2025 ANNUAL REPORT

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partially offset by (ii) the negative impact of the marked-to-market value of interest rate swaps due to decreasing US$ market interest rates.

Net debt slightly decreased from US$8,137 million at December 31, 2024 to US$8,068 million as of December 31, 2025. While the Turnkey (as a result of the recent Sale and Operate contracts) and the Lease and Operate segments generated strong operating cash flows, the Company (i) implemented a new financing tool with the sale and leaseback financing agreement for *FPSO Cidade de Paraty* being fully drawn during the period, (ii) continued to draw on project finance facilities for *FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA* to finalize the related investment in growth and (iii) implemented the construction financing for FPSO *Jaguar*. These were partially offset by (iv) the scheduled repayment of non-recourse project debt, (v) the full repayment of the MPF facility, (vi) the partial repayment of the RCF, (vii) the full repayment of the US private placement notes in relation to *FPSO Cidade de Anchieta* and (viii) the strong return to shareholders and to non-controlling interests.

Almost 90% of the Company's debt as of December 31, 2025 consisted of non-recourse project financing (US$8 billion) in special purpose investees. The remainder (US$1.1 billion) comprised (i) the construction financing for FPSO *Jaguar* which will be repaid following completion of construction and (ii) the Company's new RCF, which was drawn for US$100 million as at December 31, 2025. Cash and cash equivalents amounted to US$1,086 million (December 31, 2024: US$806 million) and lease liabilities totaled US$115 million as of December 31, 2025.

Total assets increased to US$18.1 billion as of December 31, 2025, compared with US$17.2 billion at year-end 2024. This primarily resulted from (i) the increase of finance lease receivables following the first oil of FPSOs *Almirante Tamandaré, Alexandre de Gusmão* and *ONE GUYANA* during the current period compared with their contract asset value at the end of 2024, (ii) the investments in multi-purpose floater hulls and related equipment under construction for use in future projects, (iii) the increase of contract assets and receivables mostly related to the Sale and Operate FPSO projects under construction at the end of the year and (iv) net cash generation, partially offset by (v) a reduction of the gross amount of finance lease receivables in line with the repayment schedules.

4.1.4 FINANCIAL REVIEW DIRECTIONAL

in US$ million	FY 2025	FY 2024
Directional Revenue	**5,066**	**6,111**
Directional Lease and Operate revenue	2,295	2,369
Directional Turnkey revenue	2,772	3,743
Directional EBITDA	**1,709**	**1,896**
Directional Lease and Operate EBITDA	1,235	1,261
Directional Turnkey EBITDA	561	724
Other	(87)	(89)
Directional Profit/(loss) attributable to shareholders	**677**	**907**

in US$ billion	FY 2025	FY 2024
Pro-forma Directional backlog	31.1	35.1

PRO-FORMA BACKLOG – DIRECTIONAL

Change in ownership scenarios, lease contract duration and contractual commitments have the potential to significantly impact the Company's future cash flows, net debt balance as well as the profit and loss statement. The Company therefore provides a pro-forma Directional backlog based on the best available information regarding ownership scenarios, lease contract duration and contractual commitments for the various projects.

The pro-forma Directional backlog at the end of 2025 reflects the following key assumptions:

- The early sale of FPSO *ONE GUYANA* completed on February 4, 2026, ahead of the end of the maximum lease term in August 2027, has been reflected in the Turnkey backlog by bringing forward the year of sale from 2027 to 2026, updating the sale price and by removing the remaining 2026 and 2027 lease payments originally included in the backlog;
- The FPSO *Jaguar* contract awarded to the Company in April 2024 covers the construction period within which the FPSO ownership will transfer to the client and is reported in the Turnkey backlog;

- 10 years of operations and maintenance are considered for FPSOs *Liza Destiny*, *Liza Unity*, *Prosperity* and *ONE GUYANA* following signature of the Operations and Maintenance Enabling Agreement ('OMEA') in 2023. For FPSO *Jaguar*, the proforma Directional backlog includes the operating and maintenance scope for 10 years as it has been agreed in principle, pending a final work order. This is consistent with prior years;
- The FPSO *GranMorgu* contract awarded to the Company in November 2024 covers the construction period within which the FPSO ownership will transfer to the client and is reported in the Turnkey backlog. The operations and maintenance contract signed in June 2025 covers a minimum period of two years after first oil;
- The FSO *Chalchi* contract is considered for 20 years in the lease and operate backlog at the Company share at year-end (100%); and
- The contract extension and associated scope of work related to the lease and operation of FPSOs *Mondo* and *Saxi Batuque* until 2032 signed in December 2025.

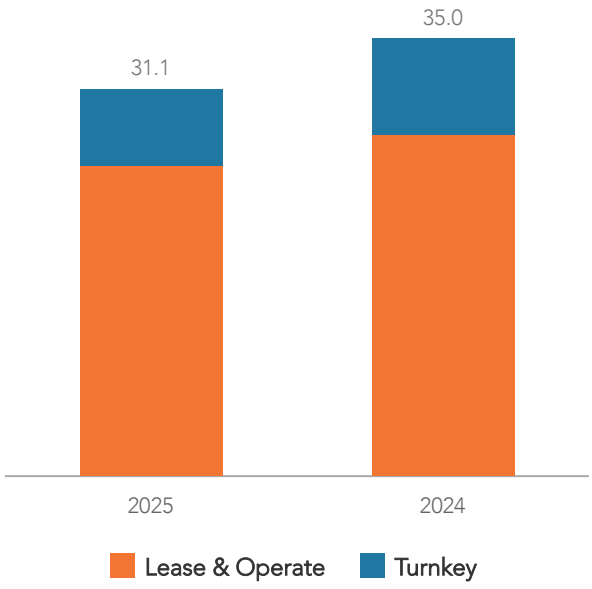
For leases and operations and maintenance contracts, extension options are considered when secured.

It should be noted that the sale and leaseback financing agreement for *FPSO Cidade de Paraty* signed in April 2025 did not impact the pro-forma Directional backlog. Under Directional reporting, the transaction is not treated as a sale of the vessel according to IFRS 16. The Company continues to recognize its share of this vessel as property, plant and equipment and has recognized its share of the consideration received as a borrowing. Consequently, the pro-forma backlog still includes the Company's share in future revenue from *FPSO Cidade de Paraty*.

The pro-forma Directional backlog at December 31, 2025 decreased by US$4.0 billion compared with the position at December 31, 2024, to a total of US$31.1 billion. This was mainly the result of (i) turnover for the period which consumed approximately US$5.1 billion of backlog and (ii) the impact of the early sale of FPSO *ONE GUYANA,* partially offset by (iii) the contract extension and associated scope of work related to the lease and operation of FPSOs *Mondo* and *Saxi Batuque* until 2032, signed in December 2025. The Company's backlog provides cash flow visibility up to 2050.

in billions of US$	Turnkey	Lease & Operate	Total
2026	4.2	2.2	6.4
2027	1.4	2.0	3.4
2028	0.5	2.3	2.8
Beyond 2028	0.0	18.5	18.5
Total pro-forma Directional backlog	**6.1**	**25.0**	**31.1**

Pro-forma Directional backlog (in billions of US$)



PROFITABILITY – DIRECTIONAL

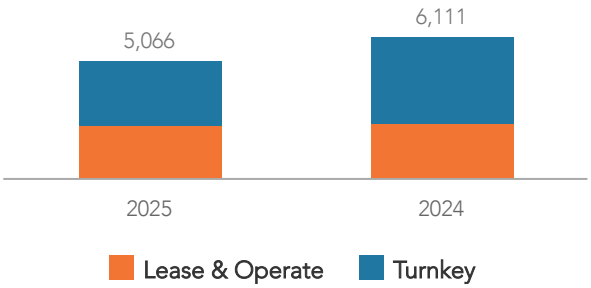
Accounting treatment of projects under construction

Please refer to note 4.3.2 Operating Segments and Directional Reporting for more information on the differences between IFRS and Directional over the accounting treatment of projects under construction in the Company's current project portfolio.

Directional Revenue

Total Directional revenue decreased by 17% to US$5,066 million compared with US$6,111 million in 2024. This decrease is further detailed by segment as follows:

Directional Revenue (in millions of US$)



Directional Turnkey revenue decreased to US$2,772 million, representing 55% of total Directional revenue in 2025. This compares with US$3,743 million, or 61% of total Directional revenue in 2024. This is mainly the result of:

- The sale of FPSOs *Prosperity* and *Liza Destiny*, completed in November and December 2024 respectively;
- The 13.5% divestment of ownership interest in *FPSO Sepetiba* to CMFL completed in October 2024;
- The reduced level of progress during the period compared with the prior year period on *FPSO Almirante Tamandaré* (completed in February 2025), *FPSO Alexandre de Gusmão* (completed in May 2025) and FPSO *ONE GUYANA* (completed in August 2025); and
- The completion of *FPSO Sepetiba* in early January 2024; partially offset by
- The increased progress on the construction projects FPSOs *Jaguar* and *GranMorgu* under Sale and Operate model.

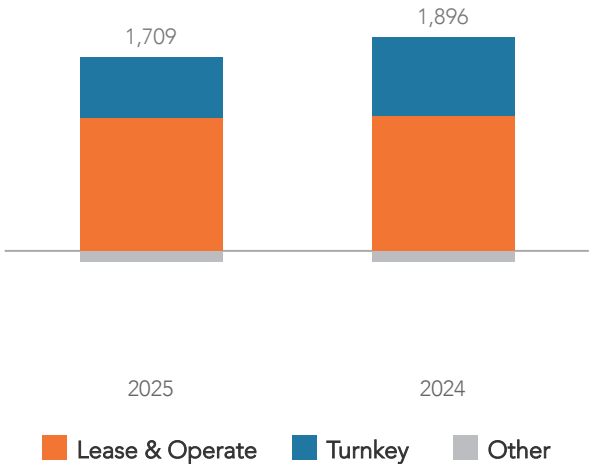
Directional Lease and Operate revenue came in at US$2,295 million, a decrease versus US$2,369 million in the year-ago period. This mainly reflects the following events:

- Reduced revenue from FPSOs *Liza Destiny* and *Prosperity* only contributing in the period as Operations and Maintenance contracts following the purchase of the units by the client in the last quarter of 2024 (therefore not contributing to lease revenue in 2025);
- Lower reimbursable scope on the fleet; and
- The end of *FPSO Serpentina* operations in the year-ago period; partially offset by
- FPSOs *Almirante Tamandaré, Alexandre de Gusmão and ONE GUYANA* joining the fleet upon successful delivery during the period; and
- Improved performance of the fleet.

Directional EBITDA

Directional EBITDA amounted to US$1,709 million, representing a 10% decrease compared with US$1,896 million in 2024. The variance of Directional EBITDA is further detailed by segment as follows:

Directional EBITDA (in millions of US$)



Directional Turnkey EBITDA decreased from US$724 million in the year-ago period to US$561 million in the current year. The key factors impacting Directional Turnkey EBITDA are:

- The sale of FPSOs *Prosperity* and *Liza Destiny*, completed respectively in November and December 2024;
- The 13.5% divestment of ownership interest in *FPSO Sepetiba* to CMFL completed in October 2024;
- The reduced level of progress during the period compared with the year-ago period on *FPSO Almirante Tamandaré* (completed in February) and *FPSO Alexandre de Gusmão* (completed in May); and
- The completion of *FPSO Sepetiba* in early January 2024; partially offset by
- Full margin contribution during 2025 from FPSO *Jaguar* and FPSO *GranMorgu* given that the projects reached the requisite 'stage of completion' to allow margin recognition during the last quarter of 2024 (limited margin contribution during 2024) and the second quarter of 2025 respectively; and
- The successful close-out of the construction activities of FPSOs *Almirante Tamandaré, Alexandre de Gusmão* and *ONE GUYANA*, delivered during the period.

Under Directional reporting, FSO *Chalchi* is classified as an operating lease where lessor-related entities are 100% owned by the Company. Therefore, under the Company's Directional accounting policy, revenue recognition for this project is as follows:

- The Company does not recognize any Directional revenue and Directional margin unless defined invoicing (if any) to the client occurs during the construction phase to cover specific construction work and/or services performed before the commencement of the lease. These upfront payments are recognized as revenues and the costs associated with the related construction work and/or services are recognized as cost of sales with no margin.
- Upon any partial divestment to partners, the Company will book Directional revenue and (once the 'stage of completion' is reached) Directional margin associated with the EPC works to the extent of the portion of the sale to partners in the special purpose entities.

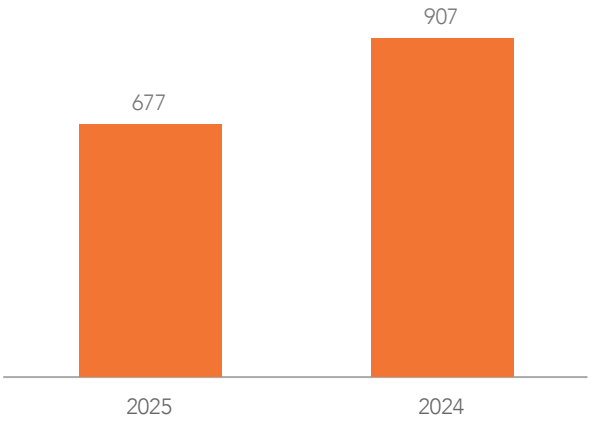
Directional Lease and Operate EBITDA slightly decreased from US$1,261 million in the year-ago period to US$1,235 million in the current period. This decrease resulted from:

- Reduced revenue from FPSOs *Liza Destiny* and *Prosperity* only contributing in the period as Operations and Maintenance contracts following the purchase of the units by the client in the last quarter of 2024 (therefore not contributing to lease revenue in 2025);
- The prior year net gain arising from the acquisition of interests held by Sonangol related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo,* and the divestment in the parent company of the Paenal shipyard in Angola;
- The impact of the full divestment of the lease and operating entities of the *FPSO Aseng* to GEPetrol completed in December 2025 which, while positive from a cash consideration received perspective, generated a loss recognized in 'Directional Other operating income'; and
- The change in ownership in *FPSO Sepetiba* following the divestment to CMFL in 2024; partially offset by

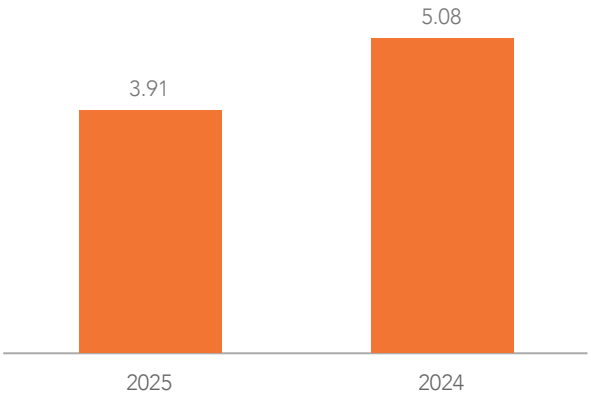
- FPSOs *Almirante Tamandaré, Alexandre de Gusmão and ONE GUYANA* joining the fleet upon successful delivery during the period;
- Improved performance of the fleet;
- The net gain over the period from the acquisition of interests held by MISC Berhad in *FPSO Espirito Santo* entities and the full divestment in *FPSO Kikeh* entities recognized in 'Directional Other operating income'; and
- The net gain arising from the *Thunder Hawk* sale completed during the period and recognized in 'Directional Other operating income'.

The other non-allocated costs charged to Directional EBITDA amounted to US$(87) million in 2025, a US$2 million decrease compared with the US$(89) million in the year-ago period, which is mainly explained by a reduction in general and administrative costs.

Directional Net income (in millions of US$)



Weighted Average Earnings Per Share Directional (in US$)



Directional depreciation, amortization and impairment amounted to US$503 million in 2025, a US$72 million decrease compared with US$576 million in the year ago period. This decrease resulted from (i) FPSOs *Liza Destiny* and *Prosperity* no longer contributing to depreciation following purchase of the units by the client at the end of 2024, (ii) *FPSO Cidade de Anchieta* having a lower depreciable base as a result of the impairment recognized in the last quarter of 2024, (iii) the 13.5% divestment of ownership interest in *FPSO Sepetiba* to CMFL completed in October 2024, (iv) the divestment of *FPSO Aseng*, which was classified as assets held for sale in the period ended June 30, 2025, and therefore ceased to be depreciated from that date onwards, while in 2024, it was depreciated during the full year, and (v) the release of the accumulated impairment on the demobilization receivable for *Thunder Hawk* as a result of the sale of the asset completed during the period. This was partially offset by (vi) FPSOs *Almirante Tamandaré*, *Alexandre de Gusmão* and *ONE GUYANA* joining the fleet upon successful delivery during 2025 and (vii) the start of amortization of the Company's new global ERP system following its first phase successful deployment mid-2025.

Directional net financing costs totaled US$(304) million in 2025, compared with US$(314) million in the year-ago period. This improvement of 3% mainly resulted from (i) lower interest expense on the project loans for FPSOs *Liza Destiny* and *Prosperity* following purchase of the units by the client, (ii) gains on forward currency contracts, (iii) higher interest income on cash and short-term investments, (iv) the scheduled amortization of project loans for the fleet under operations, (v) lower interest on the Company's RCF and (vi) the 13.5% divestment ownership interest in *FPSO Sepetiba* to CMFL completed in October 2024. This was partially offset by (vii) additional interest expense generated by the new construction financing of FPSO *Jaguar* in 2025, (viii) the new sale and leaseback financing agreement for *FPSO Cidade de Paraty*, (ix) increased financing to fund the construction of *FPSO Almirante Tamandaré*, *FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA* during the period and (x) the amortization of the *ONE GUYANA* project financing transaction costs up to the expected purchase of the unit in early 2026.

The Directional effective tax rate increased to 25% versus 10% in the year-ago period. The increase is primarily driven due to the impact of the sale of FPSO *Unity* and FPSO *Prosperity* in 2024 and the corresponding recognition of the margin on the sale of these assets, which was not followed by the respective extent of corporate tax expense.

As a result, the Company recorded a Directional net profit of US$677 million, or US$3.91 per share, a 25% and 23% decrease respectively, when compared with the Directional net profit of US$907 million, or US$5.08 per share, in the previous year.

STATEMENT OF FINANCIAL POSITION – DIRECTIONAL

in millions of US$	2025	2024
Directional total equity	2,536	2,002
Directional net debt[1]	5,651	5,719
Directional cash and cash equivalents	891	606
Directional total assets	11,656	10,815
Solvency ratio[2]	32.7	31.9

1 Directional net debt is calculated as Directional total borrowings (including lease liabilities) less Directional cash and cash equivalents.
2 Solvency ratio is calculated in accordance with the definition provided in section 4.3.23 Borrowings and lease liabilities - Covenants

Directional total equity increased by US$534 million from US$2,002 million at December 31, 2024 to US$2,536 million at December 31, 2025. This increase is driven by (i) the positive net result over the period and (ii) the increase of the hedging reserve, partially offset by (iii) the dividends distributed to the shareholders of EUR150 million (equivalent to US$170 million[3]) and (iv) the cumulative share repurchase amount of EUR154 million, equivalent to US$174 million[4] (2024: EUR102 million, equivalent to US$102 million) in relation to:

- The EUR65 million share repurchase program effective from August 8, 2024 and fully completed on April 23, 2025; and
- The EUR141 million share repurchase program effective from April 24, 2025, which is expected to be completed by February 26, 2026.

In line with the progress of the share repurchase program, the Company cancelled 5,000,000 ordinary shares on November 3, 2025, representing 2.8% of the Company's issued share capital. The total and final number of shares to be cancelled will be determined upon completion of the share repurchase program.

The movement in the hedging reserve was mainly caused by (i) the increase in marked-to-market value of forward currency contracts, driven by the depreciation of the US$ exchange rate versus the hedged currencies (especially EUR and BRL), partially offset by (ii) the negative impact of the marked-to-market value of interest rate swaps due to decreasing US$ market interest rates.

It should be noted that under Directional policy, historically the contribution to profit and equity of the FPSOs program under construction has mainly materialized in the operating phase at the Company's share of ownership in lessor-related SPVs, in line with the generation of associated operating cash flows which is also applicable to FSO *Chalchi*. With regards to FPSO *Jaguar* and FPSO *GranMorgu* which, contrary to the other FPSOs under construction, are classified as construction contracts falling solely in the scope of IFRS 15, their contribution to profit and equity will largely materialize in the coming years during the construction period both under IFRS and Directional reporting principles.

3 Based on the EUR/US$ exchange rate on May 6, 2025. Dividends were paid in euro.
4 Based on the 2025 annual average EUR/US$ exchange rate.

Directional net debt slightly decreased by US$(68) million from US$5,719 million at December 31, 2024 to US$5,651 million at December 31, 2025. While the Turnkey (as a result of recent Sale and Operate contracts) and the Lease and Operate segments generated strong operating cash flows, the Company (i) implemented of a new financing tool with the sale and leaseback financing agreement for *FPSO Cidade de Paraty* fully drawn during the period, (ii) continued to draw on project finance facilities for *FPSO Alexandre de Gusmão* and FPSO *ONE GUYANA* to finalize the related investment in growth and (iii) implemented the construction financing for FPSO *Jaguar*. These were partially offset by (iv) the scheduled repayment of non-recourse project debt, (v) the full repayment of the MPF facility, (vi) the partial repayment of the RCF, (vii) the full repayment of the US private placement notes in relation to *FPSO Cidade de Anchieta* and (viii) the strong return to shareholders.

More than two thirds of the Company's Directional debt, as of December 31, 2025, consisted of non-recourse project financing (US$5.3 billion) in special purpose investees. The remainder (US$1.1 billion) comprised (i) the construction financing for FPSO *Jaguar* which will be repaid following completion of construction, and (ii) the Company's new RCF, which was drawn for US$100 million as at December 31, 2025. Directional cash and cash equivalents amounted to US$891 million (December 31, 2024: US$606 million) and lease liabilities totaled US$115 million (December 31, 2024: US$93 million).

Directional net debt is reconciled to IFRS figures as follows:

	Notes	FY 2025	FY 2024
Total Borrowings and lease liabilities	4.3.23	9,155	8,943
Less: Cash and cash equivalents	4.3.21	(1,086)	(806)
Net debt	**4.3.27**	**8,068**	**8,137**
Impact of lease accounting treatment	4.3.2	-	-
Impact of consolidation methods	4.3.2	(2,418)	(2,418)
Directional net debt		**5,650**	**5,719**

Directional total assets increased to US$11.7 billion as at December 31, 2025, compared with US$10.8 billion at year-end 2024, following (i) the investments in property, plant and equipment for FPSOs under construction during the period net of depreciation of the period on FPSOs under operation, (ii) the investments in multi-purpose floater hulls and related equipment under construction for use in future projects, (iii) the increase of contract assets and receivables mostly related to FPSO projects under construction at the end of the year and (iv) net cash generation.

Directional cash from operating activities for the period was positive at US$1,166 million. This reflected strong cash flows generated by the fleet under operations and the positive Turnkey cash flows benefiting mostly from client milestone payments on Sale and Operate model FPSO projects.

The relevant covenants (solvency ratio, interest cover ratio and backlog cover ratio) applicable for the Company's RCF, drawn for c. US$100 million as at year-end 2025, were all met at December 31, 2025. For more detailed information on covenants, please refer to section 4.3.23 Borrowings and Lease Liabilities. In line with previous years, the Company had no off-balance sheet financing.

CASH FLOW / LIQUIDITIES – DIRECTIONAL

Directional cash and undrawn committed credit facilities amount to US$2,396 million at December 31, 2025, of which US$505 million is considered as pledged to specific project debt-servicing related to FPSO *Jaguar,* or otherwise restricted in its utilization.

The consolidated cash flow statement under Directional reporting is as follows:

in millions of US$	2025	2024
Directional EBITDA	**1,709**	**1,896**
Adjustments for non-cash and investing items		
Directional Addition/(release) provision	58	23
Directional Effect of disposal of property, plant and equipment	(0)	1,112
Directional (Gain) / loss on disposal of equity-accounted investees	(31)	-
Directional (Gain) / loss on acquisition of shares in investees	(54)	(74)
Directional Share-based payments	23	21
Changes in operating assets and liabilities		
Directional (Increase)/Decrease in operating receivables	5	(1,181)
Directional Movement in contract assets	(279)	124
Directional (Increase)/Decrease in inventories	(300)	(26)
Directional Increase/(Decrease) in operating liabilities	174	773
Directional Income taxes paid	(139)	(178)
Directional Net cash flows from (used in) operating activities	**1,166**	**2,492**
Directional Capital expenditures	(487)	(937)
Directional (Addition) / repayments of funding loans	(0)	(4)
Directional Cash flows from changes in interests of subsidiaries	(28)	1
Directional Cash receipts from sale of investments in joint ventures	42	57
Directional Other investing activities	195	27
Directional Net cash flows from (used in) investing activities	**(278)**	**(858)**
Directional Additions and repayments of borrowings and lease liabilities	(7)	(969)
Directional Dividends paid to shareholders	(173)	(154)
Directional Share repurchase program	(174)	(102)
Directional Interest paid	(276)	(327)
Directional Net cash flows from (used in) financing activities	**(630)**	**(1,552)**
Directional Foreign currency variations	(10)	(3)
Directional Net increase/(decrease) in cash and cash equivalents	**248**	**79**

The Company generated strong Directional operating cash flows mainly as a result of the cash flow from the expanded fleet under operations and the positive turnkey cash flows benefiting from client's milestone payments on FPSO projects under construction (mostly on Sale and Operate contracts).

Cash generated from Directional operating cash flows and drawdowns on project and construction financing, together with some of the Company's existing cash, was primarily used to:

- Invest in the four Lease and Operate FPSOs/FSO under construction over the period and the Fast4Ward® new build multi-purpose hulls and related equipment for use in future projects;
- Full repayment of the US private placement notes in relation to the *FPSO Cidade de Anchieta* and the existing RCF;
- Return funds to shareholders through dividends and share repurchase programs; and
- Service the Company's non-recourse debt and interest in accordance with the respective repayment schedules.

The Company completed the acquisition of the shares in the lease and operating entities related to *FPSO Espirito Santo*, the sale of all its shares in the parent company of *FPSO Kikeh* and the sale of all its shares in the lease and operating entities related to *FPSO Aseng,* which are all reported as investing activities within the Directional cash flow statement.

As a result, Directional cash and cash equivalents increased from US$642 million (including US$36 million classified as held for sale) at year-end 2024 to US$891 million at year-end 2025.