



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2020

CASH FLOW / LIQUIDITIES – DIRECTIONAL

Cash and undrawn committed credit facilities amount to US\$1,681million at December 31, 2020, of which US\$173 million is considered as pledged to specific project debt servicing or otherwise restricted in its utilization and US\$298 million comprises a project loan dedicated to *Liza Unity* (FPSO).

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

in millions of US\$	2020	2019
EBITDA	1,021	921
Adjustments for non-cash and investing items		
Addition/(release) provision	25	2
(Gain)/loss on disposal of property, plant and equipment	1	(0)
(Gain) / loss on acquisition of shares in investees	(1)	(90) ¹
Share-based payments	26	17
Changes in operating assets and liabilities		
(Increase)/Decrease in operating receivables	(227)	(130)
Movement in construction work-in-progress / contract liability	24	(50)
(Increase)/Decrease in inventories	(134) ²	(3)
Increase/(Decrease) in operating liabilities	11	(230) ³
Income taxes paid	(51)	(35)
Net cash flows from (used in) operating activities	696	401
Capital expenditures	(871)	(764)
(Addition) / repayments of funding loans	3	85
Cash receipts from sale of investments in joint-ventures	28 ⁴	-
Other investing activities	4	(118) ⁵
Net cash flows from (used in) investing activities	(837)	(796)
Additions and repayments of borrowings and lease liabilities	534	627
Dividends paid to shareholders	(150)	(74)
Share repurchase program	(165)	(196)
Interest paid	(155)	(150)
Net cash flows from (used in) financing activities	62	207
Foreign currency variations	5	(10)
Net increase/(decrease) in cash and cash equivalents	(74)	(198)

1 The amount of US\$90 million represents the gain on the purchase of shares in FPSO Cidade de Paraty, FPSO Cidade de Ilhabela, FPSO Cidade de Saquarema, FPSO Cidade de Marica and FPSO Capixaba.

2 Mainly includes investment in two Fast4Ward® hulls.

3 Includes (i) US\$(21) million payment for the settlement with Brazilian authorities and Petrobras and (ii) US\$(181) million payment to Repsol for shared insurance proceeds.

4 Relates to the transfer of shares to JV partners (refer to 4.3.32)

5 Includes US\$149 million payment for the purchase of shares in FPSO Cidade de Paraty, FPSO Cidade de Ilhabela, FPSO Cidade de Saquarema, FPSO Cidade de Marica and FPSO Capixaba.

The strong operating cash flows and drawdowns on project and bridge loans have, together with some of the Company's existing cash, primarily been used to:

- Invest in the *Liza Unity* (FPSO), *Prosperity* (FPSO) and *FPSO Sepetiba* projects;
- Return funds to the shareholders through dividend and the completed share repurchase program; and
- Serve the Company's non-recourse debt and interests in accordance with the respective repayment schedules.

As a result, cash and cash equivalents decreased from US\$458 million at year end 2019 to US\$383 million at year-end 2020.