



2025 ANNUAL REPORT



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4.3.5 EXPENSES BY NATURE

The table below sets out expenses by nature for all items included in EBIT for the years 2025 and 2024:

	<i>Note</i>	2025	2024
Expenses on construction contracts		(2,000)	(1,704)
Employee benefit expenses	4.3.6	(1,074)	(995)
Vessels operating costs		(697)	(770)
Depreciation, amortization and impairment		(51)	(113)
Selling expenses		(29)	(9)
Other costs		(300)	(300)
Total expenses		(4,151)	(3,890)

'Expenses on construction contracts' increased compared with prior year, as a result of higher expenditure in the projects for FPSO *GranMorgu*, FPSO *Jaguar* and FPSO *Chalchi*, partially offset by the lower progress on FPSO *Almirante Tamandaré*, FPSO *Alexandre de Gusmão* and FPSO *ONE GUYANA*, as those projects approached completion during the period.

'Employee benefit expenses' increased due to higher work-hour-related activities in Turnkey projects and the ramp-up of operations with 3 vessels joining the fleet in 2025.

'Vessel operating costs' decreased mainly as a result of prior year non-recurring increases in the scope of work in several vessels and the end of FPSO *Serpentina* operations in 2024, partially offset by the start of production of FPSO *Almirante Tamandaré*, FPSO *Alexandre de Gusmão* and FPSO *ONE GUYANA*.

'Depreciation, amortization and impairment' decreased compared with the prior year, mostly due to (i) FPSO *Cidade de Anchieta* having a lower depreciable base as a result of the impairment recognized in the last quarter of 2024, (ii) the impairment of funding loans provided to equity-accounted entities which was recognized in the previous year and (iii) 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, partially offset by (iv) the start of amortization of the Company's new global ERP system following its first phase successful deployment mid-2025.

Selling expenses increased due to additional commercial activities for the FPSO market.

Expenses related to short-term leases and leases of low-value assets amounted to US\$9 million (2024: US\$5 million).

4.3.6 EMPLOYEE BENEFIT EXPENSES

Information with respect to employee benefits expenses are detailed as follows:

	<i>Note</i>	2025	2024
Wages and salaries		(581)	(503)
Social security costs		(73)	(67)
Contributions to defined contribution plans		(47)	(40)
Contributions to defined benefit plans		(2)	(2)
Share-based payment cost		(32)	(30)
Contractors' costs		(195)	(212)
Other employee benefits		(143)	(140)
Total employee benefits	4.3.5	(1,074)	(995)

Wages and salaries increased due to the higher number of workers needed to support the operation of three new vessels, while maintaining the strong FPSO construction portfolio.

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Contractors' costs include expenses related to contractor staff not on the Company's payroll, linked to the Company's strategy of aiming to maintain flexibility in its workforce management. Other employee benefits mainly include commuting, training, expatriate and other non-wage compensation costs.

DEFINED CONTRIBUTION PLAN

Contributions to defined contribution plans in 2025 and 2024 include the Company's fixed contributions to country-specific employee pension plans during each year.

The Company's defined contribution plans also include the Company's participation in the Merchant Navy Officers Pension Fund (MNOFP), for which no contributions were made in 2025 or 2024. The MNOFP is a defined benefit multi-employer plan, which is closed to new members. The fund is managed by a corporate trustee, MNOFP Trustees Limited, and provides defined benefits for 20,659 (December 31, 2024: 21,281) Merchant Navy Officers and their dependents, out of whom 33 are former employees of the Company.

The trustee apportions its funding deficit between participating employers, based on the portions of the fund's liabilities, which were originally accrued by members in service with each employer. When the trustee determines that contributions are unlikely to be recovered from a participating employer, it can re-apportion the deficit contributions to other participating employers.

Entities participating in the MNOFP are exposed to the actuarial risk associated with the current and former employees of other entities through exposure to their share of the deficit of those other entities' default. As there is only a notional allocation of assets and liabilities to any employer, the Company is accounting for the MNOFP in its financial statements as if it was a defined contribution scheme. There are no outstanding contributions to the plan agreed at present.

DEFINED BENEFIT PLANS AND OTHER LONG-TERM BENEFITS

The employee benefits provisions recognized relate to:

	<i>Note</i>	2025	2024
Pension plan		(1)	(0)
Lump sums on retirement		9	8
Defined benefit plans		9	8
Long-service awards		17	14
Other long-term benefits		17	14
Employee benefits provisions	<i>4.3.24</i>	25	22

The defined benefit plan provision is partially funded as follows:

Benefit asset/liability included in the statement of financial position

	31 December 2025			31 December 2024		
	Pension plans	Lump sums on retirement	Total	Pension plans	Lump sums on retirement	Total
Defined benefit obligation	22	9	31	21	8	28
Fair value of plan assets	(23)	-	(23)	(21)	-	(21)
Benefit (asset)/liability	(1)	9	9	(0)	8	8

The main assumptions used in determining employee benefit obligations for the Company's plans are shown below:

Main assumptions used in determining employee benefit obligations

in %	2025	2024
Discount rate	1.00 - 4.00	1.00 - 3.60
Inflation rate	1.00 - 2.00	1.00 - 2.00
Discount rate of return on plan assets during financial year	1.00	1.50
Future salary increases	1.00 - 3.00	1.00 - 3.00
Future pension/awards increases	0.00 - 2.00	0.00 - 2.00

The overall expected rate of return on assets is determined, based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

REMUNERATION OF THE KEY MANAGEMENT PERSONNEL OF THE COMPANY

The remuneration of the key management personnel of the Company paid during the year, not including the Supervisory Board, including pension costs and performance-related Short-Term Incentives (STI), amounted to US\$18 million (2024: US\$16 million). There are no loans outstanding or guarantees given on behalf of members of the key management.

The performance-related part of the remuneration of the Management Board, comprising Value Creation Stake and STI components, was 70% (2024: 70%). The Management Board's remuneration decreased in 2025 versus 2024, mainly explained by the decrease to two members in the overall year-on-year comparison.

The total remuneration and associated costs of the Management Board and 'Other key management personnel' (members of the Executive Leadership Team and the Executive Committee other than members of the Management Board) is specified as follows:

Remuneration key management personnel

in thousands of US\$	Base salary	STI ¹	Share-based compensation ²	Other ³	Pensions ⁴	Total remuneration
Management Board Members						
2025	1,553	1,895	3,322	305	388	7,463
2024	1,690	1,878	3,934	390	439	8,331
Other key personnel⁵						
2025	3,958	1,163	3,628	1,490	593	10,832
2024	3,086	1,019	2,364	646	579	7,694
Total 2025	5,511	3,058	6,950	1,795	981	18,295
Total 2024	4,776	2,897	6,298	1,036	1,018	16,025

1 For the Management Board this represents the actual STI approved by the Supervisory Board, which has been accrued over the calendar year, payment of which will be made in the following year.

2 This share-based compensation represents the period expense of share-based payments in accordance with IFRS 2.

3 Consisting of social charges, lease car expenses, and other allowances.

4 This represents company contributions to defined contribution pension plans; in case of absence of a qualifying pension scheme such contribution is paid gross, withholding wage tax at source borne by the individuals.

5 The definition of 'Other key personnel' is aligned with the Executive Leadership and the Executive Committee excluding the members of the Management Board, as disclosed on the Company's website.

The table above represents the total remuneration in US dollars, being the reporting currency of the Company. The increase in remuneration of 'Other key personnel' compared with 2024 is mainly explained by the new structure of the Executive Committee implemented during the course of 2024.

As at December 31, 2025, there are no unvested shares of current (and former) Management Board members. The total number of vested shares held by current Management Board members is reported in note 4.3.22 Equity Attributable to Shareholders.

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SHORT-TERM INCENTIVE PROGRAM OF THE MANAGEMENT BOARD

The Short-Term Incentive Program is based upon short-term operational performance, which includes three sets of performance indicators, as noted below:

- Profitability;
- Growth; and
- Sustainability.

The Supervisory Board may adjust the outcome of the STI down by 10%. Any such adjustment would be reported in the Remuneration Report. No such reduction has been made for 2025 or 2024.

For 2025 (equal to 2024), the Supervisory Board concluded that the Company's performance indicators had outcomes ranging from threshold to maximum. For the year 2025, a total of nine performance indicators were established (2024: nine). The Company's performance resulted in a performance of 137% (2024: 126%) of salary for the CEO and 102.8% (2024: 94.5%) for the CFO.

VALUE CREATION STAKE SHARES OF THE MANAGEMENT BOARD

Under the Remuneration Policy 2022, the members of the Management Board are entitled to a Value Creation Stake, being a number of shares determined by a four-year average share price (volume-weighted). These shares vest immediately upon the award date, and must be retained for five years from the vesting date, or, in the event of retirement or termination, two years.

Number of issued shares	2025	2024
Total	171,098	284,264

The reduction in the number of shares granted is mainly explained by the decrease to two members in the overall year-on-year comparison.

The number of shares granted is based upon 175% of the individual's base salary and determined by the 4-year average volume-weighted share price (VWAP) over the years 2021 through 2024 (2024: 2020 through 2023), being EUR14.06 (2024: EUR13.85). The grant date fair value of these shares upon issue was EUR17.19, being the opening share price of January 2, 2025 (2024: EUR12.55).

RESTRICTED SHARE UNIT (RSU) PLANS

The number of shares granted under the RSU plan in 2025 was 893,400 (2024: 847,350), with the three-year employment period starting on January 1, 2025 (2024: January 1, 2024).

The annual RSU award is based on an assessment of individual potential. The RSU plans themselves have no performance condition, only a service condition, and will vest at the end of three years' continuing service. The fair value is determined, based on the share price at the grant dates, with an adjustment for the present value of the expected dividends during the vesting period.

	2025	2024
RSU grant date fair value per share	€ 14.63	€ 12.44

For RSUs, a vesting probability (based on expectations on, for example, the number of employees not leaving the Company before the vesting date of their respective RSU plan) of 95% is assumed. The Company periodically reviews this estimate and aligns to the actual forfeitures.

OWNERSHIP SHARES

Ownership Shares is an annual award in shares to compensate the overall STI target reduction of 3-6% of annualized gross salary under the Company's 2019 STI plan awarded to employees based on seniority. The Ownership Shares have no performance conditions, only a service condition. The Ownership Shares are subject to a three-year holding requirement after the grant date. This means that a fixed population of onshore employees, based on seniority in the Company, are eligible to the Ownership Shares equal to 4-8% of annualized gross salary. The Ownership Shares program ceased by December 2025 and no further shares will be awarded under the program going forward.

The total number of Ownership Shares that vested during 2025 was 62,443 shares (2024: 92,115). The fair value of the Ownership Shares is measured at the opening share price of January 2, 2025.

	2025	2024
Ownership Shares grant date fair value per share	€ 17.19	€ 12.55

MATCHING SHARES

Under the STI plans for the key management personnel of the Company, 20% of the STI is or can be paid in shares. Subject to a vesting period of three years, an identical number of shares (matching shares) will be issued to participants, assuming a probability of 95%. The Company periodically reviews this estimate and aligns to the actual forfeitures. The grant date fair value is measured indirectly, based on the grant date price of the equity instrument, with an adjustment for the present value of the expected dividends during the vesting period.

The assumptions included in the calculation for the matching shares are:

	2025	2024
Matching shares grant date fair value per share	€ 14.96	€ 12.72

TOTAL SHARE-BASED PAYMENT COSTS

The amounts recognized in operating profit for all share-based payment transactions have been summarized by taking into account both the provisional awards for the current year and the additional awards related to prior years. Total share-based compensation has increased in comparison with 2024.

2025 (in thousands of US\$)	Performance shares and RSU/Value Creation Stake	Matching shares	Total
Instruments granted	15,920	7,291	23,211
Total expenses 2025	15,920	7,291	23,211

2024 (in thousands of US\$)	Performance shares and RSU/Value Creation Stake	Matching shares	Total
Instruments granted	14,491	6,776	21,267
Total expenses 2024	14,491	6,776	21,267

Rules of conduct with regards to inside information are in place to ensure compliance with the Act on Financial Supervision. For example, these rules forbid the exercise of options or other financial instruments during certain periods, more specifically when an employee is in possession of price-sensitive information.

The movement in the outstanding number of shares which could potentially vest at a point in time under the Company share-based payment plans is illustrated in the following table.

in number of shares	2025	2024
Outstanding at 1 January	3,507,449	3,336,236
Granted	1,444,243	1,687,801
Vested	(1,174,336)	(1,258,810)
Cancelled or forfeited	(295,783)	(257,778)
Total movements	(25,876)	171,213
Outstanding at 31 December	3,481,573	3,507,449

REMUNERATION OF THE SUPERVISORY BOARD

The remuneration of the Supervisory Board amounted to EUR595 thousand (2024: EUR580 thousand) and can be specified as follows:

in thousands of EUR	2025			2024		
	Basic remuneration	Committees	Total	Basic remuneration	Committees	Total
Total	514	81	595	500	80	580

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There are no share-based incentives granted to the members of the Supervisory Board. Nor are there any loans outstanding to the members of the Supervisory Board or guarantees given on behalf of members of the Supervisory Board. Refer to 2.3.5 2025 Supervisory Board Remuneration for additional information.

NUMBER OF EMPLOYEES

Number of employees (by operating segment)

By operating segment:	2025		2024	
	Average	Year-end	Average	Year-end
Lease and Operate	3,553	3,650	3,061	3,455
Turnkey	2,281	2,374	2,112	2,188
Other	772	825	710	718
Total excluding employees working for JVs and associates	6,605	6,849	5,883	6,361
Employees working for JVs and associates	29	2	294	56
Total	6,634	6,851	6,176	6,417

Number of employees (by geographical area)

By geographical area:	2025		2024	
	Average	Year-end	Average	Year-end
the Netherlands	576	621	513	530
Worldwide	6,030	6,228	5,370	5,831
Total excluding employees working for JVs and associates	6,605	6,849	5,883	6,361
Employees working for JVs and associates	29	2	294	56
Total	6,634	6,851	6,176	6,417

The figures exclude fleet personnel hired through crewing agencies as well as other agency and freelance staff for whom expenses are included within 'Other employee benefits'.

The increase of headcount at year end is primarily due to the strong FPSO construction portfolio, with good progress on FPSO *Jaguar* and FPSO *GranMorgu*, the production ramp-up on FPSO *Almirante Tamandaré*, FPSO *Alexandre de Gusmão* and FPSO *ONE GUYANA* in 2025, offset by the sale of FPSO *Aseng* in 2025.

The reduction in the average 'Employees working for JVs and associates' line is explained by the sale of FPSO *Kikeh* at the end of 2024 and the change in consolidation method of FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* as local employees were transferred from the 'Employees working for JVs and associates' line to the 'Lease and Operate' line.

4.3.7 RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses amounted to US\$35 million (2024: US\$40 million) and mainly relate to the internal projects for energy transition development and Digital transformation.

The amortization of development costs recognized in the statement of financial position is allocated to cost of sales when the developed technology is used through one or several projects. Otherwise, it is allocated to research and development expenses.

4.3.8 NET IMPAIRMENT GAINS/(LOSSES) ON FINANCIAL AND CONTRACT ASSETS

In the context of the current economic and geopolitical environment, during 2025, the Company anticipated a range of possible impacts that could arise from the general economic downturn, the pressure on price inflation, the energy market pressure, increasing interest rates and other governmental actions as a consequence of the geopolitical environment. In response to these effects, the Company (i) reassessed whether there is a significant increase in credit risk related to its financial assets as of December 31, 2025, and (ii) updated estimates in terms of 'probability of default' and 'loss given default' in order to determine the expected credit losses.