2024 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

Warranty

For most Turnkey sales, the Company gives warranties to its clients. Under the terms of the contracts, the Company undertakes to make good, by repair or replacement, defective items that become apparent within an agreed period, starting from the final acceptance by the client. The increase of the warranty provision consists of new provisions accrued on projects under construction over the period or still under warranty period, which was partially offset by the regular consumption of existing warranty provisions over the applicable warranty period.

Restructuring

During the 2023 financial year, the Company announced the implementation of an optimization plan for its support functions' activities, aiming to improve global performance and cost efficiency, and accordingly recognized a restructuring provision. During 2024, the decrease of the provision is explained by payments of settlement agreements to the affected employees.

Other

Other provisions mainly relate to planned local content penalty on construction projects and also include claims, regulatory fines related to operations, and onerous contracts. The decrease during 2024 is mostly attributable to the positive outcome of an existing claim with a third party.

On June 21, 2022, the district court in Rotterdam delivered its decision in the case between the Company and the AFM (Dutch Authority for the Financial Markets) relating to certain public disclosures made by the Company in the period from 2012-2014. The court has honored the position of the Company in relation to two disclosures and reduced the fine to US$1million.

On August 1, 2022, the AFM filed an appeal with the Trade and Industry Appeals Tribunal (College van Beroep voor het bedrijfsleven, CBb) against the Rotterdam District Court's ruling in respect of alleged violations 1 and 2 (the principal appeal). On January 5, 2023, the Company filed its response to the AFM's appeal and additionally, filed an appeal with the Trade and Industry Appeals Tribunal against the Rotterdam District Court's ruling in respect of alleged violations 3 and 4 (theincidental appeal). On May 25, 2023, the AFM filed its reply to the Company's appeal. The hearing of AFM's appeal and the Company's appeal took place before the CBb on September 19, 2024.

The CBb issued its decision on February 18, 2025 and dismissed the appeal of the AFM and partially granted the Company's incidental appeal. The CBb found that the Company failed only to promptly disclose inside information on one occasion. The fine has been further reduced to EUR675,000. The decision of the CBb is not open for appeal and therefore is final and binding upon the parties.

4.3.25 TRADE AND OTHER PAYABLES

Trade and other payables (summary)

	Notes	31 December 2024	31 December 2023
Trade payables		237	254
Accruals on projects and vessels		608	590
Accruals regarding delivered orders		56	76
Other payables		109	101
Contract liability	4.3.3	31	74
Pension taxation		10	10
Taxation and social security costs		86	89
Current portion of deferred income		2	4
Other non-trade payables		78	148
Total	4.3.27	**1,216**	**1,347**

'Trade payables' decreased mainly as a result of the acquisition of lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* (refer to note 4.3.30 Business Combinations for further details), partially offset by increased payments to suppliers on FPSOs under construction.

'Accruals on projects' increased mainly as a result of the acquisition of lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* (refer to note 4.3.30 Business Combinations for further details), higher accrued expenses on the two new awarded FPSOs EPC projects partially offset by lower accrued expenses on ongoing FPSO projects that are approaching completion.

The decrease in 'Accruals regarding delivered orders' is mainly due to the completion of FPSO *Prosperity* in 2023.

For 'Contract liability' refer to note 4.3.3 Revenue where the movement in current and non-current contract liabilities is detailed.

Payables related to 'Taxation and social security' concerns uncertain tax positions related mainly to various taxes other than corporate income tax.

'Other non-trade payables' include an interest payable and the short-term portion of the outstanding payments related to the Leniency Agreement and the settlement with the Brazilian Federal Prosecutor's Office (Ministério Público Federal). The long-term portion of the outstanding payments related to these agreements is presented in the line item 'Other non-current liabilities' in the Company's statement of financial position. The decrease compared to the prior year is mostly due to the reclassification to equity of the prepayment of US$52 million received from CMFL, following the 13.5% divestment in the special purpose companies of *FPSO Sepetiba* completed in October 2024.

The line item 'Other non-current liabilities' in the consolidated statement of financial position includes non-current contract liabilities of US$28 million, as detailed in note 4.3.3 Revenue.

The contractual maturity of the trade payables is analyzed in the liquidity risk section in 4.3.27 Financial Instruments – Fair Values and Risk Management.

4.3.26 COMMITMENTS AND CONTINGENCIES

PARENT COMPANY GUARANTEES

SBM Offshore N.V., as the parent company, is committed to fulfill various types of obligations arising from customer contracts, such as full performance and warranty obligations.

In the past, the parent company has issued guarantees for contractual obligations in respect of several Group companies, including equity-accounted joint ventures, with respect to long-term lease-and-operate contracts. The few remaining guarantees still active as of December 31, 2024, relate to the *Thunder Hawk* semi-submersible platform, *FPSO Mondo* and *FPSO Saxi Batuque*. These were signed prior to 2010.

BANK GUARANTEES

As of December 31, 2024, the Company has provided bank guarantees to unrelated third parties for an amount of US$541million (2023: US$361 million). No liability is expected to arise under these guarantees.

The Company holds in its favor US$827 million of bank guarantees from unrelated third parties. No withdrawal under these guarantees is expected to occur.

COMMITMENTS

As at December 31, 2024, the significant remaining contractual commitments contracted but not yet recognized, for the acquisition of goods and services from suppliers for FPSO projects under construction and MPFs hulls for use in future FPSO projects, amounted to US$1,563 million (December 31, 2023: US$859 million). Significant contractual commitments for FPSO projects under construction mainly relate to ongoing activities on the construction of *FPSO Alexandre de Gusmão*, *FPSO Almirante Tamandaré*, FPSO *ONE GUYANA*, *FPSO Jaguar*, and the FSO for the Trion project

CONTINGENT LIABILITY

As at December 31, 2024, the Company did not identify any contingent liabilities.