



2024 ANNUAL REPORT



TRUE.
BLUE.
TRANSITION.

4 FINANCIAL INFORMATION 2024

4.1 FINANCIAL REVIEW

4.1.1 FINANCIAL OVERVIEW

in US\$ million	FY 2024	FY 2023
IFRS figures		
Revenue	4,784	4,963
Lease and Operate revenue	2,074	1,563
Turnkey revenue	2,710	3,400
EBITDA¹	1,041	1,239
Lease and Operate EBITDA	842	695
Turnkey EBITDA	287	646
Other	(88)	(101)
Profit/(loss) attributable to shareholders	150	491
Directional figures		
Directional Revenue	6,111	4,532
Directional Lease and Operate revenue	2,369	1,954
Directional Turnkey revenue	3,743	2,578
Directional EBITDA²	1,896	1,319
Directional Lease and Operate EBITDA	1,261	1,124
Directional Turnkey EBITDA	724	296
Other	(89)	(101)
Directional Profit/(loss) attributable to shareholders	907	524

¹ EBITDA - Profit/(loss) excluding net financing costs, income tax expense, depreciation, amortization and impairment as well as share of profit/(loss) of equity-accounted investees. For a reconciliation to the consolidated income statement, refer to section 4.1.3 Financial Review IFRS.

² Directional EBITDA - Directional Profit/(loss) excluding Directional net financing costs, Directional income tax expense, Directional depreciation, amortization and impairment as well as Directional share of profit/(loss) of equity-accounted investees. For a reconciliation to IFRS figures, refer to section 4.3.2 Operating segments and Directional reporting.

General

The Company's primary business segments are 'Lease and Operate' and 'Turnkey'. Additionally, the Company discloses separately non-allocated corporate income and expense items presented in the category 'Other'. Revenue and EBITDA are analyzed by segment, but it should be recognized that business activities are closely related.

During recent years, the Company's awarded lease contracts were systematically classified under IFRS as finance leases for accounting purposes, whereby the fair value of the leased asset is recorded as a Turnkey 'sale' during construction. For the Turnkey segment, this accounting treatment results in the acceleration of recognition of lease revenues and profits into the construction phase of the asset, whereas the asset generates the cash mainly only after construction and commissioning activities have been completed, as that is the moment the Company is entitled to start receiving the lease payments. In the case of an operating lease, lease revenues and profits are recognized during the lease period, in effect more closely tracking cash receipts. Following the implementation of accounting standards IFRS 10 and 11 starting January 1, 2014, it has also become challenging to extract the Company's proportionate share of results. To address these accounting issues, the Company discloses Directional reporting in addition to its IFRS reporting. Directional reporting treats all lease contracts as operating leases and consolidates all co-owned investees related to lease contracts on a percentage of ownership basis. Under Directional, the accounting results more closely track cash-flow generation and this is the basis used by the Management Board of the Company to monitor performance and for business planning. Reference is made to 4.3.2 Operating Segments and Directional Reporting for further detail on the main principles of Directional reporting.

The Management Board, as chief operating decision-maker, monitors the operating results of the Company primarily based on Directional reporting. The financial information in this section 4.1 Financial Review is presented both under Directional and IFRS while the financial information presented in note 4.3.2 Operating Segments and Directional Reporting is presented under Directional with a reconciliation to IFRS. For clarity, the remainder of the financial statements are presented solely under IFRS, except where expressly stated otherwise.