



## 2024 ANNUAL REPORT



TRUE.  
BLUE.  
TRANSITION.

### Other risks

With respect to controlling political risk, the Company has a policy of thoroughly reviewing risks associated with contracts, whether Turnkey or long-term leases. Where political risk cover is deemed necessary and available in the market, insurance is obtained.

## 4.3.28 LIST OF GROUP COMPANIES

In accordance with legal requirements, a list of the Company's entities that are included in the consolidated financial statements of SBM Offshore N.V. has been deposited at the Chamber of Commerce in Amsterdam.

## 4.3.29 INVESTMENT IN ASSOCIATES AND JOINT ARRANGEMENTS

The Company has several joint arrangements and associates:

Entity name	Partners	Joint venture/ Associate	% of ownership	Country registration	2024 main reporting segment	Project name
Malaysia Deepwater Floating Terminal (Kikeh) Ltd.	Malaysia International Shipping Corporation Behard	Joint venture	49.00	Malaysia	Lease & Operate	FPSO Kikeh
Malaysia Deepwater Production Contractors Sdn Bhd	Malaysia International Shipping Corporation Behard	Joint venture	49.00	Malaysia	Lease & Operate	FPSO Kikeh
Normand Installer S.A.	The Solstad group	Joint venture	49.90	Switzerland	Turnkey	Normand Installer
Ocean-Power AS	Agri AS; CapeOmega; Knatten I AS among others	Associate	7.69	Norway	Turnkey	Ocean Power
Ekwil S.A.S	Technip Energies	Joint venture	50.00	France	Turnkey	Ekwil
STS VOF	Technip Energies	Joint operation	52.00	Netherlands	Turnkey	GranMorgu FPSO
STS 58 B.V.	Technip Energies	Joint operation	52.00	Netherlands	Turnkey	GranMorgu FPSO

The movements in investments in associates and joint ventures are as follows:

	Note	2024	2023
<b>Investments in associates and joint ventures at 1 January</b>		<b>288</b>	<b>290</b>
Share of profit of equity-accounted investees	4.2.1	19	19
Dividends		-	(17)
Cash flow hedges		(0)	(2)
Capital increase/(decrease)		(225)	(0)
Foreign currency variations		0	(0)
Reclassification to assets held for sale		(60)	-
Other		(1)	-
<b>Investments in associates and joint ventures at 31 December</b>		<b>21</b>	<b>288</b>

In 2024, the consolidated statement of comprehensive income included US\$31 million of other comprehensive income from equity-accounted investees, mostly arising from adjustments following the reclassification of investees FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* as subsidiaries and the disposal of Paenal (2023: US\$(4) million).

### Share Purchase Agreements signed with Sonangol entities

As announced on June 11, 2024, conditions precedent were completed for the two Share Purchase Agreements signed by the Company and its partner Sonangol EP in July 2023. for (i) the acquisition of Sonangol's equity shares in the lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo*; and (ii) the full divestment to a Sonangol subsidiary of the Company's equity shares in the parent company of the Angolan based Paenal Yard. On the same date, the interests in which were classified as joint ventures (*N'Goma*, *Saxi Batuque* and *Mondo*) and associates (Paenal) were derecognized. Further information on the transaction is included in note 4.3.30 Business combinations.

## 4 FINANCIAL INFORMATION 2024

### Classification as non-current assets held for sale

As announced on September 6, 2024, the Company and its partner MISC Berhad signed share purchase agreements for the full divestment to MISC Berhad of SBM Offshore's effective equity interest in the lease and operating entities of the *FPSO Kikeh* in Malaysia. The transaction was completed on January 31, 2025 following the completion of conditions precedent. As of December 31, 2024, the investments in both entities, which were previously accounted for as joint ventures according to IFRS 11 and included in the Company's Lease and Operate segment, are classified as non-current assets held for sale according to IFRS 5.

The following tables present the figures at 100%.

### Information on significant joint ventures and associates – 2024

Project name	Place of the business	Total assets	Non-current assets	Cash	Loans	Non-current liabilities	Current liabilities	Dividends paid	Revenue
Non material joint ventures/associates		76	41	25	23	18	18	-	1
<b>Total at 100%</b>		<b>76</b>	<b>41</b>	<b>25</b>	<b>23</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>1</b>

### Information on significant joint ventures and associates – 2023

Project name	Place of the business	Total assets	Non-current assets	Cash	Loans	Non-current liabilities	Current liabilities	Dividends paid	Revenue
<i>FPSO N'Goma</i>	Angola	668	302	211	190	152	85	-	39
Angola operations	Angola	225	2	20	29	27	203	-	291
<i>FPSO Kikeh</i>	Malaysia	153	89	4	-	10	28	35	71
Angolan yard	Angola	52	(0)	43	588	588	28	-	9
Non material joint ventures/associates		70	48	8	109	104	15	-	0
<b>Total at 100%</b>		<b>1,167</b>	<b>441</b>	<b>286</b>	<b>917</b>	<b>880</b>	<b>359</b>	<b>35</b>	<b>410</b>

The interest-bearing loans and other borrowings held by joint ventures and associates are as follows:

### Information on loans and borrowings of joint ventures and associates

				Net book value at 31 December 2024			Net book value at 31 December 2023		
Entity name	% Ownership	% Interest	Maturity	Non-current	Current	Total	Non-current	Current	Total
US\$ Project Finance facilities drawn:									
Sonasing Xikomba Ltd <sup>1</sup>	50.00	4.10%	15-05-2026	-	-	-	117	73	190
Normand Installer SA	49.90	6.00%	15-12-2026	5	6	11	11	6	16
Loans from subsidiaries of SBM Offshore N.V. <sup>2</sup>				6	-	6	324	-	324
Loans from other shareholders of the joint ventures and associates				6	-	6	368	-	368
Loans from other joint ventures				-	-	-	266	-	266 <sup>3</sup>
Net book value of loans and borrowings				18	6	23	1,086	79	1,164

<sup>1</sup> Please refer to note 4.3.30 'Business Combinations'

<sup>2</sup> Please refer to note 4.3.16 'Loans to joint-ventures and associates' for presentation of the carrying amount of these loans in the Company's Consolidated Statement of financial position.

<sup>3</sup> Mainly loans from the joint ventures SBM Shipyard Ltd to the JV PAENAL - Porto Amboim Estaleiros Navais Ltda.

### Aggregated information on joint ventures and associates

	2024	2023
Net result at 100%	28	2

## Reconciliation equity at 100 % with investment in associates and joint ventures

	2024	2023
Equity at 100%	41	(72)
Partner ownership	(20)	193
Share in negative net equity reclassification to loans to joint ventures and associates	-	166
<b>Investments in associates and joint ventures</b>	<b>21</b>	<b>288</b>

### 4.3.30 BUSINESS COMBINATIONS

#### Business Combination for Angolan FPSOs and Paenal Divestment

As announced on June 11, 2024, the Company completed the acquisition of the shares in the lease and operating entities related to FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* from its partner Sonangol EP. In addition, the Company has signed a share purchase agreement with its minority partner AOSL in the *FPSO N'Goma* concerning the purchase by AOSL of 20% of the Company's shareholding in the entity owning the FPSO (Sonasing Xikomba Ltd.), pending completion of conditions precedent.

The transaction with Sonangol qualifies as a business combination, as defined in IFRS 3. Investments in the acquired entities were previously accounted for using the equity method and, following the acquisition date are consolidated as subsidiaries controlled by the Company.

The Company has assessed that the ensuing purchase by AOSL of 20% of the Company's shareholding in the *FPSO N'Goma* is linked to the acquisition from Sonangol, as the transactions had dependencies, were negotiated concurrently and, as such should, be considered in substance as a single arrangement. As such the Company's purchase (30%) and subsequent disposal (20%) of shares in the *FPSO N'Goma* entity are part of a single business combination whereby the Company is effectively purchasing 10% of Sonangol's shareholding in the *FPSO N'Goma* entity with a final shareholding position of 60%.

As such, on June 11, 2024, the Company obtained control over the *FPSO N'Goma* entity while recognizing a 40% non-controlling interest.

The consideration to be paid by AOSL in the amount of US\$43 million upon completion of conditions precedent, was recognized by the Company as a receivable as of December 31, 2024. When calculating the goodwill arising from the linked transactions treated as a single business combination, the amount receivable from AOSL was deducted from the consideration paid to Sonangol to determine the total purchase consideration transferred. If the purchase by AOSL had been treated as a separate transaction, the Company would have had to recognize a gain, and the subsequent purchase by AOSL would have been treated as a transaction with non-controlling interests recognized in equity.

The Company's ownership of these companies before and following the transaction is as follows:

Entity	Project Name	% SBM shares before acquisition	% Shares acquired	% SBM shares after acquisition
Sonasing Saxi Batuque Limited	<i>FPSO Saxi-Batuque</i>	90%	10%	100%
Sonasing Mondo Limited	<i>FPSO Mondo</i>	90%	10%	100%
Sonasing Xikomba Limited	<i>N'Goma FPSO</i>	50%	10% <sup>1</sup>	60% <sup>1</sup>
OPS-Serviços de Produção de Petróleos Limited	Angola Operations	50%	50%	100%
OPS-Serviços de Produção de Petróleos Ltd. Branch	Angola Operations	50%	50%	100%
OPS Production Ltd	Angola operations	50%	50%	100%

<sup>1</sup> Shareholding acquired/held by the Company net of the 20% shares transferred to AOSL, pending completion of the conditions precedent of the share purchase agreement.