



2024 ANNUAL REPORT



TRUE.
BLUE.
TRANSITION.

The following reflects the share data used in the basic and diluted earnings per share computations:

Earnings per share

	2024	2023
Earnings attributable to shareholders (in thousands of US\$)	150,061	490,821
Number of shares outstanding at January 1	179,019,227	178,054,655
Average number of treasury shares transferred to employee share programs	1,448,155	1,225,505
Average number of shares repurchased / cancelled	(1,817,660)	(45,044)
Weighted average number of shares outstanding	178,649,722	179,235,116
Potential dilutive shares from stock option scheme and other share-based payments	2,364,009	2,269,314
Weighted average number of shares (diluted)	181,013,731	181,504,430
Basic earnings per share in US\$	0.84	2.74
Fully diluted earnings per share in US\$	0.83	2.70

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization for issue of these financial statements, except for the issuance of Value Creation Stake shares for the Management Board, Ownership Shares for the Company's senior management and the Matching Shares and RSUs that have vested on January 1, 2025 (see note 4.3.6 Employee Benefit Expenses).

4.3.12 DIVIDENDS PAID AND PROPOSED AND SHARE REPURCHASE PROGRAM

After a review, the Company updated its shareholder return policy in 2024 as follows: 'The Company's shareholders return policy is to maintain a stable annual cash return to shareholders which grows over time, with flexibility for the Company to make such cash return in the form of a cash dividend and the repurchase of shares. Determination of the annual cash return is based on the Company's assessment of its underlying cash flow position. The Company prioritizes a stable cash distribution to shareholders and funding of growth projects, with the option to apply surplus capital towards incremental cash returns to shareholders.'

As a result, following review of its cash flow position and forecast, the Company intends to pay US\$1.59 per share through a proposed US\$155 million dividend¹ (EUR150 million equivalent or US\$0.88 per share²) and US\$150 million (EUR141 million equivalent) share repurchase program³. This represents an increase of 30% compared with 2024. The objective of the share buyback program would be to reduce share capital and provide shares for regular management and employee share programs (maximum US\$25 million). Shares repurchased as part of the cash return will be cancelled.

The share repurchase program will be launched after the current share repurchase program has ended. The dividend will be proposed at the Annual General Meeting on April 9, 2025.

4.3.13 PROPERTY, PLANT AND EQUIPMENT

The line item 'Property, plant and equipment' consists of property, plant and equipment owned by the Company and right-of-use assets:

Property, plant and equipment (summary)

	31 December 2024	31 December 2023
Property, plant and equipment excluding leases	184	308
Right-of-use assets	82	77
Total	266	384

¹ Equivalent of EUR150 million based on the EUR/US\$ exchange rate on February 11, 2025. Dividends will be paid in euro provided that the minimum euro dividend shall amount to EUR150 million.

² Based on the number of shares outstanding at December 31, 2024. Dividend amount per share depends on number of shares entitled to dividend.

³ Including maximum US\$25 million for management and employee share programs.

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PROPERTY, PLANT AND EQUIPMENT OWNED BY THE COMPANY

The movement of the Property, plant and equipment during the year 2024 is summarized as follows:

2024

	Land and buildings	Vessels and floating equipment	Other fixed assets	Assets under construction	Total
Cost	67	1,821	82	81	2,051
Accumulated depreciation and impairment	(45)	(1,637)	(62)	-	(1,744)
Book value at 1 January	22	185	21	81	308
Additions	0	-	14	44	58
Disposals	-	-	(0)	(2)	(2)
Depreciation	(1)	(33)	(10)	-	(44)
(Impairment)/impairment reversal	-	(39)	-	-	(39)
Foreign currency variations	(1)	0	(2)	(0)	(3)
Other movements	(4)	(39)	7	(57)	(94)
Total movements	(6)	(110)	9	(15)	(123)
Cost	59	1,215	84	65	1,423
Accumulated depreciation and impairment	(44)	(1,140)	(55)	-	(1,238)
Book value at 31 December	15	74	29	65	184

2023

	Land and buildings	Vessels and floating equipment	Other fixed assets	Assets under construction	Total
Cost	60	1,813	78	16	1,967
Accumulated depreciation and impairment	(41)	(1,596)	(56)	-	(1,693)
Book value at 1 January	19	217	23	16	274
Additions	0	3	6	70	79
Disposals	(0)	-	(0)	-	(0)
Depreciation	(2)	(30)	(9)	-	(41)
(Impairment)/impairment reversal	-	(6)	-	-	(6)
Foreign currency variations	0	(0)	1	0	1
Other movements	5	(0)	1	(6)	0
Total movements	3	(32)	(2)	65	34
Cost	67	1,821	82	81	2,051
Accumulated depreciation and impairment	(45)	(1,637)	(62)	-	(1,744)
Book value at 31 December	22	185	21	81	308

During the 2024 period, the following main events occurred regarding owned property, plant and equipment:

- US\$44 million of annual depreciation charges, following the normal depreciation schedule;
- US\$58 million in additions, mainly related to capitalized major overhaul costs related to repair works performed on *FPSO Cidade de Anchieta*;
- US\$(94) in other movements, mainly related to the impact of the full and final settlement agreement signed during the last quarter 2024 with its insurers relating to the tanks repair works project for *FPSO Cidade de Anchieta*;
- US\$(39) million impairment on *FPSO Cidade de Anchieta*.

Property, plant and equipment at year-end comprises of:

- One (2023: one) integrated floating production, storage and offloading system (*FPSO Cidade de Anchieta*) consisting of a converted tanker, a processing plant and one mooring system. This FPSO is leased to third parties under an operating lease contract; and
- One (2023: one) semi-submersible production platform, *Thunder Hawk*, leased to third parties under an operating lease contract.

The depreciation charge for the semi-submersible production facility *Thunder Hawk* is calculated based on its future anticipated economic benefits, resulting in a depreciation plan based on the unit of production method. All other property, plant and equipment is depreciated on a straight-line basis.

Company-owned property, plant and equipment with a carrying amount of US\$71 million (December 31, 2023: US\$178 million) has been pledged as security for liabilities, mainly for external financing.

No interest has been capitalized during the financial year as part of the additions to property, plant and equipment (2023: nil).

FPSO Cidade de Anchieta

FPSO Cidade de Anchieta was shut down from January 22, 2022 until December 17, 2022, following observation of oil near the vessel. Adequate anti-pollution measures were immediately deployed and were effective and inspections quickly identified oil leaks from two tanks. For the safe restart of the vessel, four tanks were repaired, in agreement with the client and approved by Class and local authorities. This enabled a safe restart at full production on December 17, 2022. Repair of other tanks have continued since the restart, with good progress and will continue over the coming years.

During the last quarter of 2024, the Company signed a full and final settlement agreement with its insurers relating to this incident and performed its regular review of revised estimates of future maintenance and repair costs. Based on this analysis, actual values and future cash flows were re-estimated, leading to an impairment charge of US\$39 million accounted for in the 2024 results.

The recoverable amount of the vessel was determined using its value in use. Significant estimates are part of the impairment calculation:

- If the discount rate (7%) used in the impairment test were to vary by +/- 1%, the impairment would change by +/- US\$7 million; and
- If the cash outflow were to vary by +/- US\$10 million, the impairment would change by +/- US\$9.5 million.

RIGHT-OF-USE ASSETS

As of December 31, 2024, the Company leases buildings and cars. The movement of the right-of-use assets during the year 2024 is summarized as follows:

2024

	Buildings	Other fixed assets	Total
Book value at 1 January	75	2	77
Additions	32	1	33
Disposals	(7)	-	(7)
Depreciation	(15)	(1)	(16)
(Impairment)/impairment reversal	-	-	-
Foreign currency variations	(5)	(0)	(5)
Other movements	(1)	(0)	(1)
Total movements	4	1	6
Cost	116	5	121
Accumulated depreciation and impairment	(36)	(3)	(39)
Book value at 31 December	80	2	82

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2023

	Buildings	Other fixed assets	Total
Book value at 1 January	39	1	40
Additions	54	1	55
Disposals	(5)	-	(5)
Depreciation	(14)	(1)	(14)
(Impairment)/impairment reversal	-	-	-
Foreign currency variations	2	0	2
Other movements	(1)	(0)	(1)
Total movements	36	1	37
Cost	104	4	108
Accumulated depreciation and impairment	(29)	(2)	(31)
Book value at 31 December	75	2	77

During the year 2024, the main movements regarding right-of-use assets related to US\$33 million of capitalization of lease extensions and new lease office contracts, mainly arising from the new lease agreement for office space in Rotterdam beginning in July 2024, partially offset by US\$16 million of depreciation charges. Additions to right-of-use assets led to a similar increase in lease liabilities (refer to note 4.3.23 Borrowings and Lease Liabilities).

Office leases

Significant contracts under buildings relate to the lease of offices. The remaining contract periods of the Company's office rentals vary between one and ten years and most of the contracts include extension options between three and 12 years. The extension options have been taken into account in the measurement of lease liabilities when the Company is reasonably certain to exercise these options. The lease agreements do not impose any covenants.

OPERATING LEASES AS A LESSOR

The category 'Vessels and floating equipment' mainly relates to facilities leased to third parties under various operating lease agreements which terminate between 2025 and 2031. Leased facilities included in 'Vessels and floating equipment' amount to:

Leased facilities included in vessels and floating equipment

	31 December 2024	31 December 2023
Cost	1,215	1,821
Accumulated depreciation and impairment	(1,140)	(1,637)
Book value at 31 December	74	185

As of December 31, 2024, the units included under leased facilities are *FPSO Cidade de Anchieta* and the semi-submersible production facility *Thunder Hawk*. The book value of the leased facilities included in vessels and floating equipment has decreased by US\$110 million, mainly due to depreciation, impairment and capitalized major overhaul costs related to repair works performed net of the insurance recovery on *FPSO Cidade de Anchieta*.

The nominal values of the future expected bareboat receipts (undiscounted lease payments) in respect of the remaining operating lease contracts are:

Nominal values of the future expected bareboat receipts

	31 December 2024	31 December 2023
Within 1 year	101	105
2 years	93	99
3 years	93	91
4 years	93	91
5 years	93	91
After 5 years	156	214
Total	629	693

A number of agreements have extension options, which have not been included in the above table.

Outstanding purchase and termination options in operating lease contracts

The operating lease contract of semi-submersible *Thunder Hawk* includes a call option for the client to purchase the underlying asset. The exercise of this call option would have resulted in a gain for the Company as at December 31, 2024.

4.3.14 INTANGIBLE ASSETS

2024

	Development costs	Software	Intangible assets under construction	Patents	Total
Cost	44	29	132	19	224
Accumulated amortization and impairment	(33)	(18)	-	(19)	(71)
Book value at 1 January	11	11	132	0	153
Additions	4	4	28	-	37
Disposals	-	(1)	(4)	-	(5)
Amortization	(5)	(4)	-	-	(9)
(Impairment)/impairment reversal	-	-	-	-	-
Foreign currency variations	-	(0)	(0)	-	(0)
Other movements	-	-	(0)	-	(0)
Total movements	(1)	(0)	24	-	23
Cost	48	33	155	19	256
Accumulated amortization and impairment	(39)	(22)	-	(19)	(80)
Book value at 31 December	10	11	155	0	176

2023

	Development costs	Software	Intangible assets under construction	Patents	Total
Cost	38	28	100	19	185
Accumulated amortization and impairment	(29)	(20)	-	(19)	(68)
Book value at 1 January	9	8	100	0	117
Additions	6	7	31	-	45
Amortization	(5)	(4)	-	-	(9)
(Impairment)/impairment reversal	-	-	-	-	-
Total movements	1	3	31	-	36
Cost	44	29	132	19	224
Accumulated amortization and impairment	(33)	(18)	-	(19)	(71)
Book value at 31 December	11	11	132	0	153