible outcomes. As a result, the Company as of December 31, 2024, reassessed the deferred tax asset in relation to the tax goodwill in Switzerland net of US\$157 million in accordance with IAS 12 and IFRIC 23.

Expiry date on deferred tax assets unrecognized on temporary differences, unused tax losses and tax credits:

	31 December 2024	31 December 2023
Within one year	20	12
More than a year but less than 5 years	18	17
More than 5 years but less than 10 years	39	38
More than 10 years but less than 20 years	1,993	2,079
Unlimited period of time	152	160
Total	2,221	2,306

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Deferred tax assets per location are as follows:

Deferred tax positions per location

	31 December 2024			31 December 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Guyana	4	57	(53)	2	70	(69)
Monaco	10	9	2	14	12	2
Switzerland	282	82	200	221	84	136
the Netherlands	6	5	1	0	1	(0)
Angola	0	20	(20)	-	-	-
Other	8	5	3	9	5	4
Book value at 31 December	311	178	133	247	173	74

Following the acquisition of shares in certain joint ventures associated to operations in Angola the company has recognized a deferred tax liability of US\$20 million in 2024.

4.3.18 INVENTORIES

	31 December 2024	31 December 2023
Materials and consumables	10	13
Goods for resale	0	0
Multi-purpose floaters under construction	27	135
Total	37	149

Multi-purpose floaters ('MPFs') under construction relate to the ongoing EPC phase of any Fast4Ward® new build hulls. Fast4Ward® hulls remain in inventory until they are allocated to a specific FPSO contract.

The decrease of the inventory balance at year-end 2024 mainly relates to the allocation of the multi-purpose hull to the *GranMorgu FPSO* awarded in 2024 partially offset by the new multi-purpose hulls for use on future FPSO projects. As per December 31, 2024, the Company has two MPFs under construction (December 31, 2023: one MPF under construction).

4.3.19 TRADE AND OTHER RECEIVABLES

Trade and other receivables (summary)

	Note	31 December 2024	31 December 2023
Trade debtors		309	200
Other accrued income		464	258
Prepayments		311	126
Accrued income in respect of delivered orders		5	74
Other receivables		245	147
Taxes and social security		103	92
Current portion of loan to joint ventures and associates	4.3.16	(0)	3
Total		1,438	901

The increase in 'Trade debtors' of US\$109 million is mainly due to the result of the acquisition of lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* (refer to note 4.3.30 Business Combinations for further details). Additionally, the ramp-up of the Turnkey activities, especially for the newly awarded *GranMorgu FPSO*, also contributed for the increase.

The increase in 'Other accrued income' is mainly due to the acquisition of lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* and the growth support to the fleet through brownfield projects.