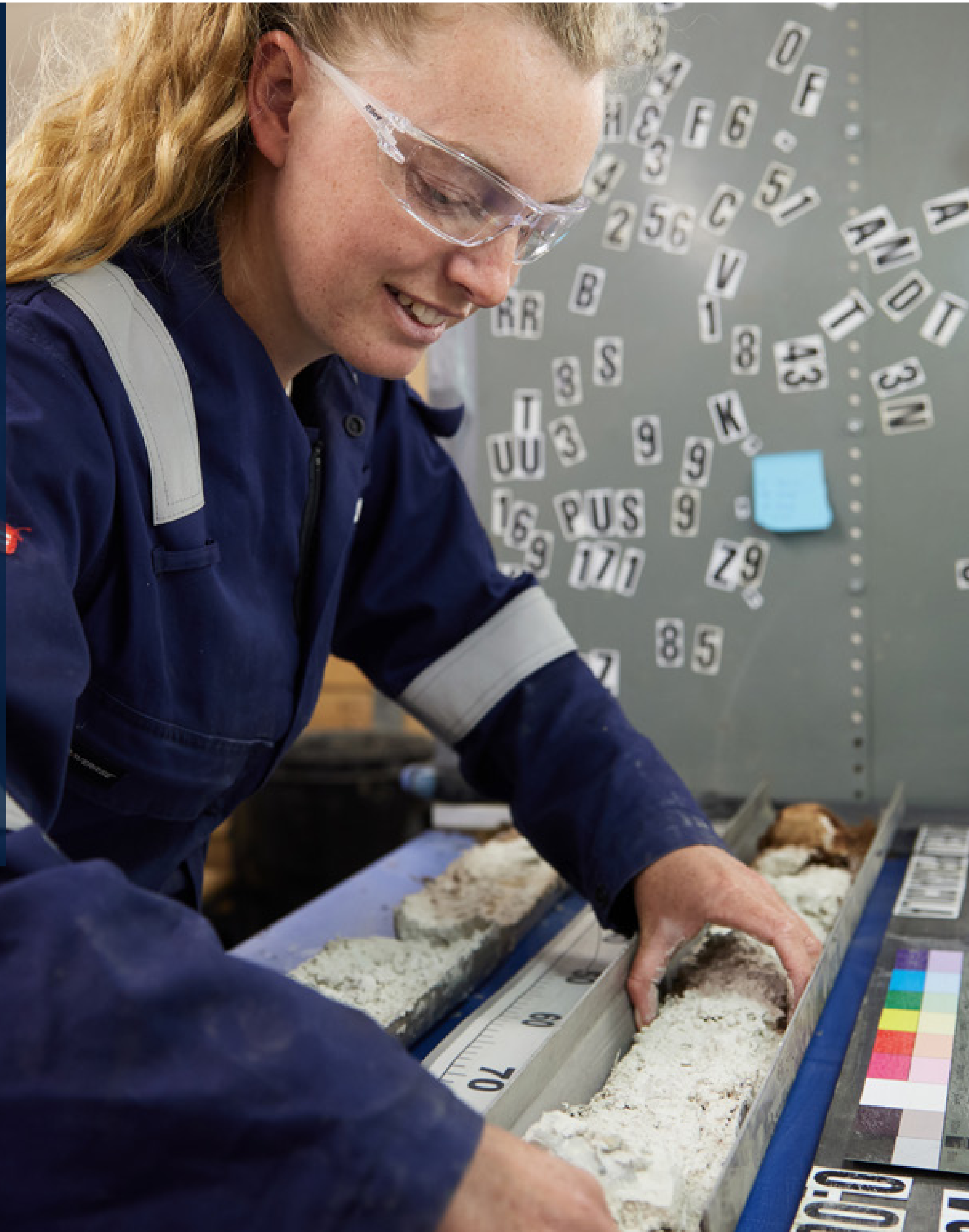
Financial statements 2024



Consolidated statement of comprehensive income

Fugro Group

For the year ended 31 December

(EUR x 1,000)	Notes	2024	2023
Continuing operations			
Revenue	5, 7	2,275,434	2,187,361
Third party costs	8	(742,718)	(801,038)
Net revenue own services[1]		1,532,716	1,386,323
Other income	9	19,693	12,806
Personnel expenses	10	(863,074)	(787,039)
Depreciation	17, 18	(168,059)	(144,712)
Amortisation	19	(970)	(464)
Impairments	13	(2,111)	2,521
Other expenses	14	(210,265)	(217,121)
Results from operating activities (EBIT[1])		**307,930**	**252,314**
Finance income		23,512	9,827
Finance expenses		(34,266)	(64,193)
Net finance income/(expenses)	15	**(10,754)**	**(54,366)**
Share of profit/(loss) of equity-accounted investees (net of income tax)	20	14,000	20,624
Profit/(loss) before income tax		**311,176**	**218,572**
Income tax gain/(expense)	16	(43,336)	38,824
Profit/(loss) for the period from continuing operations		**267,840**	**257,396**
Profit/(loss) for the period from discontinued operations	6	11,195	2,843
Profit/(loss) for the period		**279,035**	**260,239**
Attributable to:			
Owners of the company (net result)		273,987	254,843
Non-controlling interests	27	5,048	5,396
Earnings per share (Euro)	26		
Basic earnings per share		2.44	2.27
Basic earnings per share from continuing operations		2.34	2.24
Diluted earnings per share		2.39	2.23
Diluted earnings per share from continuing operations		2.29	2.20

(EUR x 1,000)	Notes	2024	2024
Profit/(loss) for the period		279,035	260,239
Defined benefit plan actuarial gains/(losses)	16, 29	(2,169)	(9,837)
Total of items that will not be reclassified to profit or loss (net of tax)		**(2,169)**	**(9,837)**
Foreign currency translation differences of foreign operations	15	24,808	(3,892)
Foreign currency translation differences of equity-accounted investees	15	2,382	(9,448)
Total of items that will be reclassified subsequently to profit or loss (net of tax)		**27,190**	**(13,340)**
Other comprehensive income/(loss) for the period		**25,021**	**(23,177)**
Total comprehensive income/(loss) for the period		**304,056**	**237,062**
Attributable to:			
Owners of the company		298,336	232,291
Non-controlling interests	27	5,720	4,771
Total comprehensive income attributable to owners of the company arises from:			
Continuing operations		287,141	229,448
Discontinued operations	6	11,195	2,843

1 Non-IFRS performance measure. Reference is made to the reconciliation of alternative performance measures and glossary.

Consolidated statement of financial position

Fugro Group

As at 31 December

(EUR x 1,000)	Notes	2024	2023
ASSETS			
Property, plant and equipment	17	868,241	709,265
Right-of-use assets	18	186,886	174,463
Intangible assets including goodwill	19	295,691	290,595
Investments in equity-accounted investees	20	56,734	46,050
Other investments	21	39,909	27,415
Deferred tax assets	16	144,000	138,635
Total non-current assets		**1,591,461**	**1,386,423**
Inventories	22	41,047	36,047
Trade and other receivables	23	664,667	643,923
Current tax assets		9,417	8,048
Cash and cash equivalents	24	319,465	326,294
		1,034,596	**1,014,312**
Assets classified as held for sale	6	3,652	-
Total current assets		**1,038,248**	**1,014,312**
Total assets		**2,629,709**	**2,400,735**

(EUR x 1,000)	Notes	2024	2023
EQUITY			
Total equity attributable to owners of the company		1,496,147	1,290,558
Non-controlling interests	27	17,357	12,630
Total equity	25	**1,513,504**	**1,303,188**
LIABILITIES			
Loans and borrowings	28	200,298	201,267
Lease liabilities	18, 32	153,568	134,131
Employee benefits	29	38,712	37,559
Provisions	30	9,839	15,538
Deferred tax liabilities	16	9,250	8,084
Total non-current liabilities		**411,667**	**396,579**
Bank overdraft	24	317	496
Loans and borrowings	28	7,838	48,872
Lease liabilities	18, 32	53,603	52,043
Trade and other payables	31	533,215	485,829
Provisions	30	13,781	6,749
Current tax liabilities	16	52,688	40,493
Other taxes and social security charges		43,096	66,486
Total current liabilities		**704,538**	**700,968**
Total liabilities		**1,116,205**	**1,097,547**
Total equity and liabilities		**2,629,709**	**2,400,735**

Consolidated statement of changes in equity

Fugro Group

For the year ended 31 December

(EUR x 1,000)	Notes	Share capital	Share premium	Translation reserve	Reserve for own shares	Equity component of convertible bonds	Retained earnings	Unappropriated result	Total	Non-controlling interest	Total equity
Balance at 1 January 2024		**5,676**	**878,068**	**(96,879)**	**(98,297)**	**5,029**	**342,118**	**254,843**	**1,290,558**	**12,630**	**1,303,188**
Profit or (loss)		-	-	-	-	-	-	273,987	273,987	5,048	279,035
Other comprehensive income	15, 29	-	-	26,518	-	-	(2,169)	-	24,349	672	25,021
Total comprehensive income/(loss) for the period		**-**	**-**	**26,518**	**-**	**-**	**(2,169)**	**273,987**	**298,336**	**5,720**	**304,056**
Share-based payments	12	-	-	-	-	-	10,238	-	10,238	-	10,238
Exercise of share options	12	-	-	-	-	-	1,996	-	1,996	-	1,996
Delivery of treasury shares for share-based payment plans	25	-	-	-	77,925	-	(77,925)	-	-	-	-
Addition to/(reduction of) reserves		-	-	-	-	-	254,843	(254,843)	-	-	-
Share buyback	25.3	-	-	-	(83,097)	-	(19,109)	-	(102,206)	-	(102,206)
Dividends paid to shareholders	25.4, 27	-	-	-	-	-	(44,875)	-	(44,875)	(993)	(45,868)
Conversion/redemption of convertible bonds	28.4	110	41,990	-	-	(5,029)	5,029	-	42,100	-	42,100
Total contributions by and distributions to owners		**110**	**41,990**	**-**	**(5,172)**	**(5,029)**	**130,197**	**(254,843)**	**(92,747)**	**(993)**	**(93,740)**
Balance at 31 December 2024		**5,786**	**920,058**	**(70,361)**	**(103,469)**	**-**	**470,146**	**273,987**	**1,496,147**	**17,357**	**1,513,504**
Balance at 1 January 2023		**5,676**	**878,068**	**(84,164)**	**(139,923)**	**5,029**	**309,518**	**74,127**	**1,048,331**	**11,269**	**1,059,600**
Profit or (loss)		-	-	-	-	-	-	254,843	254,843	5,396	260,239
Other comprehensive income	15, 29	-	-	(12,715)	-	-	(9,837)	-	(22,552)	(625)	(23,177)
Total comprehensive income/(loss) for the period		**-**	**-**	**(12,715)**	**-**	**-**	**(9,837)**	**254,843**	**232,291**	**4,771**	**237,062**
Share-based payments	12	-	-	-	-	-	9,936	-	9,936	-	9,936
Delivery of treasury shares for share-based payment plans	25	-	-	-	41,626	-	(41,626)	-	-	-	-
Addition to/(reduction of) reserves		-	-	-	-	-	74,127	(74,127)	-	-	-
Dividends paid to shareholders	27	-	-	-	-	-	-	-	-	(3,410)	(3,410)
Total contributions by and distributions to owners		**-**	**-**	**-**	**41,626**	**-**	**42,437**	**(74,127)**	**9,936**	**(3,410)**	**6,526**
Balance at 31 December 2023		**5,676**	**878,068**	**(96,879)**	**(98,297)**	**5,029**	**342,118**	**254,843**	**1,290,558**	**12,630**	**1,303,188**

Consolidated statement of cash flows

Fugro Group

For the year ended 31 December

(EUR x 1,000)	Notes	2024	2023
Continuing operations			
Cash flows from operating activities			
Profit/(loss) for the period		267,840	257,396
Adjustments for:			
Depreciation and amortisation	17, 18, 19	169,029	145,176
(Reversal of) impairments	13	2,111	(2,521)
Share of (profit)/loss of equity-accounted investees (net of income tax)	20	(14,000)	(20,624)
Net gain on sale of property, plant and equipment	9, 14	(5,305)	(5,551)
Net (gain)/loss on disposal of subsidiaries and other interests	14	-	4,260
Impairment of other investments		-	2,400
Equity-settled share-based payments	12	10,238	9,936
Change in provisions and employee benefits		(10,364)	(10,281)
Income tax (gain)/expense	16	43,336	(38,824)
Income tax paid		(38,455)	(26,480)
Finance income and expense	15	10,754	54,366
Interest paid[2]		(29,404)	(29,747)
Operating cash flows before changes in working capital[1]		**405,780**	**339,506**
Decrease/(increase) in working capital:		4,372	27,822
▪ Decrease/(increase) in inventories		(5,754)	(1,165)
▪ Decrease/(increase) in trade and other receivables		(366)	(74,671)
▪ Increase/(decrease) in trade and other payables		10,492	103,658
Net cash generated from operating activities		**410,152**	**367,328**

(EUR x 1,000)	Notes	2024	2023
Cash flows from investing activities			
Capital expenditures on property, plant and equipment	17	(264,457)	(181,979)
Acquisition of and other additions to intangible assets	19	(130)	(96)
Proceeds from sale of property, plant and equipment	9, 17	7,738	12,812
Proceeds from sale of business, net of cash sold		-	(285)
Interest received[2]		5,736	7,752
Dividends received	20, 21	5,828	16,687
Repayment of financial assets	21	910	1,176
(Step-) acquisitions, net of cash acquired	20	-	(2,403)
Acquisition of equity accounted investees		(138)	-
Additions to other investments	21	(2,478)	(1,594)
Net cash (used in)/from investing activities		**(246,991)**	**(147,930)**
Cash flows from operating activities after investing activities[1]		**163,161**	**219,398**
Cash flows from financing activities			
Repurchase of own shares	25	(84,489)	-
Proceeds from the issue of long-term loans	28	312,999	7,668
Transaction costs on long-term loans	28	(2,409)	(200)
Proceeds from exercise of share-options	12	1,996	-
Repayment of borrowings	28	(313,438)	(21,292)
Dividends paid	25, 27	(45,868)	(3,410)
Payments of lease liability	18	(50,547)	(81,602)
Net cash from/(used in) financing activities		**(181,756)**	**(98,836)**
Net cash provided by (used for) continuing operations		**(18,595)**	**120,562**

1 Non-IFRS performance measure. Reference is made to the reconciliation of alternative performance measures and glossary.

2 Interest received was reclassified from cashflow from operating activities to investing activities.

Consolidated statement of cash flows (continued)

Fugro Group

For the year ended 31 December

(EUR x 1,000)	Notes	2024	2023
Discontinued operations			
Cash flows from operating activities		(2,288)	(6,097)
Cash flows from investing activities		-	-
Cash flows from financing activities		-	16,910
Net cash provided by (used for) discontinued operations	6	**(2,288)**	**10,813**
Total net cash provided by (used for) operations		**(20,883)**	**131,375**
Effect of exchange rate fluctuations on cash held		14,233	(12,608)
Cash and cash equivalents at 1 January		325,798	207,031
Cash and cash equivalents at 31 December		**319,148**	**325,798**
Presentation in the statement of financial position			
Cash and cash equivalents	24	319,465	326,294
Bank overdraft	24	(317)	(496)

Notes to the consolidated financial statements

1. General information

Fugro N.V., hereinafter to be referred to as 'Fugro' or 'the company', has its corporate seat in the Netherlands. The address of the company's principal office is Veurse Achterweg 10, 2264 SG, Leidschendam, The Netherlands. The consolidated financial statements of Fugro as at and for the year ended 31 December 2024 include Fugro and its subsidiaries (together referred to as the 'Group') and the Group's interests in equity-accounted investees.
On 6 March 2025, the Board of Management and Supervisory Board authorised the financial statements for issue. The financial statements will be submitted for adoption to the annual general meeting which takes place on 24 April 2025.

2. Accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS-EU) and with Part 9 of Book 2 of the Netherlands Civil Code.

The financial statements have been prepared on the measurement basis of historical cost, except for the following assets and liabilities that are stated at their fair value: derivative financial instruments, equity securities and plan assets associated with defined benefit plans. For more detailed information on the measurement basis, reference is made to the relevant notes to the consolidated financial statements. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements are presented in EUR x 1,000, unless stated otherwise. The Euro is the presentation currency of the company.

2.2 Estimates, judgements and uncertainties

The preparation of the consolidated financial statements requires management to make judgements, estimates, assumptions and consider uncertainties that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may therefore differ materially from these estimates:

Estimates, judgements and uncertainties with respect to:	Note
Impairment of non-financial assets (property, plant and equipment, right-of-use assets and intangible assets including goodwill)	13
Impairment of financial assets (trade receivables, unbilled revenue on (completed) projects, and other receivables)	23
Deferred tax	16
Employee benefits	29
Provisions	30
Climate-related matters	3

2.3 Prior period correction

The Group previously presented personnel expenses of certain vessel crew members in cost of suppliers within the third party costs line item in the consolidated statement of comprehensive income. Upon further review of the nature of the agreements with these vessel crew members, the Group concluded that these agreements classify as labour agreements and consequently that these vessel crew members should be considered employees for external reporting purposes. As a result, the Group concluded that third party costs in 2023 were overstated and personnel expenses were understated by EUR 17.3 million. The presentation in the consolidated statement of comprehensive income was corrected by retrospective restatement of comparative figures 2023 and related notes. The reclassification correction did not affect equity, net result or any performance measures.

2.4 Basis of consolidation

Accounting for business combinations

Business combinations are accounted for using the acquisition method. Under the acquisition method, the identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree are recognised at the acquisition date, which is the date on which control is transferred to the Group. In assessing control, the Group takes into consideration potential voting rights, if the rights are substantive. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred plus;
- the recognised amount of any non-controlling interest in the acquiree plus;

- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree less;
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred. Non-controlling interests in the acquiree are measured at the proportionate share of the acquiree's identifiable net assets.

Subsidiaries
Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, it is accounted for as an equity-accounted investee or as an equity security depending on the level of influence retained.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no objective evidence of impairment conditions.

2.5 Foreign currency

Foreign currency transactions and translation
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the respective functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at foreign exchange rates effective at the date the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity-accounted investees, a financial liability designated as a hedge of the net investment in a foreign operation (see below) that is effective, or qualifying cash flow hedges (insofar applicable), which are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to EUR at foreign exchange rates effective at the reporting date. The income and expenses of foreign operations are translated to EUR at exchange rates effective at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve for foreign operations (translation reserve) in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

If the settlement of a monetary item, receivable from or payable to a foreign operation, is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such monetary items are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income and are presented in the translation reserve in equity.

2.6 Summary of accounting policies

The material accounting policies have been included in the relevant notes to the consolidated financial statements.

Several amendments to IAS 1 'Classification of Liabilities as Current or Non-Current' and 'Non-current Liabilities with Covenants', IFRS 16 'Lease Liability in a Sale and Leaseback', IAS 7 and IFRS 7 'Supplier Finance Arrangements' apply for the first time as of 1 January 2024, but these do not have a material impact on the consolidated financial statements of the Group. Furthermore, certain new accounting standards (IFRS 18 'Presentation and Disclosure in Financial Statements' and IFRS 19 'Subsidiaries without Public Accountability: Disclosures') and amendments (IAS 21 'Lack of Exchangeability', IFRS 9 & IFRS 7 'Classification and Measurement of Financial Instruments' and 'Annual Improvements to IFRS Volume 11') have been published that are not yet effective for these consolidated financial statements and have not been early adopted by the Group. The Group commenced its transition project with respect to IFRS 18 to identify all impacts on the primary financial statements and notes to the financial statements. As the Group's equity instruments are publicly traded, it is not eligible to elect IFRS 19. The Group concluded the amendments to IAS 21 do not have a material impact on the Group financial statements. The IFRS 9 & IFRS 7 and Annual Improvements to IFRS amendments will not materially impact the Group financial statements.

2.7 Refinancing 2024

On 18 December 2024, the Group announced a comprehensive refinancing of its bank debt. This refinancing consisted of a full settlement of existing debt, cancellation of commitments and termination of the existing Senior Facility Agreement.

On 19 December 2024, the existing senior RCF (original nominal amount of EUR 200 million), including the ancillary facility (original nominal amount of EUR 60 million), and existing senior Term Loan (original nominal amount EUR 200 million), all expiring on 5 August 2026, were cancelled and replaced by a new Term and Revolving Credit Facility Agreement (Term Loan and RCF). The new financing structure comprises a Term Loan of EUR 100 million and a RCF of EUR 300 million, including an ancillary facility of EUR 60 million. On 19 December 2024, Fugro issued the Term Loan in the amount of EUR 100 million and drew down EUR 100 million under the RCF to settle in full the existing senior Term Loan of EUR 200 million (nominal amount). Earlier during the year, Fugro had drawn down EUR 98 million on the existing senior RCF and repaid it in multiple tranches for a total cash outflow of EUR 98 million (nominal amount) from its own funds.
At 19 December 2024, the remaining unpaid accrued interest of EUR 0.2 million on the existing (settled) senior Term Loan, the unpaid accrued commitment fee of EUR 0.1 million on the existing (settled) senior RCF and the invoiced transaction costs of EUR 2.4 million related to the Term Loan and RCF were paid with Group funds. The transaction costs for the new financing structure amounted to EUR 2.4 million and were allocated to the Term Loan (EUR 0.6 million) and the RCF (EUR 1.8 million) respectively.

The refinancing qualifies as an extinguishment of debt and the unit of account pertained to the existing senior Term loan, senior RCF and ancillary facility. They were therefore fully derecognised from the statement of financial position per 19 December 2024. The loss on extinguishment of debt amounted to EUR 1.6 million.

The December 2024 Term Loan and RCF were recognised initially at fair value, i.e., the consideration received. Subsequent accounting is at amortised cost in accordance with the effective interest rate method. The repayment consideration of the existing senior Term Loan and senior RCF together with the receipts under the December 2024 Term Loan and RCF were presented gross in the statement of cash flows under financing activities. Transaction costs paid were presented in the statement of cash flows under financing activities. Reference is further made to note 28 Financial liabilities for more details.

3. Climate-related matters

The impact of climate-related matters generates opportunities as well as risks for Fugro. Climate-related opportunities, risks and uncertainties and the business impact are described in the management report (refer to the sustainability statement therein).

Fugro concluded there was no material financial impact from climate-related matters in the 2024 consolidated financial statements. The assessments performed, judgements made, and time horizon used to reach this conclusion are disclosed in notes 13 Impairments, 17 Property plant and equipment, 18 Leases, 19 Intangible assets, and 34 Commitments not included in the statement of financial position.

4. Macro-economic and geopolitical uncertainty

Macro-economic developments include interest rate rises in response to persistent inflation, supply chain challenges, increasing energy costs and salary increases. Geo-political events include international conflicts such as Russia-Ukraine and Hezbollah-Hamas-Israel.

Fugro concluded there was no direct material financial impact from the aforementioned macro-economic and geopolitical environment in the 2024 consolidated financial statements. The assessments performed, judgements made, and time horizon used to reach this conclusion are disclosed in notes 13 Impairments, 17 Property plant and equipment, 18 Leases, 19 Intangible assets, 32 Financial risk management, and 34 Commitments not included in the statement of financial position.

5. Segment reporting

Fugro has four integrated regions: Europe-Africa (E-A), Americas (AM), Asia Pacific (APAC) and Middle East & India (MEI). The organisational and reporting structure consists of these four regions. Within these regions, the following business line structure exists: Marine site characterisation, Marine asset Integrity and Land. The operating results of the four regions are directly reported to and reviewed by the Board of Management, being the Chief Operating Decision Maker.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets are allocated based on the geographical location of the operating company using the assets ('region of origin'). Fugro allocates corporate expenses, finance income (expenses) and assets (liabilities) that relate to more than one operating segment to the reportable segment based on net revenue. Inter-segment pricing is determined on an arm's length basis.

The E-A, AM, APAC, MEI operating segments generate revenues from:

- Marine environment: The determination of soil composition via cone penetration testing or the acquisition of soil samples and related laboratory testing; and the mapping of seabed and geological features and hazards below using non-invasive techniques including the related interpretation and visualisation. Its services also include geo consulting, general purpose navigation charts and environmental, meteorological & oceanographic measurement services. In addition, the activities consist of positioning signals and services, construction support, monitoring and forecasting services, remote systems technology, and inspection and monitoring services.
- Land environment: The determination of soil characteristics, mostly via cone penetration testing and/or the acquisition of soil samples and related laboratory testing. These services are offered both onshore and in nearshore environments. In addition, the activities consist of material testing and geo-consulting services as well as asset integrity solutions (monitoring, analysis, modelling) for clients in electrical power, railroads, roads and other infrastructure.

Operating segments/reportable segments

(EUR x 1,000)	E-A		AM		APAC		MEI		Eliminations		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Segment revenue	1,108,164	984,445	515,716	577,534	488,968	418,142	225,453	280,492	-	-	2,338,301	2,260,613
Of which inter-segment revenue	(28,730)	(30,780)	(12,373)	(9,946)	(15,696)	(13,347)	(6,068)	(19,179)	-	-	(62,867)	(73,252)
Revenue from external customers	**1,079,434**	**953,665**	**503,343**	**567,588**	**473,272**	**404,795**	**219,385**	**261,313**	**-**	**-**	**2,275,434**	**2,187,361**
Third party costs	(333,842)	(337,990)	(136,137)	(197,599)	(188,057)	(148,910)	(84,682)	(116,539)	-	-	(742,718)	(801,038)
Other income	6,014	2,819	7,345	6,324	5,732	3,133	602	530	-	-	19,693	12,806
Personnel expenses	(344,962)	(301,837)	(234,262)	(224,246)	(176,477)	(168,962)	(107,373)	(91,994)	-	-	(863,074)	(787,039)
Other expenses	(106,666)	(99,413)	(52,061)	(61,189)	(34,551)	(29,033)	(16,987)	(27,486)	-	-	(210,265)	(217,121)
Segment result (EBITDA)	**299,978**	**217,244**	**88,228**	**90,878**	**79,919**	**61,023**	**10,945**	**25,824**	**-**	**-**	**479,070**	**394,969**
Depreciation	(84,741)	(72,811)	(39,040)	(32,663)	(32,359)	(28,894)	(11,919)	(10,344)	-	-	(168,059)	(144,712)
Amortisation	(512)	(307)	(118)	(21)	(292)	(136)	(48)	-	-	-	(970)	(464)
Impairments	-	4,461	(2,111)	(1,843)	-	(65)	-	(32)	-	-	(2,111)	2,521
Result from operating activities (EBIT)	**214,725**	**148,587**	**46,959**	**56,351**	**47,268**	**31,928**	**(1,022)**	**15,448**	**-**	**-**	**307,930**	**252,314**
EBIT in % of revenue	19.9%	15.6%	9.3%	9.9%	10.0%	7.9%	(0.5%)	5.9%		-	13.5%	11.5%
Finance income	20,879	12,317	14,235	8,470	17,224	7,486	(181)	2,488	(28,645)	(20,934)	23,512	9,827
Finance expense	(34,966)	(42,585)	(8,256)	(13,703)	(14,781)	(16,478)	(4,908)	(12,361)	28,645	20,934	(34,266)	(64,193)
Share of profit/(loss) of equity-accounted investees	-	9,457	-	-	10,041	8,783	3,959	2,384	-	-	14,000	20,624
Reportable segment profit/(loss) before income tax	**200,638**	**127,776**	**52,938**	**51,118**	**59,752**	**31,719**	**(2,152)**	**7,959**	**-**	**-**	**311,176**	**218,572**
Income tax	(42,422)	(16,170)	(9,003)	36,882	7,419	16,772	670	1,340			(43,336)	38,824
Profit/(loss) for the period from continuing operations	**158,216**	**111,606**	**43,935**	**88,000**	**67,171**	**48,491**	**(1,482)**	**9,299**			**267,840**	**257,396**
Capital employed	687,119	558,413	294,391	311,987	230,220	211,569	190,762	145,560	-	-	1,402,492	1,227,529
Non-current assets	777,091	619,099	239,255	229,754	236,934	227,001	154,272	144,519	-	-	1,407,552	1,220,373
Capital expenditure property, plant and equipment	194,049	128,702	34,927	57,736	23,775	63,955	11,978	9,866	-	-	264,729	260,259
Capital expenditure E&E, software and other intangible assets	54	49	58	45	12	1	6	1	-	-	130	96
Trade receivables and unbilled revenue on (completed) contracts	216,362	195,345	99,289	144,687	110,245	94,516	130,731	104,596	-	-	556,627	539,144

Non-current assets reported above are presented excluding deferred tax assets and other investments.

6. Assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, these assets are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair values less costs to sell. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investees are no longer equity-accounted. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

6.1 Discontinued operations

Seabed Geosolutions had been presented as a disposal group held for sale and a discontinued operation until its divestment in 2021. The cash flow from discontinued operations in 2024 relates to changes in remaining working capital balances in Seabed Geosolutions. The profit from discontinued operations of EUR 11.2 million mainly relates to the successful outcome of remaining legal proceedings related to Seabed Geosolutions.

6.2 Assets held for sale

(EUR x 1,000)	Note	2024	2023
Carrying amounts			
Property, plant and equipment	17	3,652	-
		3,652	**-**

Assets held for sale as at 31 December 2024 consist of property, plant and equipment with a total carrying amount (which is the lower book value) of EUR 3.7 million and pertains to certain properties in the Americas and Europe-Africa operating segments. Due to the advanced stage of negotiations with the respective potential buyers, it is deemed highly probable that these assets will be sold in exchange for cash in 2025. There were no impairments or reversals of impairments with respect to these assets in 2024.

7. Revenue

Fugro primarily generates revenue from services by acquiring bespoke geo-data and providing analysis and map, model and monitor solutions. The Group's services are typically sold in a bundled package of services. The Group provides a significant service of integrating these services, by using these as inputs to produce the combined output, which together form a single performance obligation. Control of the single performance obligations is generally transferred to the customer over time. The transfer of control over time is supported mostly by one of the following conditions being met:

- Clauses in the contract that allow the customer to terminate the contract, pay for costs incurred plus a reasonable profit margin and take control of any work in progress. The Group does not create an asset with alternative use to the Group.
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Revenue from sales of goods, software licences and subscription income are not a significant category of revenue.

Revenue is measured based on the consideration contractually agreed with the customer. Common considerations are fixed price (lump sum), day rates, rates per (square) kilometre, or a combination of these considerations. The transaction price excludes amounts collected on behalf of third parties, such as value-added taxes.
It is common for the Group's contracts with customers to include liquidated damages, weather standby fees or discounts that can either increase or decrease the transaction price, leading to the consideration to be variable. Variable consideration is constrained and recognised as revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved. The Group estimates variable consideration using either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

For performance obligations that are satisfied over time, revenue and cost are recognised based on the extent of progress towards completion of the performance obligation.
The Group generally determines progress towards completion by measuring the proportion of actual cost incurred for work performed to date, compared to total estimated cost to completion. In the Group's view this best depicts the Group's performance in transferring control of services promised to its customers.
The accounting policy for onerous (revenue) contracts is included in note Provisions.

Payment terms for customer contracts are usually based on several instalments over the duration of the contract based on pre-set contract milestones. Significant financing components are not prevalent nor material within the Group.

Contract balances

When revenue recognised to date exceeds the progress billings to the customer, the surplus is accounted for as a contract asset and presented as unbilled revenue on a contract-by-contract basis. Unbilled revenue is accounted net of any impairment losses. When progress billings exceed the revenue, measured as costs incurred plus profits recognised to date, the balance is accounted for as a contract liability, which is presented as advance instalments to work in progress.

7.1 Disaggregation of revenue from contracts with customers

Revenue by businesses and market segment

(EUR x 1,000)			2024			2023
	Marine	Land	Total	Marine	Land	Total
Oil and gas	827,738	24,822	852,560	800,654	40,421	841,075
Renewables	790,261	72,501	862,762	705,928	67,378	773,306
Infrastructure	83,144	398,703	481,847	94,761	401,590	496,351
Water	52,607	25,658	78,265	51,706	24,923	76,629
Total	**1,753,750**	**521,684**	**2,275,434**	**1,653,049**	**534,312**	**2,187,361**

(EUR x 1,000)	2024	2023[1]
Marine is further split into:		
Site characterisation	1,183,796	1,130,204
Asset integrity	569,954	522,845
	1,753,750	**1,653,049**

1 Restated for the reclassification of services from marine asset integrity to marine site characterisation following changes in internal management reporting in 2024. The reclassification impact is EUR 23.8 million in 2024 (2023: EUR 43.5 million).

7.2 Unsatisfied performance obligations

The table below presents the transaction price allocated to performance obligations that are (partially) unsatisfied as at 31 December. Certain amounts of variable consideration are not included in the amounts presented below as these are considered to be constrained.

(EUR x 1,000)	2024	2023
Within one year	789,740	853,699
More than one year	90,011	91,396
Total	**879,751**	**945,095**

7.3 Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers:

(EUR x 1,000)	Note	2024	2023
Unbilled revenue on (completed) projects	23	271,971	237,815
Trade receivables	23	284,656	301,329
Advance instalments to work in progress	31	(81,623)	(77,599)

8. Third party costs

(EUR x 1,000)	2024	2023[1]
Cost of suppliers	560,330	633,786
Lease expenses	179,702	165,726
Onerous contracts (reversals)/charges	816	(1,196)
Other costs	1,870	2,722
Total third-party costs	**742,718**	**801,038**

1 A prior period overstatement of cost of suppliers (EUR 17.3 million) was retrospectively restated in the 2023 comparative figures. Reference is made to note 2.3.

Comparative numbers have been reclassified to conform to the current year presentation which was updated to regroup lease expenses.

9. Other income

Other income consists of income not related to the key business activities of the Group, such as income from the sale of non-monetary assets and/or liabilities, and/or non-recurring income. License fees received in connection with E&E assets are generally recognised at a point in time when such fees become unconditional.

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group (partly) for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised. Grants that (partly) compensate the Group for the cost of an asset are recognised in profit or loss on a systematic basis over the useful life of the asset.

(EUR x 1,000)	2024	2023
Government grants	9,746	4,059
Gain on sale of property, plant and equipment	5,446	5,613
Sundry income	4,501	3,134
Total	**19,693**	**12,806**

Government grants include tax credits received on research and developments.

10. Personnel expenses

(EUR x 1,000)	Note	2024	2023[1]
Wages and salaries		739,840	677,960
Social security contributions		66,792	59,447
Equity-settled share-based payments	12	10,238	9,936
Expense related to defined contribution plans		41,085	35,403
Expense/(gain) related to defined benefit plans	29	(1,003)	(636)
Increase in liability for long service leave	29	6,122	4,929
Total		**863,074**	**787,039**

1 A prior period understatement of personnel expenses (EUR 17.3 million) was retrospectively restated in the 2023 comparative figures. Reference is made to note 2.3.

11. Employees

The total number of full-time equivalent (FTE) as at 31 December and average number for the year is as follows:

	2024			2023[1]		
	Netherlands	Other countries	Total	Netherlands	Other countries	Total
Technical staff	847	6,897	7,744	806	6,852	7,658
Management and administrative staff	376	1,407	1,783	325	1,366	1,691
Temporary and contract staff	257	882	1,139	229	856	1,085
Total number of employees at 31 December	**1,480**	**9,186**	**10,666**	**1,360**	**9,074**	**10,434**
Average number of employees during the year	1,420	9,130	10,550	1,296	8,622	9,818

1 Comparative FTE figures 2023 were adjusted to include certain vessel crew members in the temporary and contract staff category previously omitted from the employee classification.

12. Share-based payments

The Group currently has two active equity-settled share-based payment arrangements under the long-term incentive plan:

- performance shares, open for the Board of Management, Executive Leadership Team and other selected senior employees
- restricted share units, open for eligible and other selected employees

The Group previously also operated share option plans, including performance options open for the Board and Management, Executive Leadership Team and other selected senior employees, and regular share options, open for eligible and selected other employees for grants up to 2021. No share options were granted since 2020.

The cost of equity-settled share-based payment arrangements is determined by the fair value at the date when the grant is made. Service and non-market performance conditions, such as return on capital employed (ROCE) and company specific strategic targets, are not considered when determining the grant date fair value of awards. Instead, the likelihood of the conditions being met is assessed as part of the company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions, such as total shareholder return (TSR), are reflected within the grant date fair value.

If awards do not vest, due to non-market conditions and/or service conditions not being met, no expense is recognised. Awards that include a market condition are treated as vested irrespective of whether the market condition is satisfied, provided that all other (non-market) performance conditions and/or service conditions are satisfied.

The grant-date fair value of equity-settled share-based payment awards granted to employees is recognised as personnel expense, with a corresponding increase in equity, over the vesting period of the award. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity shares that will ultimately vest.

12.1 Performance shares

Vesting is subject to continuous employment and performance measurement.
The performance period is three years starting on 1 January in the year of the grant. Vested performance shares have a holding (lock-up) period of 2 years and may be partly sold only to meet tax requirements at vesting ('sell-to-cover').

The maximum number of performance shares that can vest after three years equals 175% or 200% of the conditionally granted number of shares (only in case maximum performance is achieved on all criteria). The performance metrics and their relative weights for the grants made under the plan are as follows:

Performance metric	Relative weights in 2024
Total shareholder return	35%
Return on capital employed	35%
Strategic targets	30%

The performance metrics are discussed in the remuneration report and defined in the glossary.

A summary of performance shares movements and outstanding balance as at 31 December is presented below.

	2024		2023	
	Number of shares	Weighted average grant date fair value	Number of shares	Weighted average grant date fair value
Performance shares outstanding at 1 January	1,208,693	10.10	1,163,147	11.27
Granted during the period	312,200	23.53	472,420	10.71
Performance adjustment	109,717	9.03	(4,777)	9.72
Forfeited during the period	(6,250)	10.73	(62,515)	10.56
Vested during the period	(499,740)	9.03	(359,582)	15.72
Performance shares outstanding at 31 December	**1,124,620**	**14.19**	**1,208,693**	**10.10**

The grant date fair value of the portion with a TSR market performance condition has been derived using a Monte Carlo simulation model. The fair value of the portion with a ROCE or a strategic performance condition is equal to the share price at date of grant adjusted for expected dividends during the vesting period.

The significant inputs into the valuation model are (including the actual historical share prices at the date of grant):

	2024	2023
	Performance shares	Performance shares
Share price (in EUR)	21.00 – 22.72	11.69 – 11.70
Volatility (%)	38.6% – 38.8%	46.0% – 50.0%
Dividend yield (%)	1.75% – 1.89%	0.0%
Vesting period (in years)	2.75 – 2.83	2.75 – 2.85
Risk-free interest rate (%)	2.62% – 2.67%	2.49% – 2.98%
Remaining performance period (in years)	2.75 – 2.83	2.75 – 2.85

The expected volatility is based on the annualised historical volatility prior to the date of grant corresponding with the remaining performance period, and the dividend yield is estimated based on the historic dividend yield on Fugro shares at the date of grant.
The total expense recognised in 2024 related to performance shares amounted to EUR 6,529,328 (2023: EUR 7,191,876).

12.2 Restricted Share Unit plan

A Restricted Shared Unit (RSU) entitles the employee to receive a number of Fugro shares. RSUs vest when an employee remains employed by Fugro or one of its subsidiaries for three years following the grant date. There are no other vesting conditions. The Board of Management and the Supervisory Board decide annually on the granting of RSUs.
The grant date fair value of the RSUs is the share price at the date of grant adjusted for expected dividends during the vesting period of 21.59 (2023: EUR 11.69).

A summary of RSU movements and the outstanding balance as at 31 December is presented below.

	2024		2023	
	Number of shares	Weighted average grant date fair value	Number of shares	Weighted average grant date fair value
RSUs outstanding at 1 January	949,979	10.64	728,311	10.10
Granted during the period	226,620	21.59	322,075	11.69
Forfeited during the period	(44,700)	11.19	(65,750)	10.29
Vested during the period	(297,384)	9.19	(34,657)	9.51
RSUs outstanding at 31 December	**834,515**	**14.02**	**949,979**	**10.64**

The total expense recognised in 2024 related to RSUs amounted to EUR 3,708,216 (2023: EUR 2,735,484).

12.3 Share options

No options were granted since 2020. The share option scheme was replaced by a restricted share unit plan in 2021. As at 31 December 2024, 255,330 options were outstanding and exercisable (2023: 569,985 options). The average remaining term of the options is 0.7 years (2023: 1.2 years). During the period 122,130 options were exercised (2023: 29,250 options), with net proceeds of EUR 1,996 thousand recognised in cash flows from financing activities. A total of 192,525 options either forfeited or expired in 2024 (2023: 55,730 options). The total expense recognised in 2024 related to share options amounted to EUR nil (2023: EUR 8,496).

13. Impairments of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Other non-financial assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The carrying amounts of the Group's non-financial assets other than assets arising from employee benefits and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the higher of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one cash-generating unit. Corporate assets are allocated to cash-generating units on a reasonable and consistent basis and tested for impairment as part of the testing of the cash generating units to which the corporate asset is allocated.

Impairment losses recognised in prior periods are reviewed at each reporting date for any indications that the loss has decreased or no longer exists. This review also considers macro-economic and geopolitical uncertainty and climate-related matters.
An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment charges and reversal per asset category are stated as follows:

(EUR x 1,000)			2024			2023
	Impairment charge	Impairment reversal	Net	Impairment charge	Impairment reversal	Net
Property, plant and equipment	2,111	-	2,111	1,760	(4,600)	(2,840)
Intangible assets	-	-	-	319	-	319
Net impairment loss/(reversal)	2,111	-	**2,111**	**2,079**	**(4,600)**	**(2,521)**

Impairment on property, plant and equipment of EUR 2.1 million relates to a vessel in the Americas region that was disposed of.

14. Other expenses

(EUR x 1,000)	2024	2023
IT applications and services	56,038	53,229
Indirect operating expenses	42,585	37,270
Occupancy costs	19,174	20,054
Professional services fee	24,329	20,354
Communication and office equipment	11,098	11,727
Legal, audit & tax advisory fees	12,415	10,174
Training	10,013	8,425
Impairment of financial assets	3,011	8,157
Property lease expense	3,680	6,834
Marketing and advertising costs	5,181	5,450
Loss on disposal of subsidiaries and other interests	-	4,260
Loss on disposal of property, plant and equipment	141	62
General maintenance and supplies	3,374	3,282
Restructuring costs	4,554	1,016
Other	14,672	26,827
Total	**210,265**	**217,121**

Comparative numbers have been reclassified to conform to the current year presentation which was updated to further split expenses.

Impairment of financial assets in 2024 mainly relates to impairment charges on trade receivables, unbilled revenue on (completed) projects and other receivables, see note 23 Trade and other receivables.

15. Net finance (income)/expenses

Net finance income and expenses consist of finance expenses, finance income and foreign currency gains and losses. Finance expenses comprise interest expense on borrowings and lease liabilities, unwinding of the discount on provisions, losses on disposal of equity securities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of equity securities, fair value gains on financial assets at fair value through profit or loss, gains on the re-measurement to fair value of any pre-existing interest in an acquiree, and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established, which in the case of quoted shares is normally the ex-dividend date.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(EUR x 1,000)	2024	2023
Interest income on loans and receivables	(6,680)	(9,827)
Net foreign exchange gain	(16,832)	-
Finance income	**(23,512)**	**(9,827)**
Interest expense on financial liabilities measured at amortised cost	32,898	33,871
Net foreign exchange loss	-	30,322
Net loss on derivatives at fair value through profit and loss	1,368	-
Finance expense	**34,266**	**64,193**
Net finance (income)/expenses recognised in profit or loss	**10,754**	**54,366**

The table set below summarises the net finance cost recognised in other comprehensive income and how they are categorised in the statement of changes in equity.

(EUR x 1,000)	2024	2023
Recognised in other comprehensive income		
Foreign currency translation differences of foreign operations	24,819	(2,815)
Foreign currency translation differences recycled to profit and loss	-	(1,077)
Foreign currency translation differences recycled to profit and loss of equity-accounted investees	-	(7,249)
Foreign currency translation differences of equity-accounted investees	2,371	(2,199)
Total	**27,190**	**(13,340)**
Recognised in:		
Translation reserve	26,518	(12,715)
Non-controlling interests	672	(625)
Total	**27,190**	**(13,340)**

16. Income tax

Income tax expense includes current and deferred tax. Both are recognised in profit or loss, except when related to business combinations or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss, using tax rates (substantively) enacted at the reporting date, as well as (any adjustments to) tax payables and receivables with respect to previous years. Additional income taxes from dividends are recognised when the dividend liability is recognised.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill, temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured based on enacted or substantially enacted tax rates that are expected to apply in the years in which temporary differences are expected to reverse. Deferred tax assets and liabilities are offset if there is a legal right to do so and they relate to the same tax authority or when tax entities intend to net settle or realise tax assets and liabilities simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, if probable future taxable profits are available. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Fugro has applied the temporary exception for recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group considers uncertain tax positions and potential additional taxes and interest when determining current and deferred tax amounts. It believes its tax liability accruals are adequate, based on various factors and judgements. New information may change these judgements, affecting tax expense in the period of the change.

16.1 Income tax expense/(gain)

The table below provides a breakdown of the current and deferred tax expense into the main categories. The table presents the income tax expense excluding the impact from discontinued operations.

Recognised in profit or loss

(EUR x 1,000)	2024	2023
Current income tax expense/(gain)		
Current year	36,213	29,734
Adjustments for prior years	(223)	964
Pillar Two Top-up tax	8,000	-
	43,990	**30,698**
Deferred income tax expense/(gain)		
Origination and reversal of tax losses and temporary differences	41,706	31,832
Change in tax rate	(718)	1,474
Recognition of previously unrecognised tax losses and temporary differences	(18,889)	(52,341)
Recognition of liquidation losses	(12,126)	(43,113)
Impairment of deferred of tax asset	1,156	645
Liability for undistributed foreign earnings (deferred)	155	-
Adjustments for prior years	(11,938)	(8,019)
	(654)	**(69,522)**
Total income tax expense/(gain) on continuing operations	**43,336**	**(38,824)**

Reconciliation of effective tax rate

(EUR x 1,000)	%	2024	%	2023
Profit/(loss) before income tax		**311,176**		**218,572**
Income tax using the weighted domestic average tax rates	27.5	85,502	26.6	58,223
Change in tax rate	(0.2)	(718)	0.7	1,474
Recognition of previously unrecognised tax losses and temporary differences	(6.1)	(18,889)	(23.9)	(52,341)
Recognition of liquidation losses	(3.9)	(12,126)	(19.7)	(43,113)
Impairment deferred of tax asset	0.4	1,156	-	-
Current year tax losses, temporary differences and tax credits not recognised	1.7	5,256	3.8	8,276
Non-deductible expenses	3.0	9,331	3.6	7,972
Tax exempt income: vessel incentives and Innovation box	(5.2)	(16,035)	(2.1)	(4,613)
Tax exempt income: other	(1.9)	(5,921)	(3.1)	(6,711)
Liability for undistributed foreign earnings (deferred)	0.0	155	0.3	645
Adjustments for prior years (deferred)	(3.8)	(11,938)	(3.7)	(8,019)
Adjustments for prior years (current)	(0.1)	(223)	0.4	964
Dividend and other income taxes	(0.1)	(214)	(0.7)	(1,581)
Pillar Two Top-up tax	2.6	8,000	-	-
Income tax expense recognised in consolidated statement of comprehensive income	**13.9**	**43,336**	**(17.8)**	**(38,824)**

Income tax using the weighted average tax rates

The weighted average tax rate is computed by multiplying the result before tax of each tax group with the applicable domestic corporate income tax rates, varying from 0% to 35%. The minor increase of the weighted tax rate compared to prior year is caused by a different mix of results in the various tax groups.

Recognition of previously unrecognised tax losses
This is mainly the effect of recognition and utilisation of previously unrecognised tax losses in Singapore (EUR 9.2 million), Brazil (EUR 2.1 million) and Australia (EUR 2.4 million) due to profitability and improved business outlook. The utilisation in Angola (EUR 4.0 million) relates to a debt-forgiveness on non-recoverable intercompany positions. In 2023, the main recognition and utilisation of previously unrecognised tax losses was in the United States (EUR 38.6 million) and Singapore (EUR 12.0 million).

Recognition of liquidation losses
The recognition of liquidation losses of EUR 12.1 million relates to the additional valuation of expected tax losses from the upcoming formal liquidation of the remaining legal entities of the Seabed group, which business was divested in 2021.

The 2024 movement relates to an update on the valuation of the potential liquidation loss of the Seabed group. Finalisation of the 2020 Dutch corporate income tax return of the Seabed group resulted in an additional liquidation loss at the level of Fugro NV that was part of the EUR 150 million of losses that did not meet the recognition criteria at December 31, 2023.

The movement in 2023 included a valuation of liquidation losses for the Seabed Group of EUR 37.9 million and EUR 5.2 million in relation to the liquidation of an Irish subsidiary.

Tax exempt income: vessel incentives and Innovation box
The company partially applies the Dutch tonnage tax regime on the results from its vessel operations. The regime allows for a deemed tax rate, based on tonnage rather than actual profits or losses. Same as for other EU jurisdictions, the Dutch regime is approved under the scope of EU guidelines relating to Maritime Transport. The regime was originally applied on the company's geophysical vessel operations only but has been extended to also cover geotechnical vessel operations following broadening of the scope of the regulations.

The Dutch Innovation box is an incentive that allows companies to effectively apply a reduced effective corporate tax rate on profits derived from innovative products or processes that are self-developed in the Netherlands. This applies to qualifying intellectual property like patents, software, and R&D activities that received an R&D declaration.

The broadened scope of the tonnage tax regime explains the increase of the tax-exempt income from EUR 4.6 million in 2023 to EUR 16.0 million in 2024.

Adjustments for prior years (deferred)
This is mainly the prior year effect (EUR 13 million) of the tonnage tax arrangement as explained above.

Pillar Two Top-up tax
As from 31 December 2023 the Dutch Minimum Tax Rate Act 2024 applies, which implements EU Council Directive 2022/2523, also known as the EU Pillar Two Directive. The aim of this regulation is that groups with a total worldwide revenue exceeding EUR 750 million are subject to an effective tax rate (ETR) of at least 15% per jurisdiction in which they operate. Extensive rules, some of which are still in discussion on an OECD level, dictate how income and tax are calculated to arrive at the ETR. If the ETR in a certain jurisdiction is below the 15% threshold, a Top-up tax is levied, which effectively increases the ETR to the expected levels.

Fugro believes there are inconsistencies between the EU Pillar Two Directive and the existing EU Maritime State Aid Guidelines as well as EU approved tonnage tax regimes. These inconsistencies lead to unequal taxation of Dutch and European vessels owners. Fugro has requested the EU's General Court to review some of the inconsistencies of the Directive and provide direction on future application of it.
Following these inconsistencies, in 2024 Fugro has a lower ETR, due to the vessel incentive. Pending the outcome of request to the EU General Court, a Top-up tax liability of EUR 8.0 million has been included in the accounts.

16.2 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

The table below provides a reconciliation of the total deferred tax amounts for each of the originating items to the deferred tax asset and liability positions as included in the balance sheet.

(EUR x 1,000)			2024			2023
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, plant and equipment	14,973	(9,952)	5,021	20,915	(12,125)	8,790
Intangible assets	-	(2,923)	(2,923)	-	(2,437)	(2,437)
Subordinated unsecured convertible bonds	-	-	-	-	(650)	(650)
Loans and borrowings	227	(3,721)	(3,494)	-	(2,751)	(2,751)
Leases	18,565	(17,089)	1,476	19,513	(18,425)	1,088
Employee benefits	2,083	(7,903)	(5,820)	2,735	(4,971)	(2,236)
Provisions	5,508	(5,918)	(410)	6,728	(7,530)	(802)
Liquidation losses	70,493	-	70,493	58,367	-	58,367
Tax loss carry-forwards	68,171	-	68,171	70,180	-	70,180
Other items	7,027	(4.791)	2,236	6,674	(5,672)	1,002
Deferred tax assets/(liabilities)	**187,047**	**(52,297)**	**134,750**	**185,112**	**(54,561)**	**130,551**
Set-off of tax components	(43,047)	43,047	-	(46,477)	46,477	-
Reflected in the statement of financial position as follows	**144,000**	**(9,250)**	**134,750**	**138,635**	**(8,084)**	**130,551**

The recognised deferred tax assets are dependent on future taxable profits in excess of profits arising from the reversal of existing taxable temporary differences. The recognised amounts relate to tax groups that are profitable or are expected to be profitable in the foreseeable future. Management's projections support the assumption that it is probable that the results of future operations will generate enough taxable income to utilise these deferred tax assets. Consistent with other areas such as annual goodwill impairment testing, climate-related matters were considered in these projections. These include risks as well as opportunities, including the anticipated growth in activities in the renewables market segment.

The movements in deferred tax balances during 2024 and 2023 were as follows:

Movement in temporary differences during the year

(EUR x 1,000)	Balance 1 January 2024	Recognised in profit or loss	Recognised in other comprehen-sive income	Balance 31 December 2024
Property, plant and equipment	8,790	(3,769)	-	5,021
Intangible assets	(2,437)	(486)	-	(2,923)
Subordinated unsecured convertible bonds	(650)	650	-	-
Loans and borrowings	(2,751)	(743)	-	(3,494)
Leases	1,088	388	-	1,476
Employee benefits	(2,236)	(4,292)	708	(5,820)
Provisions	(802)	392	-	(410)
Liquidation losses	58,367	12,126	-	70,493
Tax loss carry-forward	70,180	(2,009)	-	68,171
Other items	1,002	1,827	(593)	2,236
Exchange differences	-	(3,430)	3,430	-
Total	**130,551**	**654**	**3,545**	**134,750**

(EUR x 1,000)	Balance 1 January 2023	Acquired in business combina-tions	Recognised in profit or loss	Recognised in other comprehen-sive income	Balance 31 December 2023
Property, plant and equipment	13,313	(21)	(4,502)	-	8,790
Intangible assets	(2,346)	-	(91)	-	(2,437)
Subordinated unsecured convertible bonds	(1,276)	-	626	-	(650)
Loans and borrowings	(1,713)	-	(1,038)	-	(2,751)
Leases	1,534	-	(446)	-	1,088
Employee benefits	(2,755)	-	(2,755)	3,274	(2,236)
Provisions	1,504	(80)	(2,226)	-	(802)
Liquidation losses	15,254	-	43,113	-	58,367
Tax loss carry-forward	32,443	296	37,441	-	70,180
Other items	1,200	38	(829)	593	1,002
Exchange differences	-	-	229	(229)	-
Total	**57,158**	**233**	**69,522**	**3,638**	**130,551**

Tax loss carry-forward
Tax loss carry-forward mainly consists of recognised deferred tax assets in the United States, United Kingdom and Singapore.

Liquidation losses
The deferred tax asset on liquidation losses of EUR 70.5 million relates to the upcoming liquidations of the Seabed Group (EUR 62.5 million) and an Irish subsidiary (EUR 8.0 million).

In addition to these liquidation losses and subject to various technical considerations, a maximum additional amount of EUR 100 million (gross Seabed related losses) could in future materialise as liquidation losses at Group level. Accordingly, an additional deferred tax asset (valued against the applicable rate) could potentially arise in future, if the probability meets the recognition criteria. This position is reviewed on an annual basis.

16.3 Unrecognised deferred tax assets and liabilities

Unrecognised deferred tax assets relate to tax units previously suffering losses for which it is currently not probable that future taxable profit will be available to offset these losses, taking into account fiscal restrictions on the utilisation of loss compensation.

The deductible temporary differences and capital allowances do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilise these benefits. Unrecognised tax assets changed over the period as follows:

Unrecognised deferred tax assets

(EUR x 1,000)	**2024**	**2023**
As of 1 January	228,478	289,068
Movements during the period:		
Additional unrecognised losses and temporary differences	6,412	8,276
Recognition of previously unrecognised tax losses and temporary differences (profit or loss)	(18,889)	(52,341)
Recognition of previously unrecognised tax losses (profit or loss, discontinued)	(1,910)	-
Effect of change in tax rates	(195)	(4,602)
Exchange rate differences	(279)	(13,568)
Expiration of tax losses	(197)	(3,413)
Change from reassessment	(157)	5,058
As of 31 December and specified as follows:	**213,263**	**228,478**
Tax credits	7,685	7,038
Deductible temporary differences	21,885	20,891
Tax loss carry-forward	183,693	200,549
	213,263	**228,478**

Tax loss carry-forward
This item mainly consists of unrecognised deferred tax assets in Australia, Singapore and Brazil. The reduction is mainly the effect of the recognition and utilisation of deferred tax assets in Singapore, Australia, Brazil and Angola. The balance also includes an amount of EUR 69 million related to the remaining legal entities in the Seabed group, which business was divested in 2021, therefore effectively limiting the utilisation of these losses to nil.

(EUR x 1,000)	**2024**	**2023**
Expiry of recognised and unrecognised deferred tax assets in respect of tax losses carried forward		
Between 1 – 5 years	5,614	6,017
Between 6 – 10 years	30,114	29,739
Between 11 – 20 years	27,682	36,249
Indefinite	188,454	198,724
	251,864	**270,729**

Temporary differences relating to investments in subsidiaries
At 31 December 2024, a deferred tax liability of EUR 5 million relating to investments in subsidiaries has been recognised (2023: EUR 4.8 million). No deferred tax liability is recognised in case Fugro controls whether the liability will be incurred and it is satisfied that it will not be incurred in the foreseeable future due to permanent reinvestments. The aggregate amount of temporary differences for which these deferred tax liabilities have been recognised is EUR 91.4 million (2023: 85.6 million).

17. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to acquisition, materials, direct labour, dismantling, removal, site restoration and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Assets under construction are classified as such until completion, at which time the item is reclassified to the respective category within property, plant and equipment. Property, plant and equipment are recognised from the point in time when the Group obtains control. Pre-payments made before that point in time are classified as other long-term assets. Parts of an item of property, plant and equipment with different useful lives, are accounted for separately as major components of property, plant and equipment. Gains or losses on disposal are recognised within 'other income' or 'other expenses' in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset if future economic benefits are probable and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced, such as in the case of major overhaul. Repairs and maintenance are charged to profit and loss when incurred.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual with useful life that is different from the remainder of that asset, are depreciated separately. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The estimated useful lives for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Years
Land	Infinite
Buildings	20 – 40
Plant and equipment including ROVs, USVs, aerial vehicles, etc.	3 – 10
Vessels including jack-up platforms	2 – 25
Other	1 – 5

(EUR x 1,000)				2024								2023
	Land and Buildings	Plant and Equipment	Vessels	Fixed assets under construction	Other	Total	Land and Buildings	Plant and Equipment	Vessels	Fixed assets under construction	Other	Total
Balance at 1 January												
Cost	147,913	820,490	907,869	132,926	113,061	2,122,259	167,180	858,575	834,642	54,144	130,924	2,045,465
Accumulated depreciation and impairment	(79,712)	(693,302)	(538,915)	-	(101,065)	(1,412,994)	(89,596)	(758,092)	(516,696)	-	(121,085)	(1,485,469)
Carrying amount	**68,201**	**127,188**	**368,954**	**132,926**	**11,996**	**709,265**	**77,584**	**100,483**	**317,946**	**54,144**	**9,839**	**559,996**
Change in carrying amount:												
Additions	3,090	17,418	7,838	232,097	4,286	264,729	1,396	39,588	85,148	128,488	5,639	260,259
Acquisitions through business combinations	-	-	-	-	-	-	-	29	-	3,857	19	3,905
Transfers from fixed assets under construction	595	41,592	77,706	(124,452)	4,559	-	1,315	39,010	8,913	(50,779)	1,541	-
Depreciation	(5,528)	(51,916)	(45,880)	-	(6,132)	(109,456)	(4,997)	(48,394)	(40,663)	-	(4,778)	(98,832)
Impairment (loss)/reversal	-	-	(2,111)	-	-	(2,111)	(1,760)	-	4,600	-	-	2,840
Disposals	(1,391)	(530)	(483)	-	(29)	(2,433)	(662)	(335)	-	(11)	(58)	(1,066)
Effects of movements in foreign exchange rates	1,634	1,847	5,595	3,621	503	13,200	(1,118)	(2,138)	(4,881)	(2,773)	(206)	(11,116)
Reclassification adjustment	-	-	(707)	(594)	-	(1,301)	-	(1,055)	(2,109)	-	-	(3,164)
Transfers from/(to) assets classified as held for sale	(3,549)	(103)	-	-	-	(3,652)	(3,557)	-	-	-	-	(3,557)
Total changes	**(5,149)**	**8,308**	**41,958**	**110,672**	**3,187**	**158,976**	**(9,383)**	**26,705**	**51,008**	**78,782**	**2,157**	**149,269**
Balance at 31 December												
Cost	132,568	860,516	1,002,374	243,598	116,880	2,355,936	147,913	820,490	907,869	132,926	113,061	2,122,259
Accumulated depreciation and impairment	(69,516)	(725,020)	(591,462)	-	(101,697)	(1,487,695)	(79,712)	(693,302)	(538,915)	-	(101,065)	(1,412,994)
Carrying amount	**63,052**	**135,496**	**410,912**	**243,598**	**15,183**	**868,241**	**68,201**	**127,188**	**368,954**	**132,926**	**11,996**	**709,265**

In 2021, Fugro announced its net zero carbon emissions commitment by 2035 (note 34). The maritime sector will face more challenging customer needs and tighter regulations with respect to vessel emissions and maritime fuels in the foreseeable future. The EU Emission Trading System will become effective for offshore vessels from 2027 for vessels above 5,000 gross tonnage, which currently only impacts one vessel in Fugro's fleet (Fugro Synergy). Vessels are the most exposed to the inherent risk of impairment from climate-related matters relative to the other categories. Levers to decarbonise Fugro's own fleet include efficiency measures, battery hybrid conversions, methanol conversions and transition to uncrewed surface vessels (USVs) and remote operations. There are inherent uncertainties related to a successful transition which amongst others depends on the development of technology and infrastructure in the entire shipping industry and the future worldwide availability of low carbon maritime fuels including green methanol. The Group assessed whether these developments shorten the current estimates of vessel useful lives, reduce the estimated residual values and trigger so-called stranded assets. No material impact on useful lives, estimated residual values or triggering events for impairment were identified. For each investment decision, the Group carefully considers the economics. For vessels with a useful life beyond 2035, apart from conversion to green methanol, alternative solutions such as biofuels are available. It is furthermore noted that Fugro's vessels are used globally across all sectors, and that timely capital expenditures will be made within the next decade.

18. Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices. However, for leases of property and equipment, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Recognition and measurement

The Group recognises a right-of-use asset and lease liability at the lease commencement date. The Group applies the short-term lease recognition exemption to its short-term leases of vessels, property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost. Cost comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the value of the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at the net present value of the lease payments that are not paid at the commencement date. The lease liability is subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The line-item interest paid in the statement of cash flows includes cash payments for the interest portion of lease liabilities. The discount rate is the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The lease payments include (in-substance) fixed payments (less any lease incentives), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and payments of penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The carrying amount of lease liabilities is remeasured if there is a modification and the lease modification is not accounted for as a separate lease, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or when there is a change in the in-substance fixed lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group's lease portfolio consists of vessels, property and equipment.

Vessels

The non-cancellable periods of vessel leases vary from 2 to 6 years. The Group has options to extend, terminate or purchase certain vessel leases. These options facilitate the Group's asset portfolio management to market conditions. Periods covered by extension options and termination options are generally not reflected in the lease term unless these options are assessed as reasonably certain to be exercised. Purchase options are not reasonably certain to be exercised. Lease payments generally include a fixed component (e.g. a fixed day rate). In addition, lease payments based on the utilisation of vessels are applied in the industry. The Group typically guarantees a minimum utilisation rate (e.g. a minimum number of charter days per annum at a predetermined day rate), which is reflected in the lease liability. The sensitivity of reported information to the aforementioned variables (e.g. future variable lease payments) is low.

Property

The Group has 172 property leases, which consist of land and buildings (e.g. offices, laboratory facilities, warehouses and housing). The non-cancellable periods of property leases vary from 1 to 43 years. Land leases have longer durations than buildings. The operational and financial effects of extension or termination options are not significant. In particular, some leases of office buildings contain extension options exercisable by the Group which provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. Fixed lease payments are generally subject to periodic adjustment to market rentals by means of a retail price index and/or in-substance fixed annual rent escalations. The relative magnitude of rent escalations and retail price index adjustments compared to the fixed lease payments is not significant.

Equipment

The Group has 702 equipment leases, comprising vehicles, IT equipment (data storage, copiers, printers, scanners, servers etc.), telecom (telecom, radio and satellite devices), aerial vehicles, drilling equipment, compressors, subsea equipment and cranes. The lease terms vary from 1 to 10 years. The lease payments are generally fixed in nature.

Right-of-use assets

(EUR x 1,000)	Vessels	Property	Equipment	Total
Balance at 1 January 2023	94,906	94,681	7,317	196,904
Balance at 1 January 2024	69,719	92,826	11,918	174,463
Balance at 31 December 2024	**76,974**	**100,946**	**8,966**	**186,886**

(EUR x 1,000)	Depreciation 2024	Additions 2024	Depreciation 2023	Additions 2023
Vessels	36,808	10,906	28,481	66,974
Property	16,058	15,560	12,551	4,417
Equipment	5,737	5,700	4,848	7,969
Total	**58,603**	**32,166**	**45,880**	**79,360**

Refer to note 32 Financial risk management for the maturities of lease liabilities.

Amounts recognised in profit and loss

(EUR x 1,000)	2024	2023
Interest on lease liabilities	9,881	8,359
Variable lease payments not included in the measurement of lease liabilities	37,448	30,036
Low-value asset expense	125	533
Expenses relating to short-term leases	143,924	141,920

Amounts recognised in the statement of cash flows

(EUR x 1,000)	2024	2023
Total cash outflow for leases	**60,428**	**89,961**

The same additional climate-related impairment trigger assessment as explained in note 17 was performed for leased vessels. Fugro considers the availability of 'green' leases. No triggering events were identified.

19. Intangible assets including goodwill

Goodwill that arises upon the acquisition of subsidiaries is presented with intangible assets. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to cash generating units and is not amortised but is tested for impairment annually and when there is an indication for impairment.

Fugro incurs exploration and evaluation (E&E) costs in Australian areas of interest in cooperation with Finder Exploration Pty Ltd (Finder), Theia Energy Pty Ltd (Theia) and Finder related parties. These assets are considered non-core business. E&E expenditure are capitalised as intangible asset for an area of interest where it is considered likely to be recoverable. This requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established by the parties involved. These estimates and assumptions include the relevant regulatory environment and may change as new information becomes available. Capitalised costs are only carried forward to the extent that they are expected to be recovered. Accordingly, E&E assets are not amortised, but assessed for impairment indications. If recovery of the expenditure is no longer likely, the relevant capitalised amount will be written off.

Research expenditure is recognised in profit or loss. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The capitalised expenditure includes materials, direct labour, overhead costs and capitalised borrowing costs. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Software and other intangible assets acquired or developed by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.
Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits of the asset. All other expenditure is recognised in profit or loss as incurred.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Goodwill and intangible assets with an indefinite life are tested for impairment annually or when there is an indication for impairment. Other intangible assets and software are amortised from the date they are available for their intended use. The estimated useful life of software and other capitalised development costs is typically five years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.
The measurement date of the annual goodwill impairment test is 30 September.
An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the (groups of) cash-generating unit(s) and then to reduce the carrying amount of the other assets in the cash-generating unit (or group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other intangible assets, an impairment loss is reversed if the indications for that loss no longer exist. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(EUR x 1,000)	2024					2023				
	Goodwill	E&E (Finder/ Theia)	Software	Other	Total	Goodwill	E&E (Finder/ Theia)	Software	Other	Total
Balance at 1 January										
Cost	587,882	37,010	10,735	6,996	642,623	595,172	38,198	9,663	12,048	655,081
Accumulated amortisation and impairment	(317,582)	(20,852)	(8,676)	(4,918)	(352,028)	(322,694)	(21,191)	(8,788)	(9,659)	(362,332)
Carrying amount	**270,300**	**16,158**	**2,059**	**2,078**	**290,595**	**272,478**	**17,007**	**875**	**2,389**	**292,749**
Change in carrying amount:										
Acquisitions through business combinations	-	-	-	-	-	2,108	-	1,380	-	3,488
Purchase of intangible assets	-	-	27	46	73	-	-	48	41	89
Other additions	-	57	-	-	57	-	7	-	-	7
Amortisation	-	-	(664)	(306)	(970)	-	-	(191)	(273)	(464)
Impairment	-	-	-	-	-	-	(319)	-	-	(319)
Disposals	-	-	-	-	-	-	-	-	-	-
Effect of movements in foreign exchange rates	6,484	(522)	28	(54)	5,936	(4,286)	(537)	(53)	(79)	(4,955)
Total changes	**6,484**	**(465)**	**(609)**	**(314)**	**5,096**	**(2,178)**	**(849)**	**1,184**	**(311)**	**(2,154)**
Balance at 31 December										
Cost	600,759	35,873	11,042	6,608	654,282	587,882	37,010	10,735	6,996	642,623
Accumulated amortisation and impairment	(323,975)	(20,180)	(9,592)	(4,844)	(358,591)	(317,582)	(20,852)	(8,676)	(4,918)	(352,028)
Carrying amount	**276,784**	**15,693**	**1,450**	**1,764**	**295,691**	**270,300**	**16,158**	**2,059**	**2,078**	**290,595**

Goodwill

The capitalised goodwill was allocated to the following CGUs as at 31 December:

(EUR x 1,000)	2024	2023
Europe-Africa	122,188	119,326
Americas	71,656	69,978
Asia Pacific	30,208	29,501
Middle East & India	52,732	51,495
Total	**276,784**	**270,300**

Impairment testing for cash-generating units containing goodwill

The recoverable amounts of the cash-generating units have been determined based on value in use calculations. Value in use was determined by discounting the expected future cash flows from the continuing use of the CGUs. It should be noted that key assumptions applied for the purpose of value in use calculations, such as revenue growth rates and long-term EBIT margins, are inherently conservative to account for potential market volatility and economic uncertainties.

- Cash flows in the first year of the forecast are based on management's approved financial budget. For all CGUs, the 2025 projections factor in, amongst others, already signed contracts, expected win rates on contracts out for bid, expected crew and vessel utilisation rates and/or industry developments. Cash flows for the CGUs beyond one year are extrapolated using an estimated revenue growth rate based on current and expected market developments.
- Cash flows for the CGUs beyond five years are extrapolated using an estimated long-term revenue growth rate of 2.0% (2023: 2.0%). For the CGUs the revenue growth rates are based on an analysis of the long-term market price trends in relevant industries adjusted for actual experience.
- Any estimated future cash inflows/outflows expected to arise from future restructuring, if any, are excluded from the calculations, unless already committed to. This also applies to a large extent to transformation capital expenditures and the resulting impact on cash inflows.
- The pre-tax discount rate used to discount the pre-tax cash flows for impairment testing purposes is determined through an iterative calculation using the projected post-tax cash flows, expected tax rate for the respective cash generating units and a post-tax discount rate for the Group. Rising interest rates were reflected in a higher risk-free rate (thirty-year German government bonds were used as proxy). This was offset by a lower market risk premium.

The key assumptions used in the annual goodwill impairment test at the 30 September measurement date were as follows:

(EUR x 1,000)	Revenue growth rate % year 1		Average revenue growth rate % year 2-5		Revenue growth rate % long-term		Pre-tax discount rate %		Long-term EBIT margin %	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Europe-Africa	7.3	8.6	5.2	7.3	2.0	2.0	10.8	11.7	13.5	10.9
Americas	6.0	8.9	5.4	8.7	2.0	2.0	10.9	11.7	7.7	10.1
Asia Pacific	3.8	21.6	3.7	4.7	2.0	2.0	10.6	11.6	7.6	8.0
Middle East & India	21.5	11.2	2.6	6.8	2.0	2.0	12.0	13.7	9.0	10.2

Climate-related matters were reflected in these assumptions as follows:

- Assumptions on market developments for the market segments in which Fugro operates, including high growth in the renewables market segment compared to in particular oil and gas.
- Capital expenditures to decarbonise the vessel fleet emissions by 2035, however only insofar these qualify for inclusion in the value in use calculation. Capital expenditures that improve the vessel's performance are excluded in value in use calculations.
- Terminal value revenue growth rates are capped at the risk-free rate. No further adjustment in long term growth rates for the energy transition from the fossil fuel sector to the renewable energy sector was deemed necessary and therefore not considered to have a material impact.

The goodwill sensitivity analysis of each CGU as at the measurement date was as follows:

(EUR x 1,000)		Absolute change required in each key assumption for headroom to equal zero				
	Headroom	Revenue growth rate % year 1	Average revenue growth rate % year 2-5	Revenue growth rate % long-term	Pre-tax discount rate	Long-term EBIT margin %
Europe-Africa	1,215,399	(40.1)	(13.0)	(23.9)	13.5	(9.9)
Americas	197,442	(18.3)	(5.2)	(5.8)	5.5	(3.3)
Asia Pacific	227,106	(24.5)	(7.5)	(10.9)	9.0	(4.4)
Middle East & India	54,046	(14.9)	(5.1)	(2.9)	2.9	(2.3)
Total	**1,693,993**					

Total headroom increased from EUR 1,440 million in 2023 to EUR 1,694 million in 2024. The changes beyond those in the above table to assumptions used in the goodwill impairment test would, in isolation, lead to an impairment loss being recognised.

20. Investments in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures and associates. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights.

Investments in equity-accounted investees are accounted for using the equity method. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables that form part of the entity's net investment, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. The carrying amount of equity-accounted investments is tested for impairment.

The movement in the carrying amounts of associates and joint ventures are presented as follows:

(EUR x 1,000)	Joint ventures		Associates	
	2024	**2023**	**2024**	**2023**
At 1 January	46,050	43,164	-	3,385
Share of profit/(loss)	14,000	11,165	-	128
Capital increase/(decrease)	138	-	-	-
Other comprehensive income/(loss)	2,371	(2,259)	-	60
Dividends received	(5,825)	(6,020)	-	-
Step-acquisition	-	-	-	(3,573)
At 31 December	**56,734**	**46,050**	**-**	**-**

None of the group's equity-accounted investees are publicly listed entities and consequently they do not have published price quotations. The group has no significant commitments to its joint ventures and associates.

21. Other investments

Equity securities, long-term loans, deposits and other long-term assets are financial assets. The Group does not have material derivative financial assets. The aforementioned financial assets are classified at initial recognition, and subsequently measured at amortised cost or fair value through profit and loss. The classification at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Subsequent measurement is at amortised cost using the effective interest method and is subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income. Dividends on equity investments are also recognised as net finance income in the statement of comprehensive income when the right of payment has been established. The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. Refer to note 32.2 Credit risk for details on how the Group applies ECL model.

(EUR x 1,000)	Measurement Category	2024	2023
Equity securities	Fair value through profit and loss	1,096	1,096
Long-term loans	Amortised cost	2,100	2,100
Deposits	Amortised cost	3,973	3,355
Net defined benefit asset	Present value	31,614	19,882
Other long-term assets	Nominal value	1,126	982
Balance at 31 December		**39,909**	**27,415**

Equity securities are investments in third party entities in whose activities the Group holds a non-controlling interest and has no control, joint control or significant influence.

Long-term loans mainly comprise a loan due from Wavewalker B.V. for the carrying amount of EUR 2.1 million (31 December 2023: EUR 2.1 million). The loan has to be fully repaid before 30 April 2027.

The net defined benefit asset comprises of a surplus on a UK pension plan as per 31 December 2024 (refer to note 29 Employee benefits).

22. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

In 2024, EUR 36.0 million (2023: EUR 35.1 million) of inventories was recognised as an expense.

23. Trade and other receivables

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient when it is expected, at contract inception, that the period between when the Group transfers the promised goods or services and when the customers pays for this good or service is one year or less, are measured at the transaction price determined under IFRS 15. Other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method less, any impairment losses.

Unbilled revenue on (completed) projects represents the gross amount expected to be collected from customers for contract work performed to date (a contract asset). It is measured at costs incurred plus profits recognised to date less progress billings and recognised losses. Generally, unbilled revenue on (completed) projects is invoiced to customers in the period following the execution of work. Subsequently, trade receivables are paid by customers in accordance with their respective payment term. The contracts in progress for which this amount exceeds progress billings are presented as unbilled revenue on (completed) projects. The contracts in progress for which progress billing exceeds costs incurred plus profits recognised to date less progress billings and recognised losses are presented as advance instalments to work in progress.

The Group applies the Expected Credit Loss (ECL) model. For trade receivables and unbilled revenue on (completed) contracts, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Refer to note 32.2 Credit risk for details on how the Group applies the ECL model.

(EUR x 1,000)	2024	2023
Trade receivables	284,656	301,329
Unbilled revenue on (completed) projects	271,971	237,815
Prepayments	38,260	24,186
VAT and other tax receivables	28,315	29,752
Other receivables	41,465	50,841
Balance at 31 December	**664,667**	**643,923**

Trade and other receivables are shown net of impairment losses (see below) arising from identified doubtful receivables from customers as well as expected credit losses.

Other receivables mainly include short-term deposits, damages and claims recoverable.

Impairment losses

Trade and other receivables were impaired taking into account the financial position of the debtors, the days outstanding, the expected outcome of negotiations and legal proceedings against debtors and probabilities of default.

The ageing of trade receivables and unbilled revenue on (completed) contracts at the reporting date is as follows:

(EUR x 1,000)			2024
	Estimated total gross carrying amount at default	**Expected credit loss**	**Expected credit loss rate %**
Current	177,654	61	0.03
Past due for 1 to 30 days	169,522	57	0.03
Past due for 31 to 60 days	78,284	95	0.12
Past due for 61 to 90 days	29,560	140	0.47
Past due for over 90 days	99,925	12,520	12.53
Retentions and special items	15,099	544	3.60
Balance at 31 December	**570,044**	**13,417**	

(EUR x 1,000)			2023
	Estimated total gross carrying amount at default	**Expected credit loss**	**Expected credit loss rate %**
Current	155,781	26	0.02
Past due for 1 to 30 days	175,247	12	0.01
Past due for 31 to 60 days	72,721	350	0.48
Past due for 61 to 90 days	39,529	259	0.66
Past due for over 90 days	96,263	17,635	18.32
Retentions and special items	18,425	540	2.93
Balance at 31 December	**557,966**	**18,822**	

The breakdown of impairment allowance on trade and other receivables is as follows:

(EUR x 1,000)	2024	2023
Trade receivables	10,483	16,500
Unbilled revenue on (completed) projects	2,934	2,322
Other receivables	1,566	-
Balance at 31 December	**14,982**	**18,822**

Impairment allowance on other receivables relates to a partial loss incurred during the year on a balance outstanding with Heritage Bank in Nigeria whose licence was revoked by local banking authorities. The bank balance was immediately reclassified to other receivables in 2024 as it no longer meets the definition of cash and cash equivalents.

The movement in impairment allowance in respect of trade and other receivables during the year was as follows:

(EUR x 1,000)	2024	2023
Balance at 1 January	18,822	14,991
Impairment loss recognised	6,043	9,357
Impairment loss reversed	(3,032)	(3,597)
Write-off	(7,386)	(1,267)
Effect of movements in exchange rates	535	(662)
Balance at 31 December	**14,982**	**18,822**

The allowance account with respect to trade and other receivables are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point the amount considered irrecoverable is written off directly against the allowance. The changes in the aforementioned balances contributed to changes in the loss allowance. Consistent with prior year, there are no material trade receivables which were written off during 2024 and which are still subject to enforcement activity.

24. Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and call deposits. Bank overdrafts are repayable on demand and form an integral part of the Group's cash management. As a result, bank overdrafts are presented as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Bank overdrafts are shown within the current liabilities in the consolidated statement of financial position. Currency exchange differences on cash held are presented separately in the statement of cash flows.

(EUR x 1,000)	**2024**	2023
Cash and cash equivalents	319,465	326,294
Bank overdraft	(317)	(496)
Cash and cash equivalents in the consolidated statement of cash flows	**319,148**	**325,798**

The cash and cash equivalents include foreign currency cash balances not freely available for general use within the Group. These include EUR 5.8 million (31 December 2023: EUR 5.6 million) of Angolan Kwanza's where exchange controls apply.

25. Total equity

Share capital is classified as equity. The term 'shares' as used in the financial statements pertain to ordinary shares and preference shares of Fugro N.V. Ordinary shares of Fugro N.V. are listed and traded on the Euronext Amsterdam stock exchange. The surplus paid by shareholders above the nominal value of shares is recognised as share premium. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Fugro purchases and sells own shares in relation to the long-term incentive plans. Own shares which have been repurchased are held in treasury and are deducted from and presented within equity in a separate 'reserve for own shares' on a cost basis. Own shares are recorded at cost, representing the market price paid on the acquisition date. When reissued under the long-term incentive plan, shares are removed from the reserve for own shares on a first-in, first-out (FIFO) basis. The difference between the cost and the cash received is recorded in retained earnings.

Costs including dividend withholding tax in connection with the Group's purchase of own shares for capital reduction purposes are recorded in retained earnings.

Dividends are recognised as a liability when the dividend is appropriately authorised and is no longer at the discretion of the company.

25.1 Share capital and share premium

(Numbers of shares)	Ordinary shares		Preference shares	
	2024	2023	**2024**	2023
In issue at 1 January	113,509,402	113,509,402	-	-
Issued for cash	-	-	-	-
Effects of conversion of convertible bonds	2,190,214	-	-	-
In issue at 31 December – fully paid	**115,699,616**	**113,509,402**	**-**	**-**
Authorised at 31 December – nominal value ordinary shares EUR 0.05 and nominal value preference shares EUR 0.05 in 2024	180,000,000	180,000,000	220,000,000	220,000,000

Consistent with last year, there are no shares issued which are not fully paid. On 31 December 2024, the authorised share capital amounts to EUR 20 million (2023: EUR 20 million), consisting of ordinary shares and various types of preference shares. On 31 December 2024, the issued share capital amounted to EUR 5.8 million (2023: 5.7 million).

Ordinary shares

Holders of ordinary shares are entitled to dividends as appropriately authorised from time to time and are entitled to one vote per share at general meetings of the company. All rights attached to the company's shares held by the Group are suspended until those shares are transferred to a party outside the Group.

Preference shares

No preference shares have been issued. Fugro's articles of association as at 31 December 2024 provide the foundation Stichting Beschermingspreferente aandelen Fugro with a right to exercise a call option on protective preference shares.

25.2 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. The translation reserve also includes the translation of liabilities that hedge the company's net investment in a foreign subsidiary (prior to the discontinuance of net investment hedging in December 2020).

25.3 Reserve for own shares

On 20 March 2024, Fugro announced the start of a buyback programme of its own shares. The objective of this programme was to meet the obligations under its employee share-based payment arrangements. The buyback was completed on 31 May 2024. In total, Fugro repurchased 2 million shares for an amount of EUR 46.4 million (excluding transaction costs). The total cash outflow was presented in the statement of cash flows under financing activities. Repurchased shares were added to the reserve for own shares (these shares were not cancelled).

On 18 November 2024, Fugro announced the start of a EUR 50 million buyback programme of its own shares. The objective of the buyback was the reduction of the company's share capital by cancelling all shares acquired through the programme, also offsetting dilution from the matured convertible bonds. Fugro engaged a broker to execute the buyback. The contract with the broker contained an obligation to purchase Fugro's shares in exchange for cash and this gave rise to a financial liability. At inception, the full share buyback was debited in equity (reserve for own shares) and credited to other (financial) liabilities at the present value of the redemption amount. As at 31 December 2024, the carrying amount of the other liability was EUR 13.3 million (2023: EUR nil). Refer to note 31. The other liability was settled in January 2025 and the buyback was completed on 16 January 2025. In total, Fugro repurchased 2,968,649 shares for an amount of EUR 50 million (excluding EUR 15 thousand transaction costs). The total cash outflow was presented in the statement of cash flows under financing activities. Repurchased shares were added to the reserve for own shares. The repurchased shares will be cancelled after the annual general meeting on 24 April 2025. The withholding tax in connection with the share buyback amounted to EUR 4.8 million and was debited in retained earnings and credited to current tax liabilities. An amount of EUR 1.4 million of this withholding tax liability was paid in December 2024.

(EUR x 1,000)			2024			2023
	Number of shares	Price (EUR)	Value (EUR)	Number of shares	Price (EUR)	Value (EUR)
At 1 January	1,117,685		98,297	1,586,549	-	139,923
Purchased in the year	4,183,389	16.05 - 24.68	83,097	-	-	
Utilised in the year	(877,737)	88.78	(77,925)	(468,864)	88.78	(41,626)
At 31 December	**4,423,337**		**103,469**	**1,117,685**		**98,297**
% of issued share capital	3.82%			0.98%		

25.4 Unappropriated result

Refer to note 28.1 Loans and borrowings for dividend restrictions. Fugro will propose to the annual general meeting on 24 April 2025 to declare a cash dividend pay-out of EUR 0.75 per qualifying share for 2024 to shareholders (2023: EUR 0.40).

In May 2024, EUR 38.5 million cash dividend relating to 2023 was paid to shareholders. The dividend payment was subject to a 15% Dutch withholding tax. As a result, EUR 6.4 million dividend withholding tax was paid. The total cash outflow of EUR 44.9 million was presented in the dividends paid line item within financing activities in the consolidated statement of cash flows.

26. Basic and diluted earnings per share

Basic EPS is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent adjusted for the effect of dilutive potential ordinary shares by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Fugro considers the following four categories of potential ordinary shares: convertible bonds, share options, restricted share units and performance shares.

The calculation of basic and diluted EPS has been based on the following profit (loss) attributable to ordinary shareholders and weighted average number of ordinary shares outstanding. For diluted EPS, adjustments for the effects of dilutive potential ordinary shares are made.

(EUR x 1,000)			2024			2023
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Net income (loss) attributable to equity holders of the parent (Euro)	262,792	11,195	273,987	252,000	2,843	254,843
Reconciling items numerator basic EPS	-	-	-	-	-	-
Profit (loss) attributable to ordinary shareholders (basic)	**262,792**	**11,195**	**273,987**	**252,000**	**2,843**	**254,843**
Effects of dilutive potential ordinary shares	1,999	-	1,999	2,378	-	2,378
Profit (loss) attributable to ordinary shareholders (diluted)	**264,791**	**11,195**	**275,986**	**254,378**	**2,843**	**257,221**

Number of shares	2024	2023
Outstanding number of ordinary shares at 1 January	112,391,717	111,922,853
Effects of conversion of convertible bonds	555,988	-
Effect of delivery of treasury shares for share-based payment plans	835,819	344,322
Effects of share buybacks	(1,686,508)	-
Effect of shares issued during the year	-	-
Weighted average number of ordinary shares at 31 December (basic)	**112,097,016**	**112,267,175**
Effects of conversion of convertible bonds	1,805,230	2,053,415
Effects of share options on issue	59,531	-
Effects of restricted shares on issue	545,440	385,797
Effects of performance shares on issue	857,525	799,447
Weighted average number of ordinary shares at 31 December (diluted)	**115,364,742**	**115,505,834**

The convertible bonds, the share options, restricted shares and performance share on issue, could have an impact on the weighted average number of (diluted) ordinary shares.

To calculate the EPS for discontinued operations, the weighted average of ordinary shares for both basic and diluted EPS is per the tables above.

27. Non-controlling interests

Details of total non-controlling interests (NCI) and dividends paid to non-controlling interest shareholders for the group and the most significant NCI is shown below.

(EUR x 1,000)	2024		2023	
	Non-controlling interests	Of which: Fugro-Suhaimi Ltd.	Non-controlling interests	Of which: Fugro-Suhaimi Ltd.
Carrying amount	17,357	16,656	12,630	11,914
Dividends paid	993	900	3,410	3,275

Summarised financial information on subsidiaries with material non-controlling interests

Set out below is the summarised financial information of Fugro-Suhaimi Ltd. (Suhaimi) that has a material non-controlling interest to the Group. Suhaimi provides a range of engineering, testing and consultancy services to the oil and gas, energy, mining and construction industries. The non-controlling interest in Suhaimi is 50%, which also represents 50% of the companies' voting rights in the general meeting of shareholders.

Fugro unilaterally determines the strategy, policies, budget and day-to-day activities of Suhaimi. Suhaimi depends on the special relationship with Fugro for critical services, know-how, technology and assets. As a result, Fugro controls Suhaimi. This subsidiary, with a significant non-controlling interest, is therefore fully consolidated into the Group's financial statements. The shareholders of Suhaimi have certain customary rights on certain key decisions, such as decisions on the declaration and payment of dividend and any significant change to the scope of the business. These rights are considered as protective in nature and normally go beyond the normal scope of business. Such decisions do not affect Fugro's ability to control the activities of Suhaimi.

Summarised balance sheet

(EUR x 1,000)	Fugro-Suhaimi Ltd.	
	As at 31 December	
	2024	2023
Current assets	92,032	73,939
Non-current assets	12,842	12,672
Current liabilities	(43,462)	(54,987)
Non-current liabilities	(28,100)	(7,797)
Net assets	33,312	23,827
NCI percentage	50%	50%
Carrying amount of NCI	16,656	11,914

Summarised income statement

(EUR x 1,000)	Fugro-Suhaimi Ltd.	
	For period ended 31 December	
	2024	2023
Revenue	60,501	60,628
Profit/(loss) before income tax	11,508	11,753
Income tax (expense)/income	(1,672)	(1,043)
Post-tax profit/(loss) from continuing operations	9,836	10,710
Other comprehensive income	1,332	(1,242)
Total comprehensive income/(loss)	11,168	9,468
Total comprehensive income/(loss) allocated to non-controlling interests	5,584	4,734
Dividends paid to non-controlling interests	900	3,275

Summarised cash flows

(EUR x 1,000)	Fugro-Suhaimi Ltd.	
	For period ended 31 December	
	2024	**2023**
Net cash generated from operating activities	(19,428)	9,922
Net cash used in investing activities	(1,230)	(131)
Net cash from/(used in) financing activities	17,944	(3,812)
Net increase in cash and cash equivalents and bank overdrafts	(2,714)	5,979
Cash, cash equivalents and bank overdrafts at beginning of year	15,186	9,276
Exchange gains/(losses) on cash and cash equivalents	1,304	(70)
Cash and cash equivalents at end of year	13,776	15,186

The amounts above are before intercompany eliminations.

28. Financial liabilities

The Group's financial liabilities consist of loans and borrowings, lease liabilities, bank overdrafts, trade and other payables, other taxes and social security contributions. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised. The effective interest rate amortisation is included as finance costs in the statement of comprehensive income. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

The Group considered the bonds as a compound financial instrument containing a debt host (including closely related embedded liability derivatives) and an embedded equity derivative (conversion option). The subordinated convertible bonds were publicity traded on the Frankfurt stock exchange through to November 2024. The conversion price of the bonds was subject to standard anti-dilution adjustments such as in the event of share consolidations, share splits, capital distributions, rights issues and bonus issues and in the event of a change in control, a merger, or other events. The fair value of the liability portion of the convertible bond was initially determined using a market interest rate for an equivalent non-convertible bond at the issue date. This amount was recorded as a liability on an amortised cost basis. The remainder of the proceeds was allocated to the conversion option. This was recognised and included in shareholders' equity (in a separate category 'equity component of convertible bonds'), net of income tax effects and is not subsequently remeasured. This remaining equity component was transferred to retained earnings upon conversion and repayment of the convertible bonds.

The Group has not designated any financial liability as at fair value through profit or loss.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of comprehensive income.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a currently enforceable legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

28.1 Loans and borrowings

(EUR x 1,000)	**2024**	**2023**
Senior term loan of EUR 200 million (issued 2022)	-	200,575
Term loan of EUR 100 million (issued 2024)	99,564	-
Revolving credit facility EUR 300 million (issued 2024)	100,147	-
Nine hundred and ten subordinated unsecured convertible bonds of EUR 100,000 (issued in 2017)	-	41,640
Other loans and long-term borrowings	8,425	7,924
Subtotal	**208,136**	**250,139**
Less: current portion of loans and borrowings	(7,838)	(48,872)
Balance at 31 December	**200,298**	**201,267**

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

(EUR x 1,000)					2024		2023
	Currency	Nominal interest rate	Year of maturity	Face value	Carrying value	Face value	Carrying value
Senior term loan of EUR 200 million (issued 2022)	EUR	EURIBOR +3.25% - +5.00%	2024	-	-	200,000	200,575
Term loan of EUR 100 million (issued 2024)	EUR	EURIBOR +1.65%- +2.85%	2029	100,000	99,564	-	-
Revolving credit facility of EUR 300 million (issued 2024)	EUR	EURIBOR +1.30%- +2.50%	2029	100,000	100,147	-	-
Subordinated unsecured convertible bonds of EUR 100 million (issued 2017)	EUR	4.50%	2024	-	-	42,500	41,640
Other long-term loans	Variable	8.5%	2025	8,425	8,425	7,924	7,924
Balance at 31 December				**208,425**	**208,136**	**250,424**	**250,139**

Term and revolving credit facility agreement

The Term Loan of EUR 100 million and RCF of EUR 300 million issued on 19 December 2024 are part of the new term and revolving credit facility agreement (Term Loan and RCF). The Term Loan and RCF replaced the existing senior term loan and senior RCF (including the ancillary facility) which were fully repaid and derecognised on 19 December 2024. The Term Loan and RCF was arranged by ING, Rabobank, HSBC, Barclays, BNP Paribas and Bank of America. The Term Loan and RCF are unsecured. No recourse on the Group's assets is possible for the lenders in the event of a default by the Group. The lenders would get paid at the same time (i.e. rank pari passu) with claims of all other unsecured and unsubordinated creditors, including bilateral guarantee facilities. The Group shall not create or allow any security over any of its assets, subject to certain exemptions.

In addition, certain Dutch and other foreign subsidiaries act as guarantor for the Term Loan and RCF, but the lenders would not have additional rights over the assets of these entities. Under certain circumstances, the lenders may require mandatory prepayment of all amounts outstanding under the Term Loan and RCF. Such circumstances include, amongst others, a change of control, or a sale of substantially all of the assets of the Group whether in a single transaction or a series of related transactions.

Dividend declarations and payments are subject to the condition that the aggregate amount available for distribution to Fugro's shareholders in respect of the then most recently ended financial year has been determined first. Covenants apply, amongst others, regarding the solvency ratio, net leverage and interest coverage.

As at 31 December 2024, EUR 100 million of the Term Loan and EUR 100 million of the RCF were drawn. Both amounts are denominated in Euro. Fugro has the discretion to draw the RCF in US dollar and other optional currencies. The other optional currencies are subject to specific conditions. Potential future draw downs in US dollar would result in principal repayments and interest payments in US dollar. This foreign currency feature would therefore qualify as closely related embedded derivative.

28.2 RCF

As at 31 December 2024, the carrying amount of the RCF amounted to EUR 100.1 million with an effective interest rate of 4.07%. The RCF may be utilised by way of drawing of loans and ancillary facility. The RCF represents a five-year facility with two one-year or one two-year extension options. In addition, the company has the option to request an increase of the commitments available under the RCF with EUR 100 million to a maximum aggregate amount of EUR 400 million (accordion option). The Group may apply amounts borrowed under the EUR 300 million RCF and ancillary facility towards general corporate and working capital purposes. This includes acquisitions permitted under the Term Loan and RCF under certain conditions. The initial interest is EURIBOR +1.30% and depending on leverage can vary between EURIBOR+1.30% and EURIBOR+2.50%:

Leverage	Margin
>3.00:1	2.50
≤3.00:1 but >2.50:1	2.25
≤2.50:1 but >2.00:1	2.00
≤2.00:1 but >1.50:1	1.75
≤1.50:1 but >1.00:1	1.50
≤1.00:1	1.30

In addition, an interest discount or penalty applies, depending on the performance on certain KPI's (see below).

The transaction costs of the RCF amounted to EUR 1.8 million. These were recorded as current assets and are amortised over the term.

28.3 Term loan

As at 31 December 2024, the carrying amount of the Term Loan amounts to EUR 99.6 million with an effective interest rate of 4.63%. The loan has a maturity of 5 years with two one-year or one two-year extension options. The initial coupon is EURIBOR+1.65% and depending on leverage can vary between EURIBOR+1.65% and EURIBOR+2.85%:

Leverage	Margin
>3.00:1	2.85
≤3.00:1 but >2.50:1	2.60
≤2.50:1 but >2.00:1	2.35
≤2.00:1 but >1.50:1	2.10
≤1.50:1 but >1.00:1	1.85
≤1.00:1	1.65

In addition, an interest discount or penalty applies, depending on the performance of certain KPI's (see below).

The transaction costs of EUR 0.6 million costs were included in the carrying amount of the Term Loan. These transaction costs are recognised in profit and loss in accordance with the effective interest rate method and the finance expense.

28.4 Subordinated unsecured convertible bonds

During the period July through October 2024 the bond holders exercised the conversion options to convert outstanding bonds into ordinary shares. The remaining balance of subordinated unsecured convertible bonds were redeemed by Fugro in November 2024.

The conversion and redemption of the subordinated unsecured convertible bonds during the year 2024 was as follows:

(EUR x 1,000)	**2024**	**2023**
Balance at 1 January	41,640	40,348
Effective interest rate expense (8.1%)	1,825	3,205
Interest paid (4.5% coupon)	(965)	(1,913)
Conversion of 421 bonds into 2,190,214 ordinary Fugro shares at EUR 19.2218 per bond (non-cash transaction)	(42,100)	-
Transaction costs and fees	-	-
Repayment on 4 November 2024 (4 bonds at EUR 100 each were redeemed)	(400)	-
Debt settlement gain/loss in financing income	-	-
Balance at 31 December	**-**	**41,640**

The total portion of the equity component pertaining to the convertible bonds converted or repaid was transferred to retained earnings for an amount of EUR 5.03 million.

28.5 Changes in liabilities arising from financing activities

The table below sets out an analysis of the changes in liabilities arising from financing activities in 2024.

(EUR x 1,000)	RCF EUR 300 million	Term Loan EUR 100 million	Senior RCF	Senior term loan	Subordinated unsecured convertible bonds EUR 100,000	Lease Liabilities	Other long-term loans	Other liabilities[1]	Total
Balance at 1 January 2024	-	-	-	200,575	41,640	186,174	7,924	-	436,313
Initial recognition share buy-back obligation (non-cash)	-	-	-	-	-	-	-	50,000	50,000
Cash flow from financing activities provided by (used for) continued operations	100,000	100,000	-	(200,000)	(400)	(50,547)	(39)	(36,746)	(87,732)
Sub-total	**100,000**	**100,000**	**-**	**575**	**41,240**	**135,627**	**7,885**	**13,254**	**398,581**
Effect of movement in foreign exchange rates	-	-	-	-	-	5,064	591	-	5,655
Other changes[2]	147	(436)	-	(575)	(41,240)	66,480	(51)	-	24,326
Balance at 31 December 2024	**100,147**	**99,564**	**-**	**-**	**-**	**207,171**	**8,425**	**13,254**	**428,562**

1 Other liabilities are presented in trade and other payables.

2 Other changes include interest payments, accrued interest, transaction costs capitalised against term loan, conversion of bonds into shares, amortisation and new/modification of leases.

The cash outflow from financing activities of EUR 181.8 million in 2024 (less dividends paid of EUR 45.9 million, repurchase of shares of EUR 47.8 million, transaction costs incurred on the refinancing of EUR 2.4 million plus proceeds from the exercise of share-options of 2.0 million) represents the total net cash from financing activities in the consolidated statement of cash flows of which EUR 87.7 million relating to financial liabilities.

(EUR x 1,000)	Senior RCF	Term loan	Subordinated unsecured convertible bonds EUR 100,000	Lease Liabilities	Other long-term loans	Transaction with discontinued operations	Total
Balance at 1 January 2023	-	200,234	40,348	168,974	4,886	-	414,442
Cash flow from financing activities provided by (used for) continued operations	-	-	-	(81,602)	3,285	(16,910)	(95,227)
Cash flow from financing activities provided by (used for) discontinued operations	-	-	-	-	-	16,910	16,910
Sub-total	**-**	**-**	**-**	**(81,602)**	**3,285**	**-**	**(78,317)**
Effect of movement in foreign exchange rates	-	-	-	(4,092)	(295)	-	(4,387)
Other changes[1]	-	341	1,292	102,894	48	-	104,575
Balance at 31 December 2023	**-**	**200,575**	**41,640**	**186,174**	**7,924**	**-**	**436,313**

1 Other changes include interest payments, accrued interest, transaction costs capitalised against term loan, amortisation, and new/modification of leases.

28.6 Covenant requirements

The term and revolving credit facility agreement contains various affirmative and negative covenants and events of default. The principal covenants requirements are defined as follows (all including the impact of IFRS 16):

- Solvency ratio: shareholders' equity as a percentage of the balance sheet total.
- Net leverage for purpose of covenant calculations: net debt divided by adjusted consolidated EBITDA for purpose of covenant calculations. The look-back period is twelve months.
- Interest coverage: adjusted consolidated EBITDA for purpose of covenant calculations divided by consolidated interest expense. The look-back period is twelve months.

			2024			2023
Principal covenants	Target	Actual	Headroom	Target	Actual	Headroom
Solvency ratio	>=33.33%	56.9%	23.57%	>=33.33%	53.8%	20.47%
Net leverage	=<3.25:1	0.20	3.05	=<3.25:1	0.28	2.97
Interest coverage	>=2.50:1	17.5	15.0	>=2.50:1	16.8	14.3

Fugro's right to defer settlement of non-current liabilities for at least twelve months after the reporting period is subject to compliance with specified conditions within twelve months after the reporting period. The covenant testing dates are 31 December, 31 March, 30 June and 30 September. The Term Loan and RCF shall become immediately due and payable when there is a change of control event. Events of default on the debt include non-payment, non-compliance, misrepresentation, cessation of business, cross-default, insolvency events, creditors' process, enforcement of security, illegality, material adverse change – including any event or circumstance which in the majority lenders' reasonable opinion has a material adverse effect on the ability to perform or otherwise comply with the payment obligations under the agreements or on the business, operations, property, condition or prospects of the Group taken as a whole.

In the event that the Group breaches any of the covenants or an event of default becomes applicable, lenders may require Fugro to immediately and fully prepay the relevant liabilities including related liabilities subject to cross-default clauses. The carrying amount of such relevant liabilities subject to covenants within twelve months after the reporting period is therefore EUR 199.7 million (2023: EUR 200.6 million). Fugro complied with the covenant requirements in the term and revolving credit facility agreement as of 31 December 2024. Fugro expects to comply with its covenants in the twelve months after the reporting period, with adequate headroom.

28.7 Other KPIs

Other KPIs	Initial score	Year initial score	Target score 2023	Target score 2024	Target score 2025	Actual score 2024	Annual target met (Yes/No) 2024
Reduction CO_2 emission intensity vessels	15.8 tonnes CO_2/operational day	2020	-10%	-15%	-20%	-10%	No
Growth in revenue from renewables market segment	EUR 350 million	2021	28%	50%	60%	147%	Yes
Percentage women in senior management positions	15.2%	2021	18%	20%	25%	24%	Yes

The other key performance indicators are defined in the term and revolving credit facility agreement. The reporting criteria used for the preparation of these KPI's are the reporting criteria developed by Fugro NV and are disclosed in section 2.2 (selection of key performance indicators) of the Group's financing framework. The initial scores in the table above are based on the performance of the Group in respect of each KPI. There is no requirement from the lenders that obliges Fugro to use the borrowing for 'green' projects. Failure to meet these KPIs does not trigger a default event or an early repayment.

An interest discount or penalty of between 3 basis points and 5 basis points will be applied on the margin payable on the revolving credit facility and the term loan based on the performance of Fugro against specified targets for three key performance indicators:

Number of targets met	Term loan and RCF
0	+/+ 5 bps
1	No adjustment
2	-/- 3 bps
3	-/- 5 bps

29. Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The discount rate is the yield at the reporting date on AA credit-rated (high quality) corporate bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed by qualified independent actuaries using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss. Employee contributions for which the amount is independent of the number of years of service are recognised as a reduction of the service costs in the period in which the related services are rendered.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any assets is deducted. At the reporting date, the discount rate is determined by reference to the yield on AA credit-rated corporate bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
The actuarial calculations are performed using the projected unit credit method.
Any actuarial gains or losses are recognised in other comprehensive income in the period in which they arise.

(EUR x 1,000)	**2024**	2023
Net defined benefit asset	(31,614)	(19,882)
Total employee benefit asset	**(31,614)**	**(19,882)**
Net defined benefit obligation	5,756	7,008
Liability for long-service leave	32,956	30,551
Total employee benefit liabilities	**38,712**	**37,559**

The Group makes contributions to a number of pension plans, both defined benefit plans as well as defined contribution plans, that provide pension benefits for employees upon retirement in a number of countries. The retirement age is in line with the provisions in the different plans. The most important plans relate to plans in the Netherlands and United Kingdom. Details of these plans are as follows:

- In the Netherlands, the Group provided a pension plan based on average salary. This plan qualified as a defined benefit scheme. The pension entitlements from this plan are insured with an insurance company that guarantees the accrued pension entitlements. Since 2018, this pension plan has been terminated and has been replaced by a new plan pension plan, qualified as a defined contribution scheme, that is applicable as of 2019. The accrued pension entitlements up to 2018 remained at the insurer and indexation is provided to these accrued pension entitlements for active participants.
- In the United Kingdom (UK) the Group operates two defined benefit pension schemes. For Fugro Holdings (FH), the company operates a final salary defined benefit pension scheme. The scheme is an HMRC registered pension scheme and is subject to standard UK pensions and tax law. The Robertson Research International Group Pension Scheme (RRI) is a funded, defined benefit pension plan. The pension schemes have been closed in previous years for new participants but include the on-going obligations to their members (both former and present employees). The pension schemes assets are held in separate Trustee-administered funds. The schemes include indexation in line with RPI. In 2023 the Trustees agreed a buy-in of most of the RRI scheme with an insurance company. Longevity, inflation and investment risk were transferred to the insurer.
  The Trustees remain responsible for the administration and payment of pensions to the participants. The insurance policy matches the amount and timing of the benefits payable under the RRI scheme, with the exception of GMP equalisation. In accordance with IAS 19, the balance sheet asset related to the buy-in policy has been set equal to the value of the bought-in benefits. Therefore, there has been an asset loss broadly equivalent to the liability gain over the period. Expenses paid by the RRI scheme relating to the management of scheme assets are deducted from the return on plan assets included in the asset remeasurement in other comprehensive income.
  The valuation of both the FH and the RRI scheme resulted in a net defined benefit asset as per 31 December 2024.

The defined benefit obligation and fair value of plan assets are specified as follows:

(EUR x 1,000)			**2024**			2023
	UK	Netherlands	Total	UK	Netherlands	Total
Present value of funded obligations	156,110	159,102	315,212	164,265	163,236	327,501
Fair value of plan assets	(187,724)	(153,346)	(341,070)	(184,147)	(156,229)	(340,376)
Net defined benefit obligation (asset)	**(31,614)**	**5,756**	**(25,858)**	**(19,882)**	**7,007**	**(12,875)**

The movements in the present value of the funded obligations and fair value of plan assets consist of the following:

(EUR x 1,000)	2024 Obligation	2024 Plan assets	2024 Net liability (asset)	2023 Obligation	2023 Plan assets	2023 Net liability (asset)
Balance at 1 January	327,503	(340,378)	(12,875)	312,017	(325,094)	(13,077)
Plan amendments and curtailments (past service cost)	-	-	-	(1,033)	1,411	378
Interest expense/(income)	12,735	(13,738)	(1,003)	13,119	(14,133)	(1,014)
Included in profit or loss (personnel expense)	**12,735**	**(13,738)**	**(1,003)**	**12,086**	**(12,722)**	**(636)**
Actuarial losses/(gains):	(22,166)	25,042	2,876	12,040	1,071	13,111
▪ (Gain)/loss from change in demographic assumptions	(559)	-	(559)	(1,590)	-	(1,590)
▪ (Gain)/loss from change in financial assumptions	(21,981)	25,042	3,061	11,469	1,071	12,540
▪ Experience (gains)/losses	374	-	374	2,161	-	2,161
Exchange rate differences	8,430	(9,622)	(1,192)	2,767	(3,146)	(379)
Included in other comprehensive income	**(13,736)**	**15,420**	**1,684**	**14,807**	**(2,075)**	**12,732**
Paid by the employer	-	(13,664)	(13,664)	-	(11,894)	(11,894)
Benefits paid by the plan	(11,290)	11,290	-	(11,407)	11,407	-
Other	**(11,290)**	**(2,374)**	**(13,664)**	**(11,407)**	**(487)**	**(11,894)**
Present value of the funded obligation at 31 December	**315,212**	**(341,070)**	**(25,858)**	**327,503**	**(340,378)**	**(12,875)**

The following remeasurements were recognised directly in other comprehensive income:

(EUR x 1,000)	2024	2023
Cumulative amount at 1 January	(44,187)	(30,420)
Remeasurements:	(5,134)	(13,767)
▪ Recognised during the year	(2,876)	(13,111)
▪ Effect of movement in exchange rates	(2,258)	(656)
Cumulative amount at 31 December	**(49,321)**	**(44,187)**

The actuarial gain net of tax recognised in other comprehensive income amounts to EUR 2.2 million (2023: EUR 9.8 million), after income tax recognised of EUR 0.7 million (2023: EUR 3.3 million).

Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as a range of weighted averages):

	2024		2023	
	UK	Netherlands	UK	Netherlands
Discount rate at 31 December	5.47%	3.50%	4.51%	3.30%
Future salary increases	0.0%	0.0%	0.0%	0.0%
Future pension increases	1.51%	0.0%	1.44%	0.0%

The financial effects of differences between the actuarial assumptions and actuals for the pension liability and plan assets are included in the remeasurements. For the Netherlands, life expectancy assumptions are derived from the Projections Life Table AG2024 from the Royal Dutch Actuarial Association. The mortality table is adjusted to tailor the mortality figures to the insured population by applying the experience factors from the 'Centrum voor Verzekeringsstatistiek': the so-called ES-P2 factors. For the United Kingdom, the mortality basis adopted is the standard table S3PxA with future improvements in line with the Continuous Mortality Investigation's 2023 projection model with a long-term improvement rate of 1.25% per annum for all members.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease by 6.4%	Increase by 7.3%
Salary growth rate	0.50%	Increase by 0.0%	Decrease by 0.0%
Pension growth rate	0.50%	Increase by 1.9%	Decrease by 1.8%
Life expectancy	1 year	Increase by 3.2%	Decrease by 3.2%

The sensitivity analyses are based on a change in one assumption while holding all other assumptions constant, so that interdependencies between the assumptions are excluded.

Risk exposure

Through its defined benefit pension plans, the Group is exposed to various demographic and economic risks. Most of these risks come with the nature of a defined benefit plan and are therefore not country specific. The most significant risks relate to life expectancy, investment risk, interest rates and inflation.

The Group is actively managing risk related to its defined benefit plans to reduce these risks as much as possible. In most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation. The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit. Life expectancy risk is particularly significant in the UK plan, where inflationary increases result in higher sensitivity to changes in life expectancy. In the Netherlands this risk is limited as the insurer guarantees the payment of the accrued benefits.

Local risks are considered to be limited for the Netherlands as in the Netherlands the company terminated its defined benefit scheme in 2018 and the accrued pension entitlements were insured, limiting the risk for the Group to the indexation of the accrued entitlements. The insurance company guarantees all accrued entitlements. The insurance contract includes an account in which 80% of the investments are used to match the liability on a funding basis and 20% of the investments are used to invest in equity. The insurance company ultimately decides on investment policies and governance since they run the downside risk.

In the UK, the Trustees set the Scheme's investment strategy, in consultation with the employer. The UK Holdings plan include return seeking assets and bonds. For the Roberson plan, the Trustees during 2023 agreed a buy-in of most of the RRI scheme with an insurance company. The buy-in policy currently covers benefits without equalisation of GMP. The employer ultimately remains responsible for funding the accrued pensions and the pension increases.

Major categories of plan assets

Plan assets are comprised as follows:

(EUR x 1,000)				2024				2023
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Equity instruments	-	-	-	0%	-	-	-	0%
Debt instruments	136,433	-	136,433	40%	122,912	-	122,912	36%
Government	30,807	-	30,807	9%	35,189	-	35,189	10%
Corporate bonds (Investment grade)	63,631	-	63,631	19%	52,629	-	52,629	16%
Corporate bonds (non-investment grade)	41,995	-	41,995	12%	35,094	-	35,094	10%
Insurance policies	-	198,885	198,885	58%	-	206,408	206,408	61%
Property	1,989	-	1,989	1%	7,593	-	7,593	2%
Cash and cash equivalents	-	3,763	3,763	1%	-	3,464	3,464	1%
Balance at 31 December	**138,422**	**202,648**	**341,070**	**100%**	**130,504**	**209,872**	**340,376**	**100%**

The expected 2025 contributions amount to EUR 9.9 million (2024: EUR 12.9 million).

The weighted average duration of the defined benefit obligation is 14.3 years (2023: 15.9 years).

As at 31 December 2024	Netherlands	United Kingdom	Total weighted
Duration of plan	16.6	12.0	14.3

30. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at net present value. The unwinding of the discount is expensed as incurred and recognised in the statement of comprehensive income as a finance expense.

A provision for onerous contracts is recognised when it becomes probable that the unavoidable costs of meeting the obligation under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The costs of fulfilling a contract comprises the costs that relate directly to the contract, i.e. both incremental costs and an allocation of costs directly related to contract activities.

A provision for restructuring cost is recognised when the Group has a detailed and formal plan for the restructuring and has raised a valid expectation that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Asset retirement obligations are recognised in connection with lease contracts (vessels and property). These obligations are measured at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the costs of the relevant asset.

(EUR x 1,000)					2024
	Onerous contracts	Legal claims	Restructuring	Asset retirement obligations	Total
Balance at 1 January	2,162	13,262	736	6,127	22,287
Provisions made during the year	1,134	5,472	4,553	121	11,280
Provisions used during the year	(345)	(1,462)	(4,135)	-	(5,942)
Provisions reversed during the year	(318)	(4,303)	-	-	(4,621)
Unwinding of discount	-	-	-	221	221
Effect of movements in foreign exchange rates	108	(4)	6	285	395
Balance at 31 December	**2,741**	**12,965**	**1,160**	**6,754**	**23,620**
Non-current	-	4,763	-	5,076	9,839
Current	2,741	8,202	1,160	1,678	13,781

31. Trade and other payables

Trade and other payables represent liabilities for services and goods provided to the group prior to the end of financial year which are unpaid. Trade and other payables are recognised initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method.

The contracts in progress for which progress billing exceeds costs incurred plus profits recognised to date less progress billings and recognised losses are presented as advance instalments to work in progress.

(EUR x 1,000)	2024	2023
Trade payables	110,510	97,072
Accrued expenses	197,059	193,188
Advance instalments to work in progress	81,623	77,599
Employee related accruals	97,329	87,447
Other liabilities	46,694	30,523
Balance at 31 December	**533,215**	**485,829**

Accrued expenses primarily represent project cost accruals for goods and services received but which are yet to be invoiced. Advance instalments to work in progress primarily represent advances received from customers for which revenue is recognised as services are performed to customers. From the advance instalments to work in progress, an amount of EUR 67.8 million has been recognised as revenue that was included in the closing balance as at 31 December 2023 (2022: EUR 66.7 million). Other liabilities as at 31 December 2024 include a financial liability in the amount of EUR 13.3 million in connection with the share buyback (2023: nil). Refer to note 25.3.

32. Financial risk management

Derivative financial instruments and hedge accounting

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

32.1 Overview

The company's risk management policy includes the long-term sustainable management of its business activities and where possible, the mitigation of the associated business risks. Based on the nature and relative significance of the risks related to the Group's wide diversity of markets, clients and regions and its broad portfolio of activities the risks have been quantified to the extent possible.

The Group has exposure to the following financial risks from its operations:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Group does not engage in material hedging transactions with derivatives. Accordingly, consistent with prior year, there are no qualifying fair value hedge or cash flow hedge relationships as of 31 December 2024. The Group does not have separately accounted embedded derivative financial liabilities. The Group does not have derivatives embedded within a hybrid contract containing a financial asset host.

The Board of Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their role and obligations.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Both regular and ad hoc reviews of risk management controls and procedures are performed, the results of which are reported directly to the Board of Management. A summary of important observations is reported to the audit committee.

32.2 Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers and unbilled revenue on (completed) contracts.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, (in the case of a financial asset not at fair value through profit or loss), transaction costs.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The Group applies the low credit risk simplification to long-term loans, deposits and other long-term receivables and recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (insofar applicable).

The Board of Management reviews the outstanding trade receivables and unbilled revenue on (completed) contracts on an ongoing basis. Local management is requested to take additional precaution in working with certain clients. For trade receivables and unbilled revenue on (completed) contracts, the Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Generally, trade receivables are fully impaired if past due more than 1 year and are not subject to enforcement activity.
The provision rates are based on days past due for customers. The Group considered various customer segments that have similar loss patterns (i.e., by geography, service/product type, industry, customer type and rating, and coverage from credit insurance where applicable). The ageing is based on invoice due date. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information considering current market conditions at the reporting date. A trade receivable is written off when there is no reasonable expectation of recovering the contractual cash flows. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is an estimate. The sensitivity of the amount of ECLs to changes in circumstances

and of forecast economic conditions is not significant. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. The Group does not provide detailed information on (a) the estimation techniques and inputs used, (b) how the forecast economic conditions have been incorporated in the determination of ECL and (c) changes in estimation techniques and inputs used, because the impact is not significant.

Some of the Group's orders are awarded on the basis of long-term preferred supplier agreements. In the course of a year Fugro often carries out multiple projects for the same client. Fugro typically has no single client that generates more than 5% of its revenue in the year. On occasion one client may generate more than 5%, which can happen in case of exceptionally large contracts where most of the revenue falls in the accounting year. Having a large number of clients and short project time spans mitigates Fugro's credit risk as the individual amounts receivable from the same client are limited.

New customers are analysed individually for creditworthiness before payment and delivery terms and conditions are offered. The Group's review may include external ratings, where available, and in some cases bank references. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis or have to provide a bank guarantee.

The majority of the Group's clients has done business with the Group for many years and significant losses have only occurred incidentally in prior years. Clients that are known to have negative credit characteristics are individually monitored. If clients fail to pay timely the Group re-assesses the creditworthiness and stronger debt collection is started if deemed necessary. The Group closely monitors certain clients that need extra attention before a contract is closed.

For other financial assets, ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.
For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements (insofar applicable) held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group's carrying amount of cash and cash equivalents represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which have 'investment grade' credit ratings.

Credit risk exposure
The maximum exposure to credit risk at the reporting date is the carrying amount of each class of financial assets (such as loans, deposits, receivables and unbilled revenue on completed projects). The group holds no collateral as security on the long-term loans, deposits, other long-term receivables, trade and other receivables and unbilled revenue on (completed) contracts. As such, the Group does not have financial assets for which no loss allowance is recognised because of collateral. The maximum exposure for trade receivables and unbilled revenue on (completed) contracts at the reporting date by geographic region is disclosed in the segment reporting note and equals the carrying amount.

There was no material impact of climate-related matters and macroeconomic events arising in 2024 on the Group's credit risk exposure. Furthermore, no material change to ECLs on trade receivables outstanding with customers and unbilled revenue on (completed) projects was deemed necessary.

Refer to note 23 Trade and other receivables for details on the ageing and recoverability of trade receivables and unbilled revenues.

Cash and cash equivalents are generally held with large well-known banks with adequate credit ratings only.

32.3 Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the

Group's reputation. The global cash pool makes it possible for the company to use the cash surplus within the group to reduce the overdrafts at its main uncommitted facilities.

As at 31 December 2024, Fugro holds cash balances in Angola (as quantified in note 24 Cash and cash equivalents), where exchange controls apply. The company expects that these exchange controls will become less when the oil and gas market conditions are expected to improve and when Angola and Nigeria will have increased inflow of USD in relation to their oil business. In addition, several actions have been explored to further lower this amount.

The Group monitors cash flow on a regular basis and operates with a global cash pool. Consolidated cash flow information, including a projection for the year, is reported on a monthly basis to the Board of Management, ensuring that the Group has sufficient cash on demand (or available lines of credit) to meet expected near term operational expenditures. Cash flow projections exclude the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Group maintains the following lines of credit:

- A Term and Revolving Credit Facility Agreement of EUR 400 million, consisting of a Term Loan of EUR 100 million and RCF of EUR 300 million (including an ancillary facility of EUR 60 million) following the refinancing in December 2024. As at 31 December 2024, a Term Loan in the amount of EUR 100 million (nominal amount) was drawn (31 December 2023: EUR 200 million was drawn under the super senior term loan facility). As at 31 December 2024, a nominal amount of EUR 100 million was drawn under the RCF (31 December 2023: EUR nil).
- A variety of unsecured overdraft facilities in various currencies totalling around EUR 92.1 million of which EUR 8.0 million have been drawn at 31 December 2024 (31 December 2023: EUR 69.5 million with EUR 0.5 million drawn). The amount of such facilities that the Group may have outstanding is limited to EUR 75,000,000 in aggregate together with any other financial indebtedness of the Group that is not otherwise permitted under the term and revolving credit facility.

The following are the contractual maturities of financial liabilities including interest payments:

(EUR x 1,000)							**2024**
	Carrying amount	Contractual cash flows	6 months or less	>6months <=12 months	>1 year <=2 years	>2 years <= 5 years	More than 5 years
Term loan EUR 100 million (issued 2024)	99,564	122,902	2,283	2,295	4,603	113,721	-
Revolving credit facility EUR 300 million (issued 2024)	100,147	120,669	2,105	2,139	4,143	112,282	-
Lease liabilities	207,171	319,669	30,899	33,096	57,128	96,333	102,213
Other loans and long-term borrowings	8,425	8,425	8,425	-	-	-	-
Trade and other payables	533,215	533,215	533,215	-	-	-	-
Bank overdraft	317	317	317	-	-	-	-
Balance at 31 December	**948,839**	**1,105,197**	**577,244**	**37,530**	**65,874**	**322,336**	**102,213**

(EUR x 1,000)							**2023**
	Carrying amount	Contractual cash flows	6 months or less	>6months <=12 months	>1 year <=2 years	>2 years <= 5 years	More than 5 years
Senior term loan EUR 200 million	200,575	239,532	7,195	7,274	14,587	210,476	-
Subordinated unsecured convertible bonds in EUR 100,000	41,640	44,412	956	43,456	-	-	-
Lease liabilities	186,174	267,452	26,181	28,548	41,708	70,368	100,647
Other loans and long-term borrowings	7,924	7,924	7,924	-	-	-	-
Trade and other payables	485,829	485,829	485,829	-	-	-	-
Bank overdraft	496	496	496	-	-	-	-
Balance at 31 December	**922,638**	**1,045,645**	**528,581**	**79,278**	**56,295**	**280,844**	**100,647**

The interest included in the above table is based on the current amounts borrowed with current interest rates against the current exchange rate (if applicable). No assumptions are included for possible future changes in borrowings and interest payments. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The Group does not have material supplier financing arrangements.

32.4 Market risk

Market risk includes changes in market prices, such as foreign exchange rates, interest rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

32.4.1 Currency risk

The global nature of the business of the Group exposes the operations and reported financial results and cash flows to the risks arising from fluctuations in exchange rates. Currency risk is the risk that reported financial performance, or the fair value or future cash flows of a financial instrument, will fluctuate because of changes in foreign exchange rates. Fugro operates in many countries and currencies and therefore currency fluctuations may inevitably impact its financial results. Fugro is exposed to currency risk in the following areas:

- Transaction exposures related to anticipated sales and purchases and on-balance-sheet receivables/payables resulting from such transactions.
- Translation exposure resulting from translation of its operations in non-Euro currencies to Euros.
- Translation exposure to equity interests in non-functional-currency investments in associates and financial assets at fair value.

The magnitude of net exposures and currency volatility determine the need to mitigate the impact of currency exposures. The Group continually assesses the net exposure to currency risks and if deemed necessary a portion of those risks may be hedged by using derivative financial instruments. The derivative financial instruments that may be used to cover foreign currency exposure are foreign currency forward contracts, spots, swaps and other derivatives. As of 31 December 2024, there are no material derivative financial instruments outstanding (consistent with prior year). It is noted that the RCF of EUR 300 million may also be drawn in US dollar and other optional currencies.

For foreign exchange exposure arising from intercompany loans, where the Group enters into such arrangements the financing is generally provided in the functional currency of the subsidiary. Interest on external borrowings is denominated in the currency of the borrowing. Generally, the Group's borrowings are denominated in Euro, consistent with the presentation currency of the group. Borrowing facilities in other currencies, including the US dollar, are also available to the Group. In addition, lease liabilities are generally denominated in currencies that match the cash flows generated by the underlying operations of the Group.

Sensitivity analysis

A 10 percent strengthening of the Euro against the mentioned currencies at 31 December would have increased (decreased) total year-end equity and profit or loss for the year by the amounts shown below. This analysis of major non-Euro currencies is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

(Effect in EUR x 1,000)	31 December 2024		31 December 2023	
	Total equity at year-end	Profit or (loss) after tax for the year	Total equity at year-end	Profit or (loss) after tax for the year
AUD	(4,199)	(739)	(3,535)	(77)
GBP	(19,522)	(2,725)	(16,089)	(2,176)
HKD	(8,499)	(921)	(14,220)	(999)
NOK	(4,067)	(2,213)	(4,726)	(1,835)
SGD	(4,602)	(563)	(3,863)	(576)
USD	(16,229)	(3,909)	(9,072)	(7,198)

The following table outlines the estimated nominal value exposure arising from translating on-balance-sheet receivables/payables from major non-Euro denominated functional currencies to the Group's presentation currency Euro:

2024

(Exposure in EUR x 1,000)	Trade receivables	Unbilled revenues	Trade payables	WIP Advances	Project accruals
AUD	9,327	17,335	11,651	3,487	15,401
GBP	55,037	45,682	10,964	17,343	27,927
HKD	8,534	10,485	3,060	1,967	2,625
NOK	9,388	6,383	3,141	7,465	3,525
SGD	1,849	7,483	1,117	1,337	1,360
USD	72,088	94,218	28,298	18,660	59,307
	156,223	**181,587**	**58,232**	**50,258**	**110,145**
Sensitivity					
+10%	14,202	16,508	5,294	4,569	10,013
+15%	20,377	23,685	7,595	6,555	14,367

2023

(Exposure in EUR x 1,000)	Trade receivables	Unbilled revenues	Trade payables	WIP Advances	Project accruals
AUD	11,167	22,306	5,347	2,712	21,548
GBP	65,659	33,899	17,871	17,369	16,322
HKD	11,418	4,909	2,375	4,736	1,999
NOK	10,472	4,115	3,409	5,761	2,642
SGD	3,525	356	1,362	1,349	1,930
USD	95,980	91,186	27,906	18,519	68,664
	198,221	**156,771**	**58,270**	**50,446**	**113,105**
Sensitivity					
+10%	18,020	14,252	5,297	4,586	10,282
+15%	25,855	20,448	7,600	6,580	14,753

32.4.2 Interest rate risk

The Group's liabilities bear both fixed and variable interest. The current macro-economic environment shows interest rate rises in response to persistent inflation. The Group's objective is to limit the effect of interest rate volatility on the results by matching long term investment with long term (fixed or variable interest) financing as much as possible.
The Group considers the difference between variable interest rate loans and borrowings and total equity and liabilities and the headroom under the interest coverage ratio.
The Group may decide to hedge interest rate risk by means of derivative financial instruments such as forwards, caps, floors, swaps and other derivatives. As of 31 December 2024, there are no material derivative financial instruments outstanding (consistent with prior year).

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

(EUR x 1,000)	Carrying amount	
	2024	**2023**
Fixed rate instruments		
Financial assets	-	2,100
Financial liabilities	(215,626)	(235,714)
Variable rate instruments		
Financial assets	319,465	326,294
Financial liabilities	(200,028)	(201,071)
Balance at 31 December	**(96,189)**	**(108,391)**

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

Interest rate sensitivity and debt covenant compliance is actively monitored by the Group also considering the volatile macro-economic environment. A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. At 31 December 2024, it is estimated that a general increase (decrease) of 100 basis points in interest rates would decrease (increase) the Group's profit before income tax by approximately:

(EUR x 1,000)	Equity and profit or loss	
	100 bp increase	100 bp decrease
31 December 2024		
Variable rate instruments	1,194	(1,194)
Cash flow sensitivity (net)	1,194	(1,194)
31 December 2023		
Variable rate instruments	1,252	(1,252)
Cash flow sensitivity (net)	1,252	(1,252)

32.5 Capital management

The Board of Management's policy is to maintain a strong capital base in order to retain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital, retained earnings and non-controlling interests of the Group. Important key performance indicators for the Board of Management are free cash flow, the return on capital as well as the level of dividends. The Board strives for a dividend pay-out ratio of 25 to 45% of net result, subject to the term and revolving credit facility agreement dividend restrictions as disclosed in note 28.1.

Targeted solvency is set at, at least 33.3%. The targeted solvency includes the impact of IFRS 16. The solvency at the end of 2024 was 56.9% (2023: 53.8%). The Group's objective is to achieve a healthy return on shareholders' equity. As a result, the return, calculated as profit (loss) for the period attributable to owners of the company, divided by the total equity attributable to owners of the company for the year, is 18.3% (positive) in 2024 (2023: 19.7% positive).

From time-to-time Fugro purchases its own shares. These shares are used to cover the long-term incentives granted by Fugro.
Shares may also be repurchased and cancelled to reduce the share capital. Purchase and sale decisions are made on a specific transaction basis by the Board of Management.

33. Fair values

Determination of fair values

The fair value of equity and debt securities is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate.

The fair value of receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

The fair value of forward exchange contracts is based on quoted market prices, if available.

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date, taking into consideration the Group's own non-performance risk.

Financial assets and liabilities

The carrying values of financial assets and liabilities shown in the statement of financial position reasonably approximate their fair values. Due to the short-term nature of trade receivables (payables) and other receivables (payables), their carrying amounts are considered to be the same as their fair value.

Fair value hierarchy

The different fair value hierarchy levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Fugro has equity securities of EUR 1,096 thousand as at 31 December 2024 (2023: EUR 1,096 thousand), which are categorised within Level 3.

Fugro’s valuation processes

The group’s finance department performs the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. The valuations are directly reported to the Chief Financial Officer. Changes in Level 2 and Level 3 values are analysed at each reporting date.

34. Commitments not included in the statement of financial position

Bank guarantees

Per 31 December 2024, Fugro’s banks have issued bank guarantees to clients for an amount of EUR 132.3 million (2023: EUR 109.8 million).

Capital commitments

At 31 December 2024, the Group has EUR 62.3 million contractual obligations to purchase property, plant and equipment (2023: EUR 106.4 million), which includes the new headquarters and a platform vessel.

The group has various lease contracts that have not yet commenced as at 31 December 2024. The future lease payments for the non-cancellable lease contracts are approximately EUR 38.8 million (2023 EUR 33.9 million).

Climate commitments

On 19 February 2021, Fugro announced a target of net zero carbon emissions scope 1 and scope 2 by 2035. In addition, Fugro’s near- and long-term science-based emissions reduction targets have been approved by the Science Based Targets initiative (SBTi). Fugro’s net-zero target spans all three emission scopes. Fugro is a service provider and therefore its client value chain scope 3 emissions are negligible; scope 3 primarily consists of emissions from its supply chain. Carbon emissions from vessels, both owned and leased, account for approximately 80% of Fugro’s combined scope 1 and 2 emissions. Therefore, Fugro’s carbon reduction plan is for a large part a multi-year fleet transition plan (methanol and hybrid technology and uncrewed surface vessel fleet), requiring significant multi-year investments.

Contingencies

Some Group companies are, as a result of their normal business activities, involved either as plaintiffs or defendants in claims. Based on information presently available and management’s best estimate, it is not probable that the financial position of the Group will be significantly influenced by any of these matters. Should the actual outcome differ from the assumptions and estimates, the financial position of the Group would be impacted. Fugro N.V. and its Dutch operating companies form a fiscal unity for corporate tax. Each of the operating companies is severally liable for corporate tax to be paid by the fiscal unity.

Parent company guarantees

In principle, Fugro does not provide parent company guarantees to its subsidiaries, unless commercial reasons exist. Fugro has filed declarations of joint and several liabilities for a number of subsidiaries at the Chamber of Commerce. Fugro has filed a list with the Chamber of Commerce which includes all financial interests of Fugro as well as a reference to each subsidiary for which such a declaration of liability has been provided.

35. Related parties

The Group has a related party relationship with its subsidiaries, equity-accounted investees and key management personnel. Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel

Fugro's key management personnel (as defined in IAS 24) consists of the people in the Board of Management, Executive Leadership Team and Supervisory Board. The Executive Leadership Team consists of the two members of Board of Management and seven senior managers. The Board of Management controls the Executive Leadership Team. The key management compensation, based on amounts recognised in the statement of comprehensive income, is as follows:

2024 (in EUR)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment expense (IFRS 2)	Total
Board of Management	2,454,510	59,397	-	1,747,053	**4,260,960**
Senior managers	3,911,301	178,384	-	1,938,215	**6,027,900**
Executive Leadership Team (subtotal)	**6,365,811**	**237,781**	**-**	**3,685,268**	**10,288,860**
Supervisory Board	552,500	-	-	-	**552,500**
Total	**6,918,311**	**237,781**	**-**	**3,685,268**	**10,841,360**

2023 (in EUR)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment expense (IFRS 2)	Total
Board of Management	2,644,824	51,172	-	2,169,738	**4,865,734**
Senior managers	4,211,338	176,578	-	2,112,175	**6,500,091**
Executive Leadership Team (subtotal)	**6,856,162**	**227,750**	**-**	**4,281,913**	**11,365,825**
Supervisory Board	543,821	-	-	-	**543,821**
Total	**7,399,983**	**227,750**	**-**	**4,281,913**	**11,909,646**

The Dutch Civil Code disclosures with respect to remuneration of individual members of the Board of Management and Supervisory Board are included in the Remuneration report.

Other transactions with key management personnel

The Board of Management, certain senior managers and certain Supervisory Board members can acquire shares in Fugro on an arm's length basis. These transactions are not compensation and as such no expense was recorded during the period.

	2024			2023		
	Number of shares acquired during the year	Issue price paid	Number of shares disposed of during the year	Number of shares acquired during the year	Issue price paid	Number of shares disposed of during the year
Board of Management	7,500	EUR 16.55	-	17,500	EUR 12.28 - EUR 12.58	-
Senior managers	-	-	-	4,650	EUR 12.00 - EUR 15.90	-
Executive Leadership Team (subtotal)	**7,500**	**-**	**-**	**22,150**	**-**	**-**
Supervisory Board	10,160	EUR 20.32 - EUR 22.54	-	25,250	EUR 12.30 - EUR 16.76	-
Total	**17,660**	**-**	**-**	**47,400**	-	**-**

The individual shareholdings are less than 5%.

Other related parties

The Group has not entered into any material transaction with other related parties.

36. Subsequent events

On 20 December 2023, the Fugro reached agreement to acquire two platform supply vessels. One vessel (Fugro Zephyr, formerly named Sea Goldcrest) was delivered in the course of 2024 and the other vessel (Fugro Zenith, formerly named Sea Gull), which was under charter in 2024 was delivered on 6 January 2025.

On 16 January 2025, Fugro announced the completion of a EUR 50 million buyback programme of its own shares. The total number of shares repurchased between 18 November 2024 and 16 January 2025 was 2,968,649 for a total consideration of EUR 50 million. The repurchased shares will be cancelled, subject to approval of the general of shareholders on 24 April 2025. On 21 January 2025, Fugro repaid EUR 50 million of the RCF from its own funds.

On 5 February 2025, Fugro acquired EOMAP GmbH & Co. KG, a market leader in mapping and monitoring of marine and freshwater environments through satellite earth observation.

37. Subsidiaries and investments accounted for using the equity method of Fugro N.V.

Unless stated otherwise, the direct or indirect interest of Fugro in the subsidiaries listed below is 100%. Insignificant, but consolidated, subsidiaries have not been included. For entities where the direct or indirect interest of Fugro is less than 50%, the Group consolidates financial information of such entities based on the definition of control.

The subsidiaries listed below have been fully incorporated into the consolidated financial statements of Fugro, unless indicated otherwise.

The information as required by sections 2:379 and 2:414 of the Dutch Civil Code has been filed at the trade registry of the Chamber of Commerce in The Hague.

Company	%	Office, Country
Fugro Angola Limitada	49%	Luanda, Angola
Fugro Holdings (Australia) Pty Ltd.		Perth, Australia
Fugro Exploration Pty Ltd.		Perth, Australia
Fugro Australia Pty Ltd.		Perth, Australia
SOCAR-Fugro LLC	49%[1]	Baku, Azerbaijan
Fugro Holding Belgium N.V.		Louvain la Neuve, Belgium
Fugro Belgium SRL		Louvain la Neuve, Belgium
Fugro Brasil Serviços Submarinos e Levantamentos Ltda.		Rio de Janeiro, Brazil
Sudeste Serviços Ltda		Rio de Janeiro, Brazil
Fugro In Situ Geotecnia Ltda.		Pinhais, Brazil
Fugro Canada, Corp.		St. John's, Canada
Fugro Chile S.A.		Santiago, Chile
Fugro Technical Services (Guangzhou) Ltd.		Guangzhou, China
Fugro Pacifica Qinhuangdao Co. Ltd.		Qinhuangdao, China
China Offshore Fugro GeoSolutions (Shenzhen) Co. Ltd.	50%[1]	Shekou, Shenzhen, China
Fugro Offshore Survey (Shenzhen) Co. Ltd.		Shenzhen, China
Fugro Consultants International N.V.		Willemstad, Curaçao
Fugro Financial International N.V.		Willemstad, Curaçao
Fugro Marine Survey Int. Ltd. Egypt		Cairo, Egypt
Fugro S.A.E.		Cairo, Egypt

Company	%	Office, Country
Fugro Holding France S.A.S.		Nanterre, France
Fugro Germany Land GmbH		Berlin, Germany
Fugro Germany Marine GmbH		Bremen, Germany
Fugro Geosciences International Ltd.		Wanchai, Hong Kong
Fugro (Hong Kong) Ltd.		Wanchai, Hong Kong
Fugro Geotechnical Services Ltd.		Fo Tan, Hong Kong
Fugro Technical Services Ltd.		Tuen Mun, Hong Kong
Fugro Holdings (Hong Kong) Ltd.		Wanchai, Hong Kong
PT Fugro Indonesia	80%	Jakarta, Indonesia
Fugro Survey (India) Private Limited		Navi Mumbai, India
Fugro Japan Co., Ltd.		Tokyo, Japan
Fugro Mauritius Ltd.		Quatre Bornes, Mauritius
Fugro Malaysia Marine Sdn Bhd	30%	Kuala Lumpur, Malaysia
Bulan Selatan Sdn Bhd	49%	Kuala Lumpur, Malaysia
Fugro Mexico S.A. de C.V.		Ciudad Del Carmen, Campeche, Mexico
Fugro New Zealand Ltd.		New Plymouth, New Zealand
Fugro Holdings (NZ) Ltd.		New Plymouth, New Zealand
Fugro Norway AS		Oslo, Norway
Fugro Philippines Inc.		Manila, Philippines
Fugro-Suhaimi Ltd.	50%	Dammam, Saudi Arabia
Fugro Satellite Positioning Pte Ltd.		Singapore, Singapore
Fugro Holding Singapore Pte Ltd.		Singapore, Singapore
Fugro Subsea Technologies Pte Ltd.		Singapore, Singapore
Fugro Properties Pte Ltd.		Singapore, Singapore
Fugro Singapore Land Pte Ltd.		Singapore, Singapore
Fugro Marine Personnel Pte Ltd.		Singapore, Singapore
Southern Evolution Pte Ltd.		Singapore, Singapore
Fugro Singapore Marine Pte Ltd		Singapore, Singapore
Eastern Mariner Pte Ltd.		Singapore, Singapore
Eastern Equator Pte Ltd.		Singapore, Singapore
Fugro UTS21 Co. Ltd.	49%[1]	Incheon, South Korea
Fugro Geodetic AG		Zug, Switzerland
Fugro IOVTEC Co. Ltd.	49%[1]	Taipei City, Taiwan
Fugro Nederland B.V.		Leidschendam, The Netherlands
Fugro NL Land B.V.		Leidschendam, The Netherlands
Fugro NL Services B.V.		Leidschendam, The Netherlands
Fugro Innovation & Technology B.V.		Leidschendam, The Netherlands
Fugro Survey B.V.		Leidschendam, The Netherlands
Ecodemka B.V.		Leidschendam, The Netherlands
Fugro Caspian B.V.		Leidschendam, The Netherlands

Company	%	Office, Country
Fugro Vastgoed B.V.		Leidschendam, The Netherlands
Fugro Marine Services B.V.		Leidschendam, The Netherlands
Fugro South America B.V.		Leidschendam, The Netherlands
Fugro Middle East B.V.		Leidschendam, The Netherlands
Fugro Technology B.V.		Leidschendam, The Netherlands
Wavewalker B.V.	50%[1]	Leidschendam, The Netherlands
Fugro Financial Resources B.V.		Leidschendam, The Netherlands
Katla Shipping B.V.		Leidschendam, The Netherlands
Agung Shipping B.V.		Leidschendam, The Netherlands
Alutan Shipping B.V.		Leidschendam, The Netherlands
Erebus Shipping B.V.		Leidschendam, The Netherlands
Foster Shipping B.V.		Leidschendam, The Netherlands
Kika Shipping B.V.		Leidschendam, The Netherlands
Mayon Shipping B.V.		Leidschendam, The Netherlands
Scenery Shipping B.V.		Leidschendam, The Netherlands
Semeru Shipping B.V.		Leidschendam, The Netherlands
Taranaki Shipping B.V.		Leidschendam, The Netherlands
Tongariro Shipping B.V.		Leidschendam, The Netherlands
Arjuna Shipping B.V.		Leidschendam, The Netherlands
Stromboli Shipping B.V.		Leidschendam, The Netherlands
Kilimanjaro Shipping B.V.		Leidschendam, The Netherlands
Ngauruhoe Administrations B.V.		Leidschendam, The Netherlands
Nyiragongo Shipping B.V.		Leidschendam, The Netherlands
Pilanesberg Shipping B.V.		Leidschendam, The Netherlands
Fugro Property I B.V.		Leidschendam, The Netherlands
Bisoke Shipping B.V.		Leidschendam, The Netherlands
Sabyinyo Shipping B.V.		Leidschendam, The Netherlands
Dubbi Shipping B.V.		Leidschendam, The Netherlands
Longonot Shipping B.V.		Leidschendam, The Netherlands
Fugro Netherlands Marine B.V.		Nootdorp, The Netherlands
Hastveda Shipping B.V.		Nootdorp, The Netherlands
Bosavi Shipping B.V.		Nootdorp, The Netherlands
Fugro Trinidad Ltd.		Port of Spain, Trinidad
Fugro Sial Ltd.		Ankara, Turkey
Fugro Survey (Middle East) Ltd.		Abu Dhabi, United Arab Emirates
Fugro Middle East	49%	Dubai, United Arab Emirates
Fugro Middle East FZE		Dubai, United Arab Emirates
Fugro GB (North) Marine Limited		Aberdeen, United Kingdom
Hush Craft Ltd		Haugley Green, United Kingdom
Sea-Kit International Ltd		Maldon, United Kingdom

Company	%	Office, Country
Fugro GeoServices Limited		Falmouth, United Kingdom
Fugro Holdings Limited		Wallingford, United Kingdom
Fugro GB Marine Limited		Wallingford, United Kingdom
Fugro Properties Limited		Wallingford, United Kingdom
Fugro USA Marine, Inc.		Lafayette, United States
Fugro USA Land, Inc.		Houston, United States
Fugro Synergy, Inc.		Houston, United States
Fugro Brasilis, Inc.		Houston, United States
Fugro Enterprise, Inc.		Houston, United States
Fugro Gulf, Inc.		Houston, United States
Fugro (USA) Holdings, Inc.		Houston, United States
Seabed Geosolutions B.V.		Leidschendam, The Netherlands

1 Joint arrangements classified as joint ventures or associates that are equity-accounted.

Company balance sheet

Fugro N.V.

As at 31 December, before result appropriation

(EUR x 1,000)	Notes	2024	2023
ASSETS			
Financial fixed assets	39	1,480,343	1,206,924
Deferred tax assets	40	71,443	62,193
Total non-current assets		**1,551,786**	**1,269,117**
Trade and other receivables	41	44,967	81,574
Cash and cash equivalents		15,823	3,988
Total current assets		**60,790**	**85,562**
Total assets		**1,612,576**	**1,354,679**

(EUR x 1,000)	Notes	2024	2023
EQUITY			
Share capital		5,786	5,676
Share premium		920,058	878,068
Translation reserve		(70,361)	(96,879)
Other reserves		(103,469)	(93,268)
Retained earnings		470,146	342,118
Unappropriated result		273,987	254,843
Total equity	42	**1,496,147**	**1,290,558**
Provisions			
Provisions	43	3,018	2,625
Deferred tax liabilities		-	1,935
Total non-current liabilities		**3,018**	**4,560**
Loans and borrowings	44	-	41,640
Trade and other payables	45	109,394	16,343
Current tax liabilities	46	3,381	121
Other taxes and social security charges		636	1,457
Total current liabilities		**113,411**	**59,561**
Total liabilities		**116,429**	**64,121**
Total equity and liabilities		**1,612,576**	**1,354,679**

Company income statement

Fugro N.V.

For the year ended 31 December

(EUR x 1,000)	Notes	2024	2023
Revenue	47	92,131	62,695
Other income		-	2,843
Personnel expenses	48	(49,071)	(41,946)
Other expenses	49	(16,546)	(37,383)
Results from operating activities (EBIT)		**26,514**	**(13,791)**
Finance income		1,472	4,003
Finance expenses		(2,364)	(3,743)
Net finance income/(expenses)	50	**(892)**	**260**
Profit/(loss) before income tax		**25,622**	**(13,531)**
Income tax gain/(expense)	51	24,886	53,505
Share in results from participating interests, after taxation		223,479	214,869
Profit/(loss) for the period		**273,987**	**254,843**

Notes to the company financial statements

38. Basis of preparation

For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, Fugro makes use of the option provided in Clause 8 Section 2:362 of the Netherlands Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the company financial statements of Fugro N.V. are the same as those applied for the consolidated IFRS-EU financial statements. Investments in subsidiaries are accounted for at net asset value which comprises the cost, excluding goodwill, of Fugro's share in the net assets of the subsidiaries. Participating interests, over which significant influence is exercised, are stated on the basis of the equity method. Reference is made to the material accounting policies in the notes to the consolidated financial statements.

The share in the result of participating interests consists of the share of Fugro in the result of these participating interests. Results on transactions, where the transfer of assets and liabilities between Fugro and its participating interests, and mutually between participating interests themselves, are not incorporated as far as they can be deemed to be unrealised. Fugro N.V. is neither lessee nor lessor.

39. Financial fixed assets

Subsidiaries

(EUR x 1,000)	**2024**	**2023**
Balance at 1 January	1,206,924	1,005,340
Share in result of participating interests	223,479	214,869
Capital increase/(decrease)	26,000	8,993
Dividends received	(5,900)	(3,533)
Currency exchange differences	26,456	(14,821)
Actuarial gains/(losses)	(2,082)	(9,730)
Other	5,466	5,806
Balance at 31 December	**1,480,343**	**1,206,924**

40. Deferred tax assets

The increase in deferred tax assets is the effect of the recognition of an additional amount of liquidation loss from the anticipated formal liquidation of the Seabed group. Reference is made to note 16 for more information in this respect. Deferred tax assets of approximately EUR 9 million are expected to be utilised within one year.

41. Trade and other receivables

(EUR x 1,000)	**2024**	**2023**
Receivables from Group companies	12,402	62,555
Current tax assets	28,737	18,745
Other receivables	3,828	274
Balance at 31 December	**44,967**	**81,574**

The receivables from Group companies as at 31 December 2023 included a cash-pool balance of Fugro N.V. amounting to EUR 51.1 million. The cash-pool balance as at 31 December 2024 is EUR 81.8 million negative and is included in other payables to Group companies. Due to the nature of the cash pool balance it often fluctuates from being positive to negative.

42. Equity

Reference is made to the equity movement schedule included in the consolidated financial statements and the corresponding disclosure note. The translation reserve qualifies as legal reserves (Dutch: 'wettelijke reserve') in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

43. Provisions

Reference is made to the provisions note in the consolidated financial statements.

44. Loans and borrowings

(EUR x 1,000)	2024	2023
Subordinated unsecured convertible bonds EUR 100,000	-	41,640
Balance at 31 December	**-**	**41,640**

Reference is made to the financial liabilities note 28 in the consolidated financial statements. The coupon rate on loans and borrowings amounts to 4.5% per annum (2023: 4.5%).

45. Trade and other payables

(EUR x 1,000)	2024	2023
Trade payables	1,038	1,120
Payables to Group companies	85,482	6,152
Other payables	22,874	9,071
Balance at 31 December	**109,394**	**16,343**

The payables from Group companies as at 31 December 2024 include a cash-pool balance of Fugro N.V. amounting to EUR 81.8 million.

46. Current tax liability

The current tax liability relates to withholding tax in connection with the share buyback. Reference is made to the equity note 25 in the consolidated financial statements.

47. Revenue

Revenue relates to the services provided by Fugro N.V. to subsidiaries in respect of their management activities and responsibilities.

48. Personnel expenses

(EUR x 1,000)	2024	2023
Wages and salaries	43,018	35,327
Social security contributions	621	509
Equity-settled share-based payments	4,772	5,465
Contributions to defined contribution plans	653	622
(Gain)/loss related to defined benefit plans	7	23
Total	**49,071**	**41,946**

The Dutch Civil Code disclosures with respect to remuneration of the Board of Management and Supervisory Board are included in the Remuneration report.
The average number of employees within Fugro N.V. during the year was 22 (2023: 21), all based in the Netherlands consistent with prior year.

49. Other expenses

(EUR x 1,000)	2024	2023
Indirect operating expenses	965	1,325
Communication and office equipment	641	150
Marketing and advertising costs	256	231
Restructuring	300	-
Professional services	14,384	35,677
Total	**16,546**	**37,383**

Audit fees

With reference to Section 2:382a of the Netherlands Civil Code, the following fees for the financial year have been charged by EY to the company and its subsidiaries:

(EUR x 1,000)	2024			2023		
	EY Accountants BV	Other EY network	Total EY	Ernst & Young Accountants LLP	Other EY network	Total EY
Statutory audit of financial statements	1,716	2,053	3,769	1,705	1,917	3,622
Other audit services	-	-	-	-	-	-
Other assurance related services	460	-	460	73	-	73
Tax advisory services	-	-	-	-	-	-
Total	**2,176**	**2,053**	**4,229**	**1,778**	**1,917**	**3,695**

Ernst & Young Accountants LLP changed to EY Accountants BV as of July 2024. Audit and (non-)audit related fees for the respective years are charged to the income statement on an accrual basis. The fees paid for the above-mentioned services, which are included in profit or loss of the consolidated financial statements are presented in other expenses, and evaluated on a regular basis. Other assurance related services in 2024 related mainly to the review of the sustainability statement.

50. Net finance (income)/expenses

(EUR x 1,000)	2024	2023
Interest income on loans and receivables from Group companies	(1,472)	(3,913)
Net foreign exchange gain	-	(90)
Finance income	**(1,472)**	**(4,003)**
Interest expense on financial liabilities measured at amortised cost	2,089	3,704
Net foreign exchange loss	275	39
Finance expense	**2,364**	**3,743**
Net finance (income)/expenses recognised in profit or loss	**892**	**(260)**

51. Income tax

Fugro N.V. is head of the fiscal unity that exists for Dutch corporate income taxes.
The effective tax rate in 2024 deviates from the Dutch statutory rate of 25.8%, mainly due to recognition of a deferred tax asset on liquidation losses, current and prior year benefits regarding extended tonnage tax arrangement and a Top-up tax adjustment related to Pillar Two. The effective tax rate in 2023, was mainly benefiting from the recognition of a deferred tax asset on liquidation losses, various permanent differences, and prior year tax adjustment benefits.

52. Contingencies

Fiscal unity

Fugro N.V. and the Dutch operating companies form a fiscal unity for corporate tax. Each of the operating companies is severally liable for corporate tax to be paid by the fiscal unity.

Bank guarantees

As per 31 December 2024, Fugro's bank has issued bank guarantees to clients for an amount of EUR 113.1 million (2023: EUR 93.0 million).

Other guarantees

Fugro has filed declarations of joint and several liabilities for a number of subsidiaries at the Chamber of Commerce. Fugro has filed a list with the Chamber of Commerce, which includes all financial interests of the Group in subsidiaries as well as a reference to each subsidiary for which such a declaration of liability has been deposited.

Other contingencies

Reference is made to the note Commitments not included in the statement of financial position of the consolidated financial statements.

53. Related parties

Reference is made to the related parties note of the consolidated financial statements, which includes the remuneration of the Board of Management and Supervisory Board.

The members of the Supervisory Board have signed the financial statements pursuant to their statutory obligations under Section 2:101 sub 2 Netherlands Civil Code.

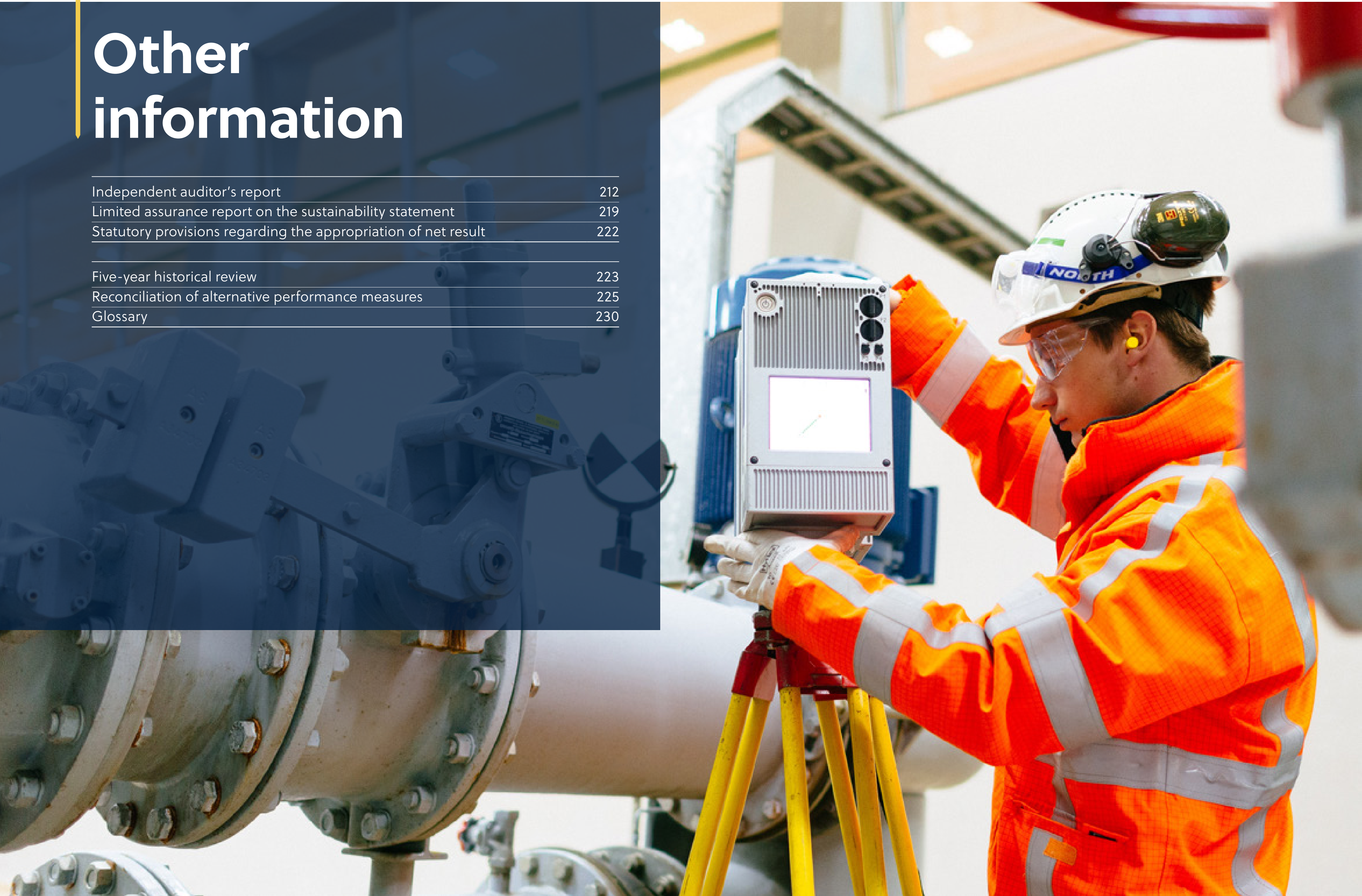
The members of the Board of Management have signed the financial statements pursuant to their statutory obligations under Section 2:101 sub 2 Netherlands Civil Code and Section 5:25c sub 2 (c) Financial Markets Supervision Act.

Leidschendam, 6 March 2025

Board of Management
M.R.F. Heine, Chairman Board of Management, Chief Executive Officer
B.P.E. Geelen, Chief Financial Officer

Supervisory Board
Sj.S. Vollebregt, Chairman
R. Mobed, Vice Chairman
A.J. Campo
E. Kairisto
A.H. Montijn
M.J.C. de Jong

Other information



Other information

The independent auditor's report and statutory provisions regarding the appropriation of net result form the 'other information' within the meaning of section 2:392 of the Dutch Civil Code.

Independent auditor's report

To: the shareholders and supervisory board of Fugro N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the accompanying financial statements 2024 of Fugro N.V. based in Leidschendam, the Netherlands (hereinafter: 'Fugro' or 'the company'. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:
- The consolidated financial statements give a true and fair view of the financial position of Fugro as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS Accounting Standards) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Fugro as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:
- The consolidated statement of financial position as at 31 December 2024
- The following statements for 2024: the consolidated statements of comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:
- The company balance sheet as at 31 December 2024
- The company income statement for 2024
- The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the *Our responsibilities for the audit of the financial statements* section of our report.

We are independent of Fugro in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Fugro is a geo-data specialist that provides globally earth and engineering data, information and advice required for the design, construction and maintenance of large land and marine infrastructure, industrial installations and buildings. Fugro's purpose is to create a safe and liveable world by helping its clients design, build and operate their assets in a safe, sustainable and efficient manner. Fugro has local presence in 52 countries and deploys a fleet of specialised assets and digital solutions to support its operations. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€ 15.0 million (2023: € 13.0 million)
Benchmark applied	Approximately 0.7% of revenue for 2024 (2023: approximately 0.6% of revenue)
Explanation	We have applied this benchmark based on our professional judgment and have taken into account the users of the financial statements. We believe revenue is a key indicator of the performance of the company and earnings based measures are not considered to be appropriate benchmarks, given their volatility over the past years.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of € 750 thousand which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Fugro is at the head of a group of entities. The financial information of this group is included in the financial statements.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group.
We communicated the audit work to be performed and identified risks through instructions for component auditors as well as requesting component auditors to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

We have:
- performed audit procedures ourselves in respect of areas such as valuation of goodwill and cash;
- selected 26 components to perform audits for group reporting purposes because we identified a significant risk of material misstatement for one or more account balances and/or disclosures; and
- performed specified audit procedures for 32 components ourselves.

This resulted in a coverage of 84% of revenue and 85% of total assets. For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

We performed site visits to meet with local management and component teams, observe the component operations, discuss the group risk assessment and the risks of material misstatements for Fugro Brazil, Hong Kong, Singapore and the USA. We reviewed and evaluated the adequacy of the deliverables from component auditors and reviewed key working papers for selected components to address the risks of material misstatement. We held planning meetings, key meetings required based on circumstances and we attended closing meetings with local management and component teams for the components most significant based on the identified risks of material misstatements or financial size. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed and any further work deemed necessary by the primary or component team was then performed.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed geo-data specialist. We included specialists in the areas of IT audit, forensics, sustainability, treasury, share based payments and income tax and have made use of our own experts in the areas of valuation of goodwill and actuaries.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets for companies with a larger CO_2 footprint.
The board of management summarised Fugro's commitments and obligations, and reported in the section Risk Management of the management report how the company is addressing climate-related and environmental risks. Furthermore, we refer to sections Stakeholder Engagement and Environment of the management report where the board of management discloses its assessment and implementation plans in connection to climate-related risks and the effects of energy transition. In this respect, we note that Fugro announced a target of net zero carbon emissions scope 1 and scope 2 by 2035.
This ambition requires a shift towards low carbon solutions, requiring capital expenditures for the decarbonisation of vessels and other equipment in the coming years.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the company's commitments and (constructive) obligations, are taken into account in estimates and significant assumptions as well as in the design of relevant internal control measures. Furthermore, we read the management report and considered whether there is any material inconsistency between the non-financial information in sections 'Climate change mitigation & adaptation solutions' and 'Transition plan – Fugro's roadmap towards 2035 net-zero on scope 1 & 2' and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2024.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the board of management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to section Risk Management of the chapter Leadership & Governance of the annual report for the board of management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the Fugro Code of Conduct, Policy on Anti-Corruption, Speak Up (whistle blower) procedures and incident registration.
We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We considered whether the company's business across many jurisdictions including countries with a higher perceived risk of corruption, and its dealings with agents would give rise to risks of bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions.

The following fraud risks identified required significant attention during our audit.

Presumed risks of fraud in revenue recognition

Fraud risk	We presumed that there are risks of fraud in revenue recognition. We evaluated that Fugro's revenue agreements that require management to estimate the cost to complete, which in turn impacts the revenue recognised, in particular give rise to such risks due to possible management bias.
Our audit approach	We describe the audit procedures responsive to the risk of fraud in revenue recognition in the description of our audit approach for the key audit matter 'Revenue recognition, project accounting and valuation with respect to unbilled revenue on contracts with customers'.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources, regional directors and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board of management, reading minutes, inspection of internal audit and compliance reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters, correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in the 'Basis of preparation' in the notes to the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board of management exercising professional judgment and maintaining professional skepticism. We considered whether the board of management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

Last year's key audit matters 'Estimates with respect to the valuation of goodwill and vessels' and 'Estimates in respect of accounting for income taxes including recognition of deferred tax assets', are not considered key audit matters for this year, following our reassessment of risks of material misstatements in the financial statements.

Revenue recognition, project accounting and valuation with respect to unbilled revenue on contracts with customers	
Risk	The revenue recognition process, including determining the appropriate valuation of unbilled revenue on contracts, involves management estimates as disclosed in Notes 7 and 23 to the consolidated financial statements. The valuation of unbilled revenue on contracts is affected by subjective elements including estimated costs to complete and projected revenues, whether impacted by additional / reduced services, project progress or (potential) disputes. We presumed that there are risks of fraud in revenue recognition and determined this to be a key audit matter.
Our audit approach	We verified that the accounting policy for revenue recognition applied by Fugro is in accordance with IFRS 15 'Revenue from Contracts with Customers' and that the methods for making estimates are appropriate and have been applied consistently or whether changes, if any, are appropriate in the circumstances. We obtained an understanding of Fugro's internal controls, including control activities with respect to project management, project accounting and the project results estimation process and evaluated the design of the controls over how the board of management made the estimates. We performed substantive audit procedures relating to contractual terms and conditions, revenues and costs incurred, including local representatives' fees, claims and variation orders, and disputes or potential disputes. For selected projects, we performed testing procedures, such as substantiating transactions with underlying documentation, including contracts and third-party correspondence, to obtain evidence for the accuracy and recoverability of unbilled revenue on (completed) contracts. We made inquiries with project controllers, inspected contracts and underlying documentation, tested project progress, forecasts and appropriateness of the (planned) result and verified whether the project status has been appropriately reflected in the consolidated financial statements. We evaluated the adequacy of the disclosures to the consolidated financial statements.
Key observations	We concluded that Fugro appropriately recognised (unbilled) revenue on (completed) contracts as at 31 December 2024 and for the year then ended.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The board of management and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the supervisory board as auditor of Fugro on 7 December 2015, as of the audit for the year 2016 and have operated as statutory auditor ever since that date.e.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Fugro has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Fugro, complies in all material respects with the RTS on ESEF.

The board of management is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the board of management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the board of management and the supervisory board for the financial statements

The board of management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of management is responsible for such internal control as the board of management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of management should prepare the financial statements using the going concern basis of accounting unless the board of management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

The Hague, 6 March 2025

EY Accountants B.V.

Signed by R.H. de Boer

Limited assurance report of the independent auditor on the sustainability statement

To: the shareholders and supervisory board of Fugro N.V.

Our conclusion

We have performed a limited assurance engagement on the consolidated sustainability statement for 2024 of Fugro N.V. based in Leidschendam (hereinafter: the Fugro or the company) in section sustainability statement of the accompanying Annual Report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by Fugro to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, "Assurance-opdrachten inzake duurzaamheidsverslaggeving" (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information".

Our assurance engagement was aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report.

We are independent of Fugro in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement and we are not involved in the preparation of the sustainability statement, as doing so may compromise our independence. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of public interest entities in the European Union.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

The sustainability statement has been prepared in a context of new sustainability reporting standards, requiring entity-specific interpretations and addressing inherent measurement or evaluation uncertainties. In this context, we want to emphasise the following matters:

Emphasis on the most significant uncertainties affecting the quantitative metrics

We draw attention to section "Significant uncertainties affecting quantitative metrics" of the "ESG Accounting Disclosures" in the sustainability statement that identifies the quantitative metrics that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements Fugro has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Emphasis on the double materiality assessment process
We draw attention to section "Materiality assessment process" in the sustainability statement. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process requires Fugro to make key judgments and use thresholds and may also be impacted in time by sector-specific standards to be adopted.
Therefore, the sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

Comparative information not assured
Sustainability information up to 2023 included in the sustainability statement, has not been part of this limited assurance engagement with the exception of the following metrics:
- Greenhouse gas emissions (scope 1,2 and 3)
- Vessel emission intensity owned and chartered vessels
- Revenue in renewable energy market
- Share of electricity consumption from renewable sources

Consequently, we do not provide any assurance on the comparative information other than the above listed metrics and thereto related disclosures in the sustainability statement up to 2023.

Our conclusion is not modified in respect of this matter.

Limitation to the scope of our assurance engagement
In reporting forward-looking information in accordance with the ESRS, the Board of Management describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that the forward-looking information reflects the actual plans or decisions made by the company (actions).

Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. We do not provide assurance on the achievability of forward-looking information.
Our conclusion is not modified in respect of this matter.

Responsibilities of the Board of Management and the Supervisory Board for the sustainability statement
The Board of Management is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by Fugro as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the Board of Management is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
The Board of Management is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the Board of Management is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by Fugro.

Our responsibilities for the limited assurance engagement on the sustainability statement
Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of Fugro, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls
- Assessing the double materiality assessment process carried out by Fugro and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). Designing and performing further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the Board of Management appears consistent with the process carried out by Fugro
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends
- Assessing whether Fugro's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Board of Management's estimates
- Analysing, on a limited sample basis, relevant internal and external documentation available to Fugro (including publicly available information or information from actors throughout its value chain) for selected disclosures
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of Fugro and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented
- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the sustainability statement as a whole, is free from material misstatements and prepared in accordance with the ESRS.

Communication

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

The Hague, 6 March 2025

EY Accountants B.V.

Signed by R.H. de Boer

Statutory provisions regarding the appropriation of net result

The provisions regarding the appropriation of profit are contained in article 36 of the Articles of Association of Fugro and, as far as relevant, read as follows:

36.2 a. The profit shall, if sufficient, be applied first in payment to the holders of protective preference shares of a percentage as specified below of the compulsory amount paid on these shares as at the commencement of the financial year for which the distribution is made.

b. The percentage referred to above in subparagraph a. shall be equal to the average of the Euribor interest charged for loans with a term of one year – weighted by the number of days for which this interest was applicable – during the financial year for which the distribution is made, increased by at most four percentage points; this increase shall each time be fixed by the Board of Management for a period of five years, after approval by the Supervisory Board.

36.3 a. Next, if possible, a dividend shall be paid on the financing preference shares of each series and on the convertible financing preference shares of each series, equal to a percentage calculated on the amount effectively paid on the financing preference shares of the respective series and the convertible financing preference shares of the respective series, including a share premium, if any, upon the first issue of the series in question, and which percentage shall be related to the average effective return on 'state loans general with a term of 7 – 8 years', calculated and determined in the manner as described hereinafter.

b. The percentage of the dividend for the financing preference shares of each or for the convertible financing preference shares of each series, as the case may be, shall be calculated by taking the arithmetic mean of the average effective return on the aforesaid loans, as published by Bloomberg, or if Bloomberg does not publish this information, by Reuters, for the last five stock market trading days preceding the day of the first issue of financing preference shares of the respective series or the convertible financing preference shares of the respective series, as the case may be, or preceding the day on which the dividend percentage is adjusted, increased or decreased, if applicable, by a mark-up or mark-down set by the Board of Management upon issue and approved by the Supervisory Board of at most two percentage points, depending on the market conditions then obtaining, which mark-up or mark-down may differ for each series, or, if Reuters does not publish this information or if such state loan and information source that is or are most comparable thereto as to be determined by the board of Management and approved by the Supervisory Board.

36.4 If in any financial year the profit is insufficient to make the distributions referred to above in paragraph 3 of this article, then in subsequent financial years the provisions of paragraph 3 shall not apply until the deficit has been made good and until the provisions of paragraph 3 have been applied or until the Board of Management, with the approval of the Supervisory Board, resolves to charge an amount equal to the deficit to the freely distributable reserves, with the exception of the reserves which have been set aside as share premium upon the issue of financing preference shares or convertible financing preference shares.

36.5 If the first issue of financing preference shares or convertible financing preference shares of a series takes place during the course of a financial year, the dividend for that financial year on the respective series of financing preference shares or convertible financing preference shares shall be decreased proportionately up to the first day of such issue.

36.6 After application of paragraphs 2 to 5 no further distribution of shall be made on the protective preference shares, the financing preference shares or the convertible financing preference shares.

36.7 Of any profit remaining after application of the paragraphs 2 to 5 such amount shall be allocated to the reserves by the Board of Management with the approval of the Supervisory Board as the Board of Management shall deem necessary. Insofar as the profit is not allocated to the reserves pursuant to the provisions of the preceding sentence, it shall be at the disposal of the annual general meeting either for allocation in whole or in part to the reserves or for distribution in whole or in part to the holders of ordinary shares pro rata to the aggregate amount of their ordinary shares.

Five-year historical review

	2024	2023	2022	2021	2020
Selected financial data (x EUR 1,000)[1]					
Revenue	2,275,434	2,187,361	1,766,009	1,461,725	1,386,303
Net revenue own services	1,532,716	1,368,981	1,038,641	876,467	865,696
Results from operating activities (EBIT)*	307,930	252,314	92,968	60,261	19,772
Net finance income/(expense)	(10,754)	(54,366)	(20,005)	(18,264)	(73,981)
Net result from continuing operations	262,792	252,000	74,127	59,636	(74,034)
Net result (including discontinued operations)	273,987	254,843	74,127	71,123	(173,824)
Cash flow operating activities after investing activities*	163,161	219,398	24,865	26,155	105,397
Cash flow operating activities after investing incl. discontinued operations*	160,873	213,201	23,850	39,482	88,398
Property, plant and equipment	868,241	709,265	559,996	535,160	523,043
Capital expenditures	264,729	260,259	123,099	79,683	81,211
Capital expenditures (including discontinued operations)	264,729	260,259	123,099	79,683	86,985
Cash and cash equivalents	319,465	326,294	209,090	148,956	183,462
Total assets	2,629,709	2,400,735	2,050,729	1,838,337	1,701,044
Loans and borrowings[2]	208,136	250,139	245,468	292,419	344,242
Equity attributable to owners of the company	1,496,147	1,290,558	1,048,331	851,203	702,070
Net debt – excluding lease liabilities under IFRS 16*	(111,012)	(75,659)	38,437	145,287	163,116
Capital employed*	1,402,492	1,227,529	1,098,037	1,006,851	874,766
Key ratios (in %)					
Results from operating activities (EBIT)/revenue	13.5	11.5	5.3	4.1	1.4
Net result from continuing operations/revenue	11.5	11.7	4.2	4.1	(5.3)
Return on capital employed*	18.1	17.8	8.5	8.8	4.6
Total equity/total assets	57.6	54.3	51.7	46.9	41.8

* Non-IFRS performance measure. Reference is made to the reconciliation of alternative performance measures and glossary.

1 Continuing operations only, unless otherwise stated.

2 Total of current and non-current balances.

	2024	2023	2022	2021	2020
People, diversity, talent management[1]					
Number of full-time equivalent (FTE) employees (at year-end)	10,666	10,434[2]	9,401	8,976	9,025
Number of employees (headcount)	11,219	10,989[2]	9,851	9,317	9,471
Gender diversity					
▪ Female	23%	22%	22%	22%	21%
▪ Male	77%	78%	78%	78%	79%
▪ Not reported	0%	0%	0%	0%	NA
Gender diversity senior management					
▪ Female	24%	22%	19%	15%	NA
▪ Male	75%	78%	81%	85%	NA
▪ Not reported	1%	0%	0%	0%	NA
Lost time injury frequency (x million hours)	0.20	0.57	0.73	0.70	0.67
Total recordable case frequency (x million hours)	1.12	1.48	1.50	1.71	1.62
Fugro Academy:					
Number of completed courses	119,912	103,343	95,036	80,873	101,193
Innovation[1]					
Granted patents	129	50	35	29	35
Environmental performance					
Vessel CO_2 emission intensity (tonnes per operational day)					
▪ Owned vessels	14.5	13.6	13.3	14.8	15.2[3]
▪ Chartered vessels	13.9	12.8	14.5	15.0	16.9
▪ Owned and chartered vessels	14.2	13.3	13.8	14.9	15.8
Greenhouse gas emissions scope 1 & 2 ($ktCO_2e$)					
▪ Owned vessels	109	108	102	116	113
▪ Chartered vessels	81	80	82	71	70
▪ Other assets	21	23	26	29	25
▪ Scope 2 market based	9	8	8[3]	8	12
▪ Total scope 1 & 2	220	219	218	224	220

1 Continuing operations only, unless stated otherwise.

2 2023 numbers have been restated, see note 11 Employees.

3 Vessel emission intensity of owned vessels in 2020 was restated from 15.3 to 15.2 due to a correction in the number of operational days made during the set-up of Fugro's Financing Framework.

NA = not available

Reconciliation of alternative performance measures

Certain parts of this annual report contain non-IFRS financial measures and ratios and non-financial operating data, which are not recognised measures of financial performance or liquidity under IFRS. These are commonly referred to as non-IFRS financial measures. The Group uses items such as, capital employed, working capital, revenue – comparable growth, days of revenue outstanding, net debt, EBIT, Adjusted EBIT, Adjusted EBIT margin, EBITDA, Adjusted EBITDA and free cash flow as internal measures of performance to benchmark and compare against budget, the prior year and its latest internal forecasts.

The Group presents non-IFRS financial measures and non-financial operating data in this report because it believes that these measures will assist stakeholders to understand its financial position and results of operations. The Group believes these non-IFRS measures and non-financial operating data are useful and commonly used supplemental measures of financial performance, liquidity or financial position in addition to gross profit, operating profit and other measures under IFRS.

These measures have not been audited or reviewed by the company's external auditor. Furthermore, these measures may not be indicative of the company's historical operating results, nor are such measures meant to be predictive of the company's future results. The presentation of the non-IFRS measures and non-financial operating data in this report should not be construed as an implication that the Group's future results will be unaffected by exceptional or non-recurring items. Not all companies calculate non-IFRS financial measures and non-financial operating data in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on the non-IFRS financial measures and non-financial operating data contained in this Annual Report and they should not be considered in isolation or as a substitute for financial measures computed in accordance with IFRS-EU.

Revenue – comparable growth

The Group presents revenue – comparable growth as a supplemental non-IFRS financial measure. The Group believes that, given the large number of countries where it is operating, the presentation of revenue – comparable growth is a relevant measure for investors to evaluate the performance of the Group's business activities over time, as it removes the distorting impact of foreign exchange movements. The Group defines revenue- comparable growth as revenue growth compared to the comparable period from the prior year, calculated by translating the revenue for the more recent period at the exchange rates of the prior year's comparable period.

	2024			2023		
	Comparable growth %	Currency effects %	Nominal growth %	Comparable growth %	Currency effects %	Nominal growth %
Europe-Africa	12.1	1.1	13.2	23.4	(2.4)	21.0
Americas	(10.9)	(0.4)	(11.3)	28.3	(3.3)	25.0
Asia Pacific	16.7	0.2	16.9	37.3	(6.9)	30.4
Middle East & India	(16.5)	0.5	(16.0)	26.6	(4.0)	22.6
Total	**3.6**	**0.4**	**4.0**	**27.5**	**(3.6)**	**23.9**

	2024			2023		
	Comparable growth %	Currency effects %	Nominal growth %	Comparable growth %	Currency effects %	Nominal growth %
Marine	5.5	0.6	6.1	37.9	(4.0)	33.9
Land	(2.2)	(0.1)	(2.3)	3.2	(2.6)	0.6
Total	**3.6**	**0.4**	**4.0**	**27.5**	**(3.6)**	**23.9**

EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA

The Group presents EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA, as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the performance of its business activities over time. The Group understands that these measures are used by analysts, rating agencies and investors in assessing the Group's performance. In the case of EBITDA, the Group believes that it makes the underlying performance of its geographical regions and businesses more visible by factoring out depreciation, amortisation and impairment losses. The Group believes this increases visibility as to performance on a neutral basis, by correcting for the impact of different tax regimes and capital structures. In the case of Adjusted EBIT and Adjusted EBITDA, the Group believes that these measures make the underlying performance of its geographical regions and businesses more apparent by factoring out onerous contract charges, restructuring costs, certain advisor and other costs or gains and, in the case of Adjusted EBIT, impairment losses. The Group believes adjusting for these items which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group.

(EUR x 1,000)	E-A		AM		APAC		MEI		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Results from operating activities before net financial expenses and taxation (EBIT)	**214,725**	**148,587**	**46,959**	**56,351**	**47,268**	**31,928**	**(1,022)**	**15,448**	**307,930**	**252,314**
Onerous contract charges[1]	-	-	-	1,196	-	-	-	-	-	1,196
Restructuring costs[2]	(2,596)	(738)	(1,429)	(168)	(247)	(54)	(282)	(56)	(4,554)	(1,016)
Certain adviser and other (costs)/gains[3]	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	4,461	(2,111)	(1,843)	-	(65)	-	(32)	(2,111)	2,521
Divestments	-	(2,512)	-	-	-	-	-	-	-	(2,512)
Adjusted EBIT	**217,321**	**147,376**	**50,499**	**57,166**	**47,515**	**32,047**	**(740)**	**15,536**	**314,595**	**252,125**
Depreciation	(84,741)	(72,811)	(39,040)	(32,663)	(32,359)	(28,894)	(11,919)	(10,344)	(168,059)	(144,712)
Amortisation	(512)	(307)	(118)	(21)	(292)	(136)	(48)	-	(970)	(464)
Adjusted EBITDA	**302,574**	**220,494**	**89,657**	**89,850**	**80,166**	**61,077**	**11,227**	**25,880**	**483,624**	**397,301**

1 A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.

2 A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.

3 Certain adviser and other costs (to the extent not capitalised as transaction costs on loans and borrowings) or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

(EUR x 1,000)	Marine		Land		Total	
	2024	2023	2024	2023	2024	2023
Results from operating activities before net financial expenses and taxation (EBIT)	**274,881**	**228,116**	**33,049**	**24,198**	**307,930**	**252,314**
Onerous contract charges[1]	-	1,196	-	-	-	1,196
Restructuring costs[2]	(1,200)	(141)	(3,354)	(875)	(4,554)	(1,016)
Certain adviser and other (costs)/gains[3]	-	-	-	-	-	-
Impairment losses	(2,111)	3,383	-	(862)	(2,111)	2,521
Divestments	-	-	-	(2,512)	-	(2,512)
Adjusted EBIT	**278,192**	**223,678**	**36,403**	**28,447**	**314,595**	**252,125**
Depreciation	(134,447)	(122,128)	(33,612)	(22,584)	(168,059)	(144,712)
Amortisation	(776)	(411)	(194)	(53)	(970)	(464)
Adjusted EBITDA	**413,415**	**346,217**	**70,209**	**51,084**	**483,624**	**397,301**

1 A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.

2 A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.

3 Certain adviser and other costs (to the extent not capitalised as transaction costs on loans and borrowings) or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

Working capital and DRO

The Group presents working capital and working capital as a % of last 12 months revenue as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the Group's ability to maintain a balance between growth, profitability and liquidity. Both measures serve as a metric for how efficiently the Group is operating and how financially stable it is in the short term. It is an important measure of the Group's ability to pay off short-term expenses and/or debts. The Group further discloses days of revenue outstanding, as it believes it is a meaningful measure of the effectiveness of the Group's credit and collection efforts in allowing credit to customers, as well as its ability to collect from them. The Group defines working capital as the sum of inventories, trade and other receivables and trade and other payables. And the Group defines days of revenue outstanding as trade receivables plus unbilled revenue on projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated using the exhaust method that is considering revenue recognised from the date of reporting backward until the receivable quantity is exhausted.

(EUR x 1,000)	2024	2023
Working Capital	**172,499**	**194,141**
Eliminate liabilities comprised in working capital		
▪ Trade and other payables	533,215	485,829
Include assets not comprised in working capital		
▪ Non-current assets	1,591,461	1,386,423
▪ Current tax assets	9,417	8,048
▪ Cash and cash equivalents	319,465	326,294
▪ Assets classified as held for sale	3,652	-
Total Assets	**2,629,709**	**2,400,735**

(EUR x 1,000)	2024	2023
Revenue	2,275,434	2,187,361
Working capital as % of last 12 month revenue	7.6%	8.9%
Days of revenue outstanding	74	75

Net debt and capital employed

The Group presents net debt and capital employed as these measures are used by the Group's management to evaluate the Group's financial strength and funding requirements. The Group also understands that these measures are used by banks, analysts, rating agencies and investors in assessing the Group's performance, in particular on capital efficiency, by determining the return on capital employed (ROCE). The Group defines capital employed as total equity plus loans and borrowings, excluding lease liabilities and bank overdrafts, minus cash and cash equivalents. Capital employed includes held for sale balances and is calculated at the end of the (full or half year) reporting period. The Group defines net debt as the sum of loans and borrowings and bank overdraft minus cash and cash equivalents. The definition of capital employed includes balances that are classified as held for sale.

(EUR x 1,000)	**2024**	**2023**
Non-current loans and borrowings	200,298	201,267
Current loans and borrowings	7,838	48,872
Bank overdraft	317	496
Lease liabilities	207,171	186,174
Cash and cash equivalents	(319,465)	(326,294)
Net debt	**96,159**	**110,515**
Net debt (excluding lease liabilities)	(111,012)	(75,659)
Equity	1,513,504	1,303,188
Capital employed	1,402,492	1,227,529

Return on capital employed and NOPAT

ROCE is used by the Group as a measure of the Group's profitability and capital efficiency. The group defines return on capital employed as NOPAT of the last 12 months as a percentage of a three points average adjusted capital employed. The three points consist of the last three reporting periods.

ROCE, as used by the Group is based on adjusted capital employed. Capital employed is adjusted for non-cash impairment losses (post tax). Adjusted capital employed is calculated at the end of a reporting period (full or half year). The Group believes adjusting for non-cash impairment losses which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group.

The Group uses NOPAT solely for the purposes of calculating the ROCE, for which the Group believes is the best measure for profitability when measuring capital efficiency. The Group defines NOPAT as the sum of adjusted EBIT, the theoretical tax expense over adjusted EBIT applying the domestic weighted average tax rate, and the share of profit/(loss) of equity accounted investees (net of income tax). NOPAT includes discontinued operations.

(EUR x 1,000)	2024				2023			
	December 2023	June 2024	December 2024	Average	December 2022	June 2023	December 2023	Average
Capital employed	1,227,529	1,492,356	1,402,492	1,374,126	1,098,037	1,177,900	1,227,529	1,167,822
Adjustment for impairment losses	(2,521)	2,600	(437)	(120)	2,583	(3,900)	(2,521)	(1,279)
▪ of which continuing operations	(2,521)	2,600	(437)	(120)	2,583	(3,900)	(2,521)	(1,279)
▪ of which discontinued operations	-	-	-	-	-	-	-	-
Potential tax impact	-	-	-	-	(318)	-	-	(106)
Adjusted capital employed	**1,225,008**	**1,494,956**	**1,402,055**	**1,374,006**	**1,100,302**	**1,174,000**	**1,225,008**	**1,166,437**

(EUR x 1,000)	2024	2023
Adjusted EBIT	314,595	252,125
▪ of which continuing operations	314,595	252,125
▪ of which discontinued operations	-	-
Share of profit/(loss) of equity-accounted investees (net of income tax)	14,000	20,624
▪ of which continuing operations	14,000	20,624
▪ of which discontinued operations	-	-
Potential tax impact	(80,299)	(65,110)
NOPAT	**248,296**	**207,639**

(EUR x 1,000)	2024	2023
Average Adjusted capital employed	1,374,006	1,166,437
NOPAT	248,296	207,639
ROCE (%)	**18.1%**	**17.8%**

Taxonomy-Capex

Capital expenditures considered for the Group's disclosures on the EU Taxonomy, referred to as Taxonomy-Capex, comprise additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets. Taxonomy-Capex is the denominator in the calculation of the percentage of additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets that qualify as Taxonomy-eligible.

(EUR x 1,000)	Note	2024	2023
Additions to property, plant and equipment	17	264,729	260,259
Additions to intangible assets (excluding goodwill)	19	130	96
Additions to right-of-use assets	18	32,166	79,360
Taxonomy-Capex		**297,025**	**339,715**

Glossary

Business/technical terms

AUV (autonomous underwater vehicle) Unmanned submersible launched from a 'mother-vessel' but not connected to it via a cable. Propulsion and control are autonomous and use pre-defined mission protocols.

Bathymetry Study of underwater depth of lake or ocean floors. Underwater equivalent of topography.

CPT/ cone penetration test(ing) Pushing a steel cone-tipped probe into the soil, measuring resistance, in order to identify soil composition.

Digital twin A virtual representation that serves as the real-time digital counterpart of a physical object or process.

E&E assets intangible assets related to exploration and evaluation (E&E) activities in Australian areas of interest to discover petroleum resources in cooperation with Finder Exploration Pty Ltd (Finder) and Finder related parties.

Geohazard geological state that may lead to widespread damage or risk e.g., landslides, earthquakes, tsunamis.

Geo-data information related to the Earth's surface, subsurface and the structures built on it.

Geo-intelligence Acquisition and analysis of data on topography and the subsurface, soil composition, spatial reference, meteorological and environmental conditions, and the related advice.

Geophysical survey Mapping of subterranean soil characteristics using non-invasive techniques such as sound.

Geotechnical investigation Determination of subterranean soil characteristics using invasive techniques such as probing, drilling and sampling.

Geospatial Information on the position of something with respect to the things around it.

Hydrography Science that measures and describes physical features of water and the adjacent land areas.

Jack-up platform Self-elevating platform; capable of raising its hull over the surface of the sea thanks to its movable legs.

(Q)HSSE (Quality,) health, safety, security and environment.

LiDAR Measuring system based on laser technology that can make extremely accurate recordings.

LNG Liquefied natural gas.

Metocean Refers to combined wind, wave and climate conditions at a certain location offshore.

Multibeam echosounder type of sonar that is used to map the seabed. Like other sonar systems, multibeam systems emit sound waves in a fan shape beneath a vessel's hull. The amount of time it takes for the sound waves to bounce off the seabed and return to the receiver, is used to determine water depth.

OHSAS British standard for occupational health and safety management systems. It is widely seen as the world's most recognised occupational health and safety management systems standard.

Remote operations centre using cloud-based solutions, surveyors work from an onshore location on the analysis of Geo-data that has been acquired offshore. This new way of working reduces health and safety exposure and accelerates delivery and insights for the client.

ROV (remotely operated vehicle) Unmanned submersible launched from a vessel and equipped with measuring and manipulation equipment. A cable to the mother-vessel provides power, video and data communication.

USV (uncrewed surface vessel) Uncrewed data acquisition platform for hydrographic and inspection & monitoring applications. Deployment and navigation from a remote operations centre onshore results in less personnel in the potentially high-risk offshore environment, and a significantly lower carbon footprint than traditional vessels.

UXO Unexploded ordnance; unexploded bombs and other explosive remnants of war.

Non-IFRS financial measures

Backlog the amount of revenue related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work.

Backlog – comparable growth is defined as backlog growth compared to the comparable period from the prior year, calculated by translating the backlog for the more recent period at the exchange rates of the prior year's comparable period.

Capital employed total equity plus loans and borrowings and bank overdrafts, minus cash and cash equivalents. Capital employed includes the relevant balances that are classified as held for sale and is calculated at the end of the (full or half year) reporting period.

Adjusted capital employed capital employed adjusted for impairment losses (post-tax) in the current year of property, plant and equipment, right of use assets, goodwill and other intangible assets.

Capital expenditure capital expenditures on property, plant and equipment.

Cash flows from operating activities after investing activities cash flows provided by operating activities minus cash flows used for investing activities.

Consolidated interest expense interest expense, plus all amortisation of financial indebtedness discount and expense less interest income for the entire group.

Days of revenue outstanding (DRO) trade receivables plus unbilled revenue on projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated using the exhaust method that is considering revenue recognised from the date of reporting backward until the receivable quantity is exhausted.

Dividend yield dividend as a percentage of the (average) share price.

EBIT reported result from operating activities before net financial expenses and taxation.

Adjusted EBIT reported result from operating activities before net financial expenses and taxation, adjusted for the following items

- Impairment losses
- Onerous contract charges
- Restructuring costs
- Certain adviser and other costs or gains

Adjusted EBIT margin adjusted EBIT as a percentage of revenue for the relevant period.

EBITDA reported result from operating activities before net financial expenses, taxation, depreciation, amortisation, and impairment losses.

Adjusted EBITDA EBITDA adjusted for onerous contract charges, restructuring costs and certain adviser and other costs or gains.

Adjusted consolidated EBITDA for purpose of covenant calculations EBITDA, adjusted for the following items:

- Exclusion of (i) onerous contract charges, (ii) restructuring costs, (iii) certain adviser and other costs or gains, (iv) impairment charge trade receivables, (v) profit/(loss) on disposal of property, plant and equipment and (vi) profit/(loss) from businesses disposed of for the period for which they formed part of the Group. Covenants are calculated on a post-IFRS 16 basis.
- Inclusion of (viii) pre-acquisition profit/loss from businesses acquired.
- The aforementioned items are capped at EUR 15 million.

Free cash flow Cash flows from operating activities after investing activities. Unless otherwise stated, free cash flow includes discontinued operations.

Free cash flow after lease payments Cash flows from operating activities after investing activities, less payments of lease liabilities (as presented in cash flows from financing activities in the consolidated statement of cash flows). Unless otherwise stated, free cash flow after lease payments includes discontinued operations.

Interest coverage adjusted consolidated EBITDA for purpose of covenant calculations divided by Consolidated interest expense.

Net debt the sum of loans and borrowings and bank overdrafts minus cash and cash equivalents.

Net interest charges interest payable on loans and borrowings, less interest income received (net financial expenses).

Net leverage for purpose of covenant calculations net debt divided by adjusted consolidated EBITDA for purpose of covenant calculations.

Net profit margin profit as a percentage of revenue.

Net result profit or loss for the period, attributable to the owners of the company.

Net revenue own service (revenue less third party costs) net revenue own service comprises all revenue minus costs incurred with third parties related to the deployment of resources (in addition to the resources deployed by the Group) and other third party cost such as short-term lease or low-value lease expenses and other expenses required for the execution of various projects.

NOPAT the sum of adjusted EBIT, the theoretical tax expense over adjusted EBIT applying the domestic weighted average tax rate, and the share of profit/(loss) of equity accounted investees (net of income tax). NOPAT includes discontinued operations.

Operating cash flows see "Operating cash flows before changes in working capital".

Operating cash flows before changes in working capital cash flows provided by operating activities excluding the impact of movements in working capital during the period. Also referred to as 'Operating cash flows'.

Pay-out ratio proposed dividend, multiplied by the number of shares entitled to dividend, divided by one thousand, divided by the net result.

Revenue - comparable growth reported revenue growth compared to the comparable period from the prior year, calculated by translating the revenue from the more recent period at the exchange rates of the prior year's comparable period.

Return on capital employed NOPAT over the last twelve months as a percentage of a three points average adjusted capital employed.

Solvency shareholders' equity as a percentage of the balance sheet total.

Taxonomy-Capex capital expenditures considered for the Group's disclosures on the EU Taxonomy, referred to as Taxonomy-Capex, comprising additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets.

Total shareholder return the share price increase, including reinvested dividends.

Working capital the sum of inventories, trade and other receivables and trade and other payables.

Colophon

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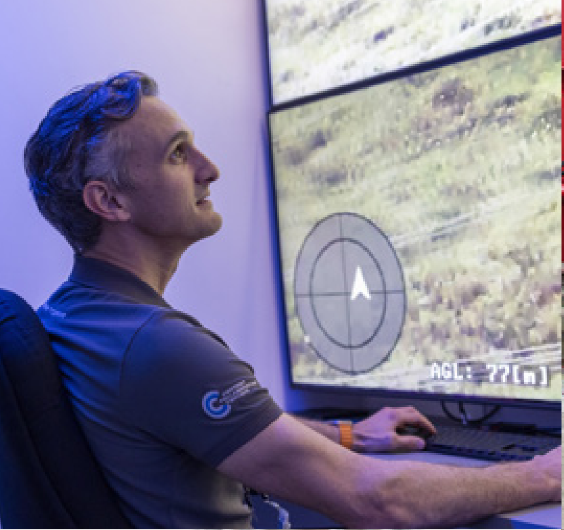
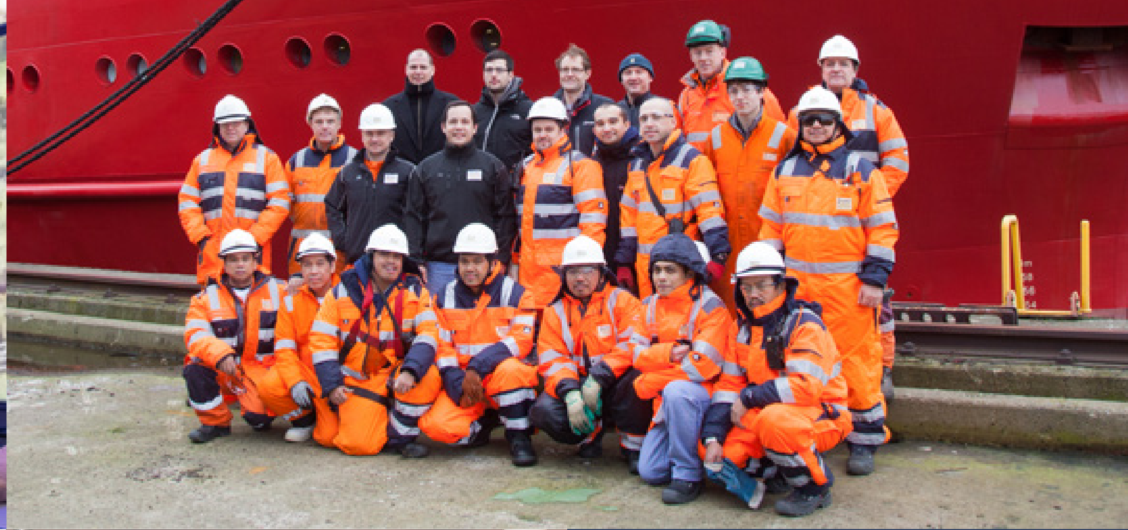
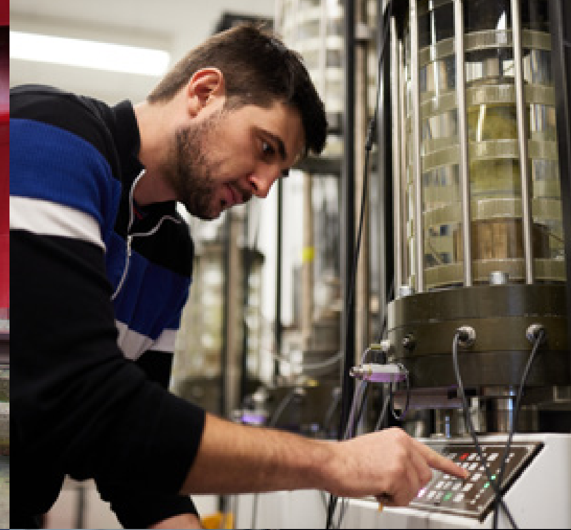
Cautionary statement

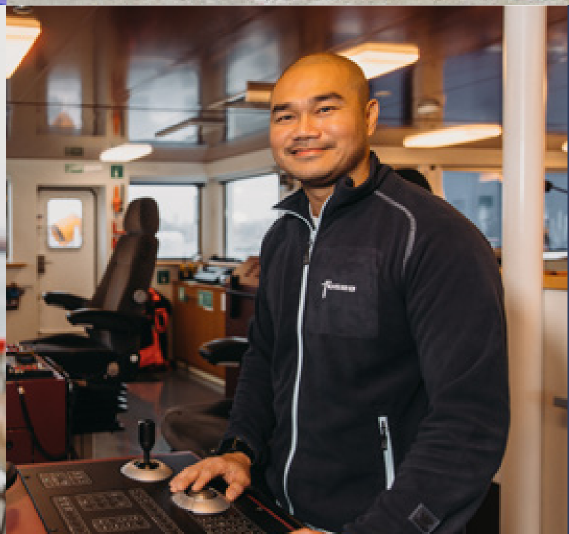
This annual report may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including (but not limited to) statements expressing or implying Fugro's beliefs, expectations, intentions, forecasts, estimates, targets, projections or predictions (and the assumptions underlying them). Forward-looking statements necessarily involve known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual future results and situations may therefore differ materially from those expressed or implied in any forward-looking statements. Such differences may be caused by various factors including, but not limited to, developments in the oil and gas industry and related markets, currency risks and unexpected operational setbacks. Any forward-looking statements contained in this announcement are based on information currently available to Fugro's management. Fugro assumes no obligation to make a public announcement in each case where there are changes in that information or if there are otherwise changes or developments in respect of the forward-looking statements in this report.

In this annual report, Fugro N.V. is also referred to as 'the company' or 'Fugro'. Fugro N.V. and its subsidiary companies are together referred to as 'the Group'.









Our success is determined by the strength of our people