Aurelia Energy N.V.

Quarterly report

For the period ended December 31, 2024

FPSO Aoka Mizu

Results and main developments for year ended December 31, 2024

Fourth quarter results

The net result after tax for the year ended December 31, 2024 amounted to a profit of U.S.$2.2 million compared to a profit of U.S.$13.1 million for the year ended December 31, 2023. EBITDA for the year ended December 31, 2024 was U.S.$60.3 million compared to U.S.$79.6 million for the year ended December 31, 2023. The results for the year 2024 were mainly impacted by the following items:

The SPM division generated a U.S.$5.3 million EBITDA in the fourth quarter of 2024, resulting in U.S.$8.0 million EBITDA in the year ending December 31, 2024 compared to U.S.$9.9 million EBITDA for the year ending December 31, 2023. In the year 2024 as well as the year 2023, main contributors to the SPM EBITDA are EPC projects. In 2024, EBITDA was mainly driven by one EPC project with a significant EBITDA outlook. This project accelerated during the year resulting in a higher EBITDA contribution. In year 2023 most projects reached final completion.

The EBITDA for the FPSO division in the fourth quarter of 2024 amounted to U.S.$13.4 million, resulting in U.S.$72.5 million EBITDA for the year 2024 compared to U.S.$89.5 million EBITDA for the year 2023. The U.S.$17.0 million decrease in EBITDA compared to the year 2023 was driven by a U.S.$7.6 million decrease of EBITDA for FPSO Aoka Mizu. In June 2024 the contract for the FPSO Aoka Mizu with the customer was amended to gradually reduce the facility fee as from June 2024. This resulted in U.S.$5.9 million lower facility fee compared with the year 2023. The tariff income of FPSO Aoka Mizu slightly decreased with U.S.$1.5 million mainly as the result of a lower average oil price in 2024 compared to 2023. Tariff income of the FPSO Bleo Holm decreased with U.S.$5.5 million. This is mainly due to a combination of anticipated declining production and maintenance work carried out in the last quarter of 2024. EBITDA of the FPSO Haewene Brim decreased with U.S.$2.9 million compared to the year 2023. The facility fee for the FPSO Haewene Brim is more dependent on production levels as contractual day rates gradually decrease over time. In 2024 as well in 2023 the FPSO Haewene Brim faced several technical issues, resulting in tariff income below expectations. At this moment of writing, production of FPSO Haewene Brim is back at anticipated levels. The lay-up cost of the 2 FPSO's held for conversion decreased with U.S.$0.2 million in 2024. Finally, the net tender costs increased with U.S.$1.2 million in 2024 compared to the year 2023. This was the result of significant increased tender activities. The tender cost and pre-FEED studies have been partly paid by several clients.

During the year 2024, unallocated expenses amounted to U.S.$20.2 million, compared to U.S.$19.7 million unallocated expenses for the year 2023. Overhead recovery mainly decreased due to lower project activity in 2024.

Depreciation and amortization expenditure in the year of 2024 amounted to U.S.$25.7 million compared to U.S.$32.5 million in the year 2023. Depreciation expenditures of the FPSO's decreased with U.S.$6.8 million. This was driven by a reassessment of the residual value and useful lifetime of all FPSO's. As a result, U.S.$5.8 million lower depreciation expenses were recorded for FPSO Aoka Mizu in 2024 compared to 2023. The useful lifetime now aligns with the expected prospect. Amortization costs and the IFRS16 related lease depreciation remained on the same amount as in 2023.

Finance expenses were U.S.$4.9 million lower compared to the previous year, at U.S.$30.0 million in the year 2024 versus U.S.$34.9 million in the year 2023. The interest costs of the unsecured bond decreased with U.S.$4.8 million in the year 2024. The outstanding amount under the unsecured bond is U.S.$160.0 million compared to U.S.$200.0 million at the end of the year 2023. The amortization costs of the bond decreased with U.S.$0.6 million in 2024 versus 2023. The RCF interest increased with U.S.$0.1 million from U.S.$0.2 million in the year 2023 to U.S.$0.3 million in the year 2024. The amortization costs of the RCF decreased with U.S.$0.2 million compared to the year 2023. Unutilized ongoing fees of the RCF decreased with U.S.$0.1 million at U.S.$0.5 million in the year 2023 to U.S.$0.4 million in the year 2024. The RCF mainly remained undrawn during the year. Finally, other interest costs increased by U.S.$0.7 million in the year 2024 compared to the year 2023.

Currency exchange results were U.S.$1.9 million positive in the year 2024 compared to U.S.$3.4 million negative in the year 2023. The increase in the value of the U.S. Dollar against the Euro and the volatility of the Pound Sterling has led to positive exchange results in the year 2024. The currency exchange rate moved from EUR/USD 1.11 and GBP/USD 1.27 at the beginning of the year to EUR/USD 1.04 and GBP/USD 1.25 at the end of the year 2024. Bluewater is exposed to fluctuations in foreign currency exchange rates, because a portion of its expenses and financial indebtedness is denominated in currencies that are different from Bluewater’s revenues. The Company only hedges part of the currency exposure.

Income tax expense for the year 2024 amounted to U.S.$4.3 million versus U.S.$4.2 million income tax benefit for the year 2023. The U.S.$4.3 million tax expense in 2024 mainly relates to a U.S.$3.5 million decrease of the Deferred Tax Assets. Delays in contracting new projects restricts the utilization of tax losses carried forward, which is one of the elements of the groups deferred tax assets. Furthermore U.S.$0.8 million income tax expense has been recognized in relation to foreign taxes.

Other developments

On March 31, 2024 the Dutch competent authorities have decided to grant a permit, on an annual basis to be renewed as is the standard practice, for project execution for the engineering, procurement and construction for two Buoys for a client in Kazachstan. The contract value is EUR 80 million and delivery will take place in the last quarter of 2025.

On April 6, 2024 production resumed at the FPSO Haewene Brim after successful repair of the mooring system. Currently the FPSO is producing on anticipated levels from the available wells. In spring 2025 a further repair of one non-critical mooring leg is envisaged.

On October 15, 2023 a Memorandum of Understanding (MoU) has been signed with an undisclosed client for the possible charter of the FPSO Aoka Mizu. The MoU comprise a Definition Study and FEED. Furthermore, it sets out the conditions under which a contract can be concluded. The Definition Study has been completed. The FEED is ongoing and expected to result in Final investment decision (FID) mid 2025.

Bluewater is in negotiation with current client for the contract amendment and extension for the FPSO Aoka Mizu on its current location. Both parties have the intention to extend oil production as long as reasonably possible and convenient to both parties to ensure a smooth transition from current client and subsequent new contract party.

In June 2024 the contract for the FPSO Bleo Holm with the customer was amended and extended till September 30, 2026 with an option for an extension into 2027. The floor and cap-remuneration has been substituted by fixed lease rate in combination with a tariff based on production and oil price as from January 1, 2025.

Bluewater is in the process of closing additional Working capital facilities in the form of a Term loan under the current RCF documentation. This Term loan is expected to be effective as from early March 2025.

Contract signing of an EPC contract of an ammonia bouy for a customer in the Middle East is imminent. The contract value is around USD 10 million with a delivery late 2025.

General information

Aurelia Energy N.V. (“the Company”) is the holding company of the Bluewater group (Bluewater), a specialized service provider to, and operator in, the offshore oil industry. Bluewater designs, develops, owns and operates floating production storage and offloading units (“FPSOs”), provides auxiliary equipment and services to FPSOs and designs, develops, performs project management and constructs single point mooring systems (“SPMs”).

An FPSO is a type of floating production unit used by oil companies to produce, process, store and offload hydrocarbons from offshore fields. FPSOs are either newly built or converted tankers upon which production equipment is mounted. The fluids (oil, gas and water) are processed on board the FPSO vessel, and the treated crude oil is stored before being exported to an off take system utilizing shuttle tankers. Bluewater’s fleet of FPSOs is involved in the production, rather than the exploration or drilling phase of oil field development. The FPSOs are leased to oil companies under medium- and long-term service contracts or bareboat contracts.

SPMs are used to transfer fluids to and from a floating production unit, an offshore storage vessel or shuttle tanker while securing the unit, vessel or tanker to the ocean floor. Most SPMs consist of an anchoring system that is connected to the ocean floor and a fluid transfer system that permits the transfer of fluids between fixed and rotating parts of the mooring system. SPMs are generally developed and constructed for oil companies and contractors.

Revenues are earned from day rates consisting of a fixed facility fee and a compensation for operating the FPSO pursuant to leases with oil companies, supplemented from time to time with fees based on volumes of produced barrels of oil. Additionally, revenues are earned on a lump-sum or reimbursable basis from the design, engineering, procurement and management services that are provided in the various FPSO and SPM projects being managed.

FPSO and SPM projects are being managed from the initial design and engineering phase to final installation. Further, Bluewater engages subcontractors in the fabrication of FPSOs, SPMs and auxiliary equipment.

Condensed consolidated interim income statement

For the period ended December 31, 2024

In thousands of U.S.$	***Note***	**December 31, 2024**	**December 31, 2023**
Operating activities			
Revenues	*1*	269,898	292,386
Raw materials, consumables used and other operating costs		(163,630)	(159,042)
Employee benefits expense		(45,972)	(53,716)
EBITDA		60,296	79,628
Depreciation and amortization expense	*2*	(25,695)	(32,541)
Results from operating activities (EBIT)		34,601	47,087
Finance income		89	158
Finance expenses		(30,056)	(34,948)
Currency exchange results		1,929	(3,446)
Net finance expense		(28,038)	(38,236)
Profit/ (loss) before income tax		6,563	8,851
Income tax benefit		(4,339)	4,210
Profit/ (loss) for the period		2,224	13,061

The profit/ (loss) for the period is fully attributable to the shareholder.

The interim financial statements have not been audited

Condensed consolidated interim statement of financial position

In thousands of U.S.$		***Note***	**December 31, 2024**	**December 31, 2023**
Assets				
	Property, plant and equipment	*2*	291,314	313,090
	Right-of-use assets	*3*	10,331	13,474
	Intangible assets		518	898
	Deferred tax assets		101,848	105,752
Total non-current assets			404,011	433,214
	Inventories		1,513	1,540
	Trade and other receivables		33,075	46,210
	Contract assets		5,688	10,291
	Prepayments for current assets		2,717	2,308
	Cash and cash equivalents		44,920	21,734
Total current assets			87,913	82,083
Total assets			491,924	515,297
Equity				
	Issued share capital		170,000	170,000
	Share premium		198,568	198,568
	Translation reserve		(12,979)	(12,474)
	Other reserves		259	454
	Employee benefits reserve		(18,650)	(19,504)
	Accumulated deficit		(85,292)	(87,711)
Total equity attributable to equity holder of the Company			251,906	249,333
Liabilities				
	Loans and borrowings	*4*	111,884	146,408
	Lease liabilities	*3*	6,755	9,457
	Employee benefits		6,389	14,044
Total non-current liabilities			125,028	169,909
	Loans and borrowings	*4*	40,000	44,697
	Lease liabilities	*3*	2,467	2,790
	Trade and other payables, including derivatives		43,633	43,175
	Contract liabilities		28,890	5,393
Total current liabilities			114,990	96,055
Total liabilities			240,018	265,964
Total equity and liabilities			491,924	515,297

The interim financial statements have not been audited

Condensed consolidated interim statement of changes in equity

In thousands of U.S.$

	Issued Share Capital	Share Premium	Translation reserve	Other reserves	Employee benefits reserve (IAS 19)	Accumulated deficit	Total equity
Balance at January 1, 2024	**170,000**	**198,568**	**(12,474)**	**454**	**(19,504)**	**(87,711)**	**249,333**
Profit for the period	-	-	-	-	-	2,224	2,224
Movement in legal reserve	-	-	-	(195)	-	195	-
Movement employee benefits reserve net of tax (IAS 19)	-	-	-	-	854	-	854
Foreign currency translation differences	-	-	(505)	-	-	-	(505)
Total comprehensive income	-	-	(505)	(195)	854	2,419	2,573
Balance at December 31, 2024	**170,000**	**198,568**	**(12,979)**	**259**	**(18,650)**	**(85,292)**	**251,906**

The interim financial statements have not been audited

Condensed consolidated interim statement of cash flows

In thousands of U.S.$	**December 31, 2024**	**December 31, 2023**
Net cash from (used in) operating activities	73,616	19,990
Net cash from (used in) investing activities	(617)	115
Net cash from (used in) financing activities	(48,968)	(38,796)
Translation effect on cash	(845)	(583)
Net increase / (decrease) in available cash and cash equivalents	23,186	(19,274)
Cash and cash equivalents at the beginning of the period	21,734	41,008
Cash and cash equivalents at the end of the period	44,920	21,734

The interim financial statements have not been audited

Notes to the unaudited condensed consolidated interim financial statements

Reporting entity

Aurelia Energy N.V. (“the Company”) has its legal seat in Willemstad (Curaçao). The unaudited condensed consolidated interim financial statements of the Company as at and for the period ended December 31, 2024 comprise the Company and its subsidiaries (together referred to as “the Group” or “Bluewater” and individually as “Group entities”) and the Group’s interest in jointly controlled entities.

Statement of compliance

The unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS) as applied in the most recent annual financial statements.

Basis of preparation

These unaudited condensed consolidated interim financial statements are presented in thousands of US dollars, which is the Company’s functional currency. All financial information presented has been rounded to the nearest thousand. The unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS) as applied in the most recent annual financial statements. The information furnished in the unaudited condensed consolidated interim financial statements includes normal recurring adjustments and reflects all adjustments which are, in the opinion of management, necessary for fair presentation of such financial statements. Although the Company believes that the disclosures are adequate to make the information presented not misleading, it is suggested that these unaudited condensed consolidated interim financial statements be read in conjunction with the audited financial statements and the notes thereto for the year ended December 31, 2023.

The preparation of these unaudited condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the unaudited condensed consolidated interim financial statements are:

- Revenue recognition on construction contracts based on the percentage of completion method;
- Estimation of the anticipated useful life and future revenues earned with the FPSOs, which along with the discount rate, is the basis for the recoverable amounts of FPSOs;
- Estimation of the realizable amount of tax losses carried forward;
- Potential impact of claims and litigation.

1. Segment information

The disclosure of segment information is consistent with the internal reports in order to assess each segment's performance and to allocate resources to them. Internal reporting is primarily based on business segments since the Company's risks and rates of return are affected primarily by differences in services and products produced.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly employee benefits expense, head office expenses, investments and related revenue and income tax assets and liabilities. For both presented periods there are no inter segment revenues.

	FPSO		SPM		Consolidated	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
In thousands of U.S.$						
Total segment revenue	216,361	219,384	53,537	73,002	269,898	292,386
Total cost of operations	(143,873)	(129,887)	(45,516)	(63,135)	(189,389)	(193,022)
Unallocated income/ (expenses)					(20,213)	(19,736)
EBITDA	72,488	89,497	8,021	9,867	60,296	79,628
Depreciation and amortization	(21,813)	(28,566)	(3,882)	(3,975)	(25,695)	(32,541)
Results from operating activities (EBIT)	50,675	60,931	4.139	5.892	34,601	47,087
Net finance costs					(28,038)	(38,236)
Income tax benefit/ (expense)					(4,339)	4,210
Result for the period					2,224	13,061
Segment assets	353,311	369,642	36,247	39,005	389,558	408,647
Unallocated assets					102,366	106,650
Total assets					491,924	515,297
Segment liabilities	172,878	218,620	67,140	47,344	240,018	265,964
Capital expenditure	-	-	705	27	705	27

There are no unallocated capital expenditures in 2024 and 2023.

2. Property, plant and equipment

In thousands of U.S.$	FPSOs	FPSOs held for conversion	Office equip-ment	Total
Cost:				
As at January 1, 2024	1,482,118	552,563	11,980	2,046,661
Additions	-	-	705	705
Translation result	-	-	(10)	(10)
As at December 31, 2024	1,482,118	552,563	12,675	2,047,356
Accumulated depreciation and impairment losses:				
As at January 1, 2024	1,322,548	403,102	7,921	1,733,571
Depreciation for the period	10,610	10,860	1,008	22,478
Translation result	-	-	(7)	(7)
As at December 31, 2024	1,333,158	413,962	8,922	1,756,042
Net book value	148,960	138,601	3,753	291,314

As of December 31, 2024, an amount of U.S.$101,481 (December 31, 2023: U.S.$101,481) relating to capitalized interest is included in the historical cost value of the FPSOs, FPSOs held for conversion and FPSO under construction. During the periods ended December 31, 2024 and 2023 no interest was capitalized. Depreciation of right of use assets amounted U.S.$2,837 thousand and amortization of intangible assets amounted U.S.$380 thousand for the year 2024.

3. Right-of-use assets

The Company leases assets including buildings, vehicles and office equipment. Information about leases for which the Company is a lessee is presented below.

Right-of-use assets

In thousands of U.S.$	Property	Vehicles	Office equipment	Total
Cost				
As at January 1, 2024	25,736	797	742	27,275
Additions	-	371	-	371
Disposals	-	(173)	-	(173)
Translation result	(1,407)	(71)	(42)	(1,520)
As at December 31, 2024	24,329	924	700	25,953
Accumulated depreciation				
As at January 1, 2024	12,746	505	550	13,801
Charge for the year	2,499	206	138	2,842
Disposals	-	(173)	-	(173)
Translation result	(772)	(39)	(38)	(849)
As at December 31, 2024	14,473	499	650	15,622
Carrying amount				
As at December 31, 2024	9,856	425	50	10,331

Lease liabilities

Lease liabilities included in the consolidated interim statement of financial position:

In thousands of U.S.$	December 31, 2024	December 31, 2023
Non-current liabilities		
Lease liabilities	6,755	9,457
Current liabilities		
Lease liabilities	2,467	2,790

4. Loans and borrowings

In thousands of U.S.$	**December 31, 2024**	**December 31, 2023**
Non-current liabilities		
Unsecured bond	111,884	146,408
	111,884	146,408
Current liabilities		
Current portion of bank loans	-	4,697
Current portion unsecured bond	40,000	40,000
	40,000	44,697

The amount of the Unsecured bond as per December 31, 2024 amounting to U.S.$151.9 million is the net balance of the U.S.$160.0 million unsecured bond loan, the current portion of U.S.$40.0 million and the balance of unamortized borrowing costs of U.S.$8.1 million.