



2024 ANNUAL REPORT



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4 FINANCIAL INFORMATION 2024

With regards to the 13.5% divestment to CMFL, completed in October 2024, the cash proceeds from the transaction net of cash transferred are reported in investing activity within the Directional cash flow statement for an amount of US\$45 million.

As a result, Directional cash and cash equivalents increased from US\$563 million at year-end 2023 to US\$606 million at year-end 2024.

4.1.5 ALTERNATIVE PERFORMANCE MEASURES

ESMA defines an alternative performance measure (APM) as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS).

In addition to measures defined in IFRS, the Company continuously analyzes the performance of its activities based on APMs applicable to IFRS and to Directional reporting.

The Company provides a full reconciliation of Directional reporting and IFRS figures for items relating to the consolidated income statement, the consolidated statement of financial position and the consolidated cash flow statement in 4.3.2 Operating Segments and Directional Reporting.

APMs may be viewed under the following two categories:

1. **APMs applicable to IFRS and Directional reporting:** The Company uses these APMs in order to enhance investor's understanding of its financial reporting, and to facilitate meaningful comparison of the results between periods. The Company provides these APMs based on IFRS and Directional reporting.

| APM | Definition | Purpose |
|---------------------------------------|--|--|
| <i>Operating profit/(loss) (EBIT)</i> | Earnings before interest and tax. EBIT is calculated based on Profit/(loss) excluding net financing costs, income tax expense, as well as share of profit/(loss) of equity-accounted investees and is presented in the consolidated income statement. | Used to monitor earnings trend. |
| <i>EBITDA</i> | Earnings before interest, tax, depreciation and amortization. EBITDA is calculated based on EBIT excluding depreciation, amortization and impairment and is derived from the consolidated income statement. | Indicator of the Company's overall profitability. |
| <i>Net debt</i> | Net debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents. Reconciliation on an annual basis is provided in note 4.3.27 Capital risk management of the annual consolidated financial statements. | Indicator of the Company's level of debt. |
| <i>Directional EBIT</i> | EBIT calculation based on Directional reporting instead of IFRS. Refer to 4.3.2 Operating Segments and Directional Reporting for further detail. | Used to monitor earnings trend based on Directional reporting, as monitored by the Management Board. |
| <i>Directional EBITDA</i> | EBITDA calculation based on Directional reporting instead of IFRS. Refer to 4.3.2 Operating Segments and Directional Reporting for further detail. | Indicator of the Company's overall profitability based on Directional reporting, as monitored by the Management Board. |
| <i>Directional net debt</i> | Net debt calculation based on Directional reporting instead of IFRS. Refer to 4.3.2 Operating Segments and Directional Reporting for further detail. | Indicator of the Company's level of debt based on Directional reporting, as monitored by the Management Board. |

EBITDA (IFRS) 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) |
| Profit/(loss) before tax | | 284 | 589 |
| Less: Share of profit/(loss) of equity accounted investees | | (19) | (19) |
| Add: Net financing costs | 4.3.9 | 663 | 575 |
| Operating profit/(loss) (EBIT) | | 929 | 1,146 |
| Add: Depreciation, amortization and impairment | | 113 | 94 |
| EBITDA | | 1,041 | 1,239 |

Directional EBIT and Directional EBITDA are reconciled in this report in note 4.3.2 Operating Segments and Directional Reporting.

Directional net debt and net debt are reconciled as follows:

| | Notes | FY 2024 | FY 2023 |
|--|--------|--------------|--------------|
| Total Borrowings and lease liabilities | 4.3.23 | 8,943 | 9,291 |
| Less: Cash and cash equivalents | | (806) | (543) |
| Net debt | | 8,137 | 8,748 |
| Impact of lease accounting treatment | 4.3.2 | - | - |
| Impact of consolidation methods | 4.3.2 | (2,418) | (2,092) |
| Directional net debt | | 5,719 | 6,654 |

2. **APMs specific to Directional reporting:** In addition to the APMs applicable for IFRS and Directional reporting, the Company uses forecast measures specific to Directional reporting.

| APM | Definition | Purpose |
|---|---|--|
| <i>Pro-forma Directional backlog</i> | <p>Represents a pro-forma view of the outstanding performance obligations to its clients on awarded contracts under Directional reporting.</p> <p>As such, this measure includes unsatisfied performance obligations on ongoing construction contracts, lease contracts treated as operating leases which according to IFRS are finance leases, and ongoing multiple-year operating contracts consolidated on a percentage of ownership basis.</p> <p>As a forecast measure, it is not reconcilable to the consolidated financial statements.</p> | A key performance indicator used to monitor the Company's future earnings trend according to Directional reporting measures. |
| <i>Pro-forma Directional net cash backlog</i> | <p>Reflects a pro-forma management view of the foreseeable net cash flows related to the pro-forma Directional backlog, after contingency, direct overheads, tax and debt service.</p> <p>As a forecast measure, it is not reconcilable to the consolidated financial statements.</p> | A key performance indicator used to monitor the Company's future cash flow and liquidity risk according to Directional reporting measures. |

4.1.6 OUTLOOK AND GUIDANCE

The Company's 2025 Directional revenue guidance is above US\$4.9 billion, of which above US\$2.2 billion is expected from the Lease and Operate segment and around US\$2.7 billion from the Turnkey segment.

2025 Directional EBITDA guidance is around US\$1.55 billion for the Company.