



2024 ANNUAL REPORT



TRUE.
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TRANSITION.

LEASE LIABILITIES

The lease liabilities mostly relate to the leasing of office buildings as of December 31, 2024.

The movement in the lease liabilities is as follows:

	2024	2023
Principal recognized at 1 January	85	46
Additions	26	55
Redemptions	(12)	(18)
Foreign currency variations	(6)	2
Other	1	-
Total movements	9	39
Remaining principal at 31 December	93	85
Of which		
Current portion	11	11
Non-current portion	82	74

The movements in lease liabilities over the period mainly related to an increase due to the new Rotterdam office lease, the extension of lease contracts for other offices and regular redemptions and foreign currency translations.

The total cash outflow for leases in 2024 was US\$18 million, which includes redemptions of principal and interest payments. Total interest for the period amounted to US\$5 million.

4.3.24 PROVISIONS

The movement and type of provisions during the year 2024 are summarized as follows:

Provisions (movements)

	Demobilization	Warranty	Restructuring	Employee benefits	Other	Total
Balance at 1 January 2024	129	104	7	21	324	586
Arising during the year	6	52	0	2	6	67
Unwinding of interest	5	-	-	1	3	9
Utilized	(29)	(18)	(9)	(1)	(7)	(63)
Released to profit	(1)	(22)	(0)	(0)	(13)	(37)
Other movement	1	2	3	(1)	(1)	4
Balance at 31 December 2024	112	118	1	22	313	565
of which :						
Non-current portion	101	-	-	22	258	380
Current portion	11	118	1	-	55	185

Demobilization

The provision for demobilization relates to the costs for demobilization of the vessels and floating equipment at the end of the respective operating lease periods. The obligations are valued at net present value, and a yearly basis interest is added to this provision. The recognized interest is included in the line item 'Financial expenses' of the consolidated income statement (refer to note 4.3.9 Net Financing Costs).

The decrease in the provision for demobilization mainly relates to utilization in relation to the progress of the decommissioning activities on *FPSO Capixaba*.

Expected outflows within one year are US\$11 million, between one and five years US\$50 million and US\$51 million after five years.

4 FINANCIAL INFORMATION 2024

Warranty

For most Turnkey sales, the Company gives warranties to its clients. Under the terms of the contracts, the Company undertakes to make good, by repair or replacement, defective items that become apparent within an agreed period, starting from the final acceptance by the client. The increase of the warranty provision consists of new provisions accrued on projects under construction over the period or still under warranty period, which was partially offset by the regular consumption of existing warranty provisions over the applicable warranty period.

Restructuring

During the 2023 financial year, the Company announced the implementation of an optimization plan for its support functions' activities, aiming to improve global performance and cost efficiency, and accordingly recognized a restructuring provision. During 2024, the decrease of the provision is explained by payments of settlement agreements to the affected employees.

Other

Other provisions mainly relate to planned local content penalty on construction projects and also include claims, regulatory fines related to operations, and onerous contracts. The decrease during 2024 is mostly attributable to the positive outcome of an existing claim with a third party.

On June 21, 2022, the district court in Rotterdam delivered its decision in the case between the Company and the AFM (Dutch Authority for the Financial Markets) relating to certain public disclosures made by the Company in the period from 2012-2014. The court has honored the position of the Company in relation to two disclosures and reduced the fine to US\$1million.

On August 1, 2022, the AFM filed an appeal with the Trade and Industry Appeals Tribunal (College van Beroep voor het bedrijfsleven, CBb) against the Rotterdam District Court's ruling in respect of alleged violations 1 and 2 (the principal appeal). On January 5, 2023, the Company filed its response to the AFM's appeal and additionally, filed an appeal with the Trade and Industry Appeals Tribunal against the Rotterdam District Court's ruling in respect of alleged violations 3 and 4 (the incidental appeal). On May 25, 2023, the AFM filed its reply to the Company's appeal. The hearing of AFM's appeal and the Company's appeal took place before the CBb on September 19, 2024.

The CBb issued its decision on February 18, 2025 and dismissed the appeal of the AFM and partially granted the Company's incidental appeal. The CBb found that the Company failed only to promptly disclose inside information on one occasion. The fine has been further reduced to EUR675,000. The decision of the CBb is not open for appeal and therefore is final and binding upon the parties.

4.3.25 TRADE AND OTHER PAYABLES

Trade and other payables (summary)

	Notes	31 December 2024	31 December 2023
Trade payables		237	254
Accruals on projects and vessels		608	590
Accruals regarding delivered orders		56	76
Other payables		109	101
Contract liability	4.3.3	31	74
Pension taxation		10	10
Taxation and social security costs		86	89
Current portion of deferred income		2	4
Other non-trade payables		78	148
Total	4.3.27	1,216	1,347

'Trade payables' decreased mainly as a 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), partially offset by increased payments to suppliers on FPSOs under construction.