



2025 ANNUAL REPORT



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4.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.3.1 FINANCIAL HIGHLIGHTS

Impact of current economic and geopolitical environment

Throughout 2025, uncertainty and volatility in the geopolitical and global economic landscape persisted. Conflicts in Eastern Europe and the Middle East, together with rising geoeconomic tensions among major economies, continued to affect financial market dynamics, global supply chains, inflation, and energy markets. While the Company does not have significant business activity in the directly affected regions, of Eastern Europe and the Middle East, it maintains substantial construction-related operations in China. In this context, the Company continues to monitor potential supply chain disruptions and assess risks associated with international trade.

Given its presence in Guyana, the Company also maintains regular oversight of regional geopolitical developments, including the evolving tension in Venezuela.

The Company's operations in 2025 were not impacted, and no disruptions are expected at this time. The Company liaises closely with partners, clients, and authorities to monitor the situation in order to anticipate potential shifts that could influence current or future activities.

The Company's exposure to global trade-related uncertainties, including tariff adjustments and broader economic shifts, remains managed. Diversified sourcing strategies, stable logistics planning and improved supply chain conditions have contributed to resilience across operations. Financial exposures arising from currency volatility are mitigated through established hedging strategies and liquidity close management. While isolated pressures persist, they are addressed proactively through contractual flexibility and ongoing operational oversight. Overall, no material disruption to operations is expected.

SBM Offshore completes the Share Purchase Agreements with MISC Berhad

On January 31, 2025, the Company announced it had completed the transactions related to the Share Purchase Agreements announced on September 6, 2024 with its partner MISC Berhad for:

- The acquisition of MISC Berhad's entire effective equity interest in the lease and operating entities related to *FPSO Espirito Santo* in Brazil; and
- The full divestment to MISC Berhad of SBM Offshore's effective equity interest in the lease and operating entities of *FPSO Kikeh* in Malaysia.

This transaction furthered the Company's efforts to rationalize its Lease & Operate portfolio.

The acquisition of the interests in the entities related to *FPSO Espirito Santo* is accounted for as a transaction with a non-controlling interest.

In 2025, the Company recognized its full divestment of its equity interest in the lease and operating entities of *FPSO Kikeh*. As of December 31, 2024 the Company's interests in the *FPSO Kikeh* entities were classified as assets held for sale.

FPSO Almirante Tamandaré producing and on hire

On February 19, 2025, the Company announced that *FPSO Almirante Tamandaré* was formally on hire as of February 16, 2025 after achieving first oil and the completion of a 72-hour continuous production test leading to Final Acceptance.

FPSO Almirante Tamandaré is owned and operated by special purpose companies owned by affiliated companies of SBM Offshore (55%) and its partners (45%). The FPSO will operate under a 26.25-year charter and operation services contracts with Petróleo Brasileiro S.A. (Petrobras).

SBM Offshore signs US\$400 million Sale and Leaseback agreement for FPSO Cidade de Paraty

On April 9, 2025, the Company announced that it had signed a non-recourse sale and leaseback financing agreement for *FPSO Cidade de Paraty* for the total amount of US\$400 million and with a tenor of 8 years. The transaction was completed in the first half of 2025.

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FPSO Cidade de Paraty is owned by a special purpose company owned by affiliated companies of SBM Offshore (63.125%) and its partners (36.875%). Under the terms of the agreement, the special purpose company will transfer the ownership to four Chinese leasing companies.

The Company and its partners continue to operate and maintain the asset until the end of the initial charter and operate contracts for the remaining period of 8.5 years.

Under IFRS reporting, the transaction does not lead to the derecognition of the Company's finance lease receivable for *FPSO Cidade de Paraty* according to IFRS 9. The Company has recognized the consideration received as a borrowing.

Likewise, under Directional reporting, the transaction is not treated as a sale of the vessel according to IFRS 16. The Company continues to recognize its share of *FPSO Cidade de Paraty* as property, plant and equipment. The Company has recognized its share of the consideration received as a borrowing.

SBM Offshore signs a US\$1.1 billion Revolving Credit Facility

On April 10, 2025, the Company announced that it had signed a US\$1.1 billion unsecured Revolving Credit Facility (RCF) with a group of 13 international banks to refinance its existing US\$1.0 billion RCF, which was due to expire in February 2026. The new RCF has a tenor of five years and two one-year extension options as well as an uncommitted option to increase the facility by an additional US\$500 million.

The RCF is an important pillar of the Company's financing strategy and can be used to finance general corporate purposes and working capital needs during the construction of floating production solutions. Eligible green projects can be funded under a specific green tranche of US\$100 million.

SBM Offshore starts EUR141 million share repurchase following successful completion of the 2024 program

On April 23, 2025, the Company announced the completion of its EUR130 million share repurchase program initiated in 2024, and the commencement of a EUR141 million (US\$150 million equivalent⁵) share repurchase program, as announced on February 20, 2025 and effective from April 24, 2025.

The objective of the EUR141 million share repurchase program is to reduce share capital and, in addition, to provide shares for regular management and employee share programs (maximum US\$25 million). Repurchased shares not allocated to regular management and employee share programs will be cancelled. The share repurchase program is expected to be completed by February 26, 2026, and is executed under the authorization granted by the Annual General Meeting of the Company on April 9, 2025.

The share repurchase program is executed under the terms of an engagement letter with a third party, performed in compliance with the safe harbor provisions for share repurchases, and therefore transactions may be carried out during closed periods.

In accordance with the European Market Abuse Regulation, the Company informs the market of the progress made in the execution of this program through weekly press releases and updates on its website.

FPSO Alexandre de Gusmão producing and on hire

On May 27, 2025, the Company announced that *FPSO Alexandre de Gusmão* was formally on hire as of May 24, 2025, after achieving first oil and the completion of a 72-hour continuous production test leading to Final Acceptance.

FPSO Alexandre de Gusmão is owned and operated by special purpose companies owned by affiliated companies of SBM Offshore (55%) and its partners (45%). The FPSO will operate under 22.5-year charter and operation services contracts with Petróleo Brasileiro S.A. (Petrobras).

SBM Offshore signs Share Purchase Agreement with GEPetrol

On June 4, 2025, the Company announced it had signed a Share Purchase Agreement for the full divestment of the Company's equity interest in the lease and operating entities of *FPSO Aseng* to GEPetrol. The Company's exit from Equatorial Guinea will take place following an operational transition phase lasting up to 12 months.

⁵ Based on the foreign exchange rate on February 20, 2025.

The Company's sale of its participation in the unit in Equatorial Guinea is in line with its strategy to rationalize its Lease & Operate portfolio, as per other recent transactions.

On December 17, 2025, the Company confirmed it had completed the transaction.

The divestment is accounted for as a disposal of subsidiaries, leading to the full derecognition of the assets and liabilities of the *FPSO Aseng* lease and operating entities from the Company's consolidated financial statements. Refer to note 4.3.30 Information on Non-controlling Interests for further information on the divestment.

SBM Offshore signs an operations and maintenance contract for FPSO GranMorgu with TotalEnergies

On June 19, 2025, the Company announced it had signed an operations and maintenance contract with TotalEnergies EP Suriname B.V., an affiliate of TotalEnergies, for the FPSO *GranMorgu*, as part of the field development project located in Block 58 in Suriname.

The operations and maintenance contract covers the operation readiness phase before first oil as well as the operations and maintenance services for a minimum period of two years after first oil with extension options.

FPSO ONE GUYANA producing and on hire

On August 8, 2025, the Company announced that FPSO *ONE GUYANA* has produced first oil and was formally on hire.

The FPSO is designed to initially produce an annual average of 250,000 barrels of oil per day, with associated gas treatment capacity of 450 million cubic feet per day and water injection capacity of 300,000 barrels per day. The FPSO is spread moored in water depth of about 1,800 meters and can store 2 million barrels of crude oil.

Sale of FPSO ONE GUYANA

On November 13, 2025, the Company announced that ExxonMobil Guyana has indicated it is contemplating the exercise of its contractual purchase option to acquire FPSO *ONE GUYANA* in early 2026, ahead of the end of the maximum lease term in August 2027.

On February 4, 2026, the Company announced the completion of the purchase of FPSO *ONE GUYANA* by ExxonMobil Guyana, ahead of the maximum lease term which would have expired in August 2027. The purchase allows ExxonMobil Guyana to assume ownership of the unit while the Company will continue to operate and maintain the FPSO until 2035.

The transaction comprised a total cash consideration of c. US\$2.32 billion. The net cash proceeds have been primarily used for the full repayment of the US\$1.74 billion project financing and, as such, materially decreased SBM Offshore's net debt position.

Under IFRS reporting, the exercise of the purchase option led to the remeasurement of the finance lease receivable, with a very limited impact in the consolidated income statement in 2025 and presentation of the remeasured carrying amount in full as a current asset in the Company's consolidated statement of financial position (refer to note 4.3.15 Finance Lease Receivables). The Company's project finance facility related to FPSO *ONE GUYANA* was also fully included in the current portion of 'Borrowings and lease liabilities' in the Company's consolidated financial statements.

Under Directional reporting, the transaction had no impact on the 2025 financial statements. In 2026, the net book value of the property, plant and equipment will be recognized as cost of sales and the consideration received as revenue.

SBM Offshore signs contract extension of FPSOs Mondo and Saxi Batuque

On December 17, 2025, the Company announced it had signed a contract extension related to the lease and operation of FPSOs *Mondo* and *Saxi Batuque* with Esso Exploration Angola (Block 15) Limited, as the Operator of Block 15, an affiliate of ExxonMobil. The extension secures ownership and operations by SBM Offshore until 2032.

The agreement includes life-extension activities, for equipment replacement and refurbishment, to maintain high safety standards and ensure operational excellence throughout the contract term. The scope of work is expected to start in 2026.

Under IFRS reporting, as a result of the revised terms, the lease contracts remain classified as finance leases with the extensions having a very limited impact in the consolidated income statement.

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Under Directional segment reporting, the extended lease contracts remain classified as operating leases and will follow linear revenue recognition over the extended period of the leases.

4.3.2 OPERATING SEGMENTS AND DIRECTIONAL REPORTING

OPERATING SEGMENTS

The Company's reportable operating segments as defined by IFRS 8 'Operating segments' are:

- Lease and Operate;
- Turnkey; and
- Other.

DIRECTIONAL REPORTING

Strictly for the purposes of this note, the operating segments are measured under Directional reporting accounting principles, which in essence follows IFRS, but with three main exceptions:

- All lease contracts are classified and accounted for as if they were operating lease contracts under IFRS 16. Some lease and operate contracts may provide for defined invoicing ('upfront payments') to the client occurring during the construction phase or at first-oil (beginning of the lease phase), to cover specific construction work and/or services performed during the construction phase. These 'upfront payments' are recognized as revenues and the costs associated with the construction work and/or services are recognized as 'Cost of sales' with no margin during the construction. As a consequence, these costs are not capitalized in the gross value of the assets under construction;
- All investees related to Lease and Operate contracts are accounted for at the Company's share as if they were classified as joint operations under IFRS 11, whereby all lines of the income statement, statement of financial position and cash flow statement are consolidated, based on the Company's percentage of ownership (hereafter referred to as 'percentage of ownership consolidation'). All joint ventures and associates within the Turnkey segment (such as yards, installation vessel and floating offshore wind joint venture) remain equity accounted. Therefore, when the Company has partners in the lessor-related SPV owning the lease contract with the client, the Company recognizes revenue as well as margin associated with the EPC works to the extent of the partners' shares in the lessor SPV. In situations where the Company reduces its percentage of ownership after the award date of the contract, due to a disposal of shares to a partner, the relevant portion of the assets and liabilities already accounted at transaction date are derecognized. This derecognition is accounted against (i) the recognition of the fair value of any consideration received and associated revenue and (ii) the recognition of cost of sales for the leased asset and other gain or loss on disposal, to the extent of the ownership divested; and
- Deferred taxes are adjusted according to the percentage of ownership consolidation. Deferred taxes are not recognized either on intragroup eliminations or on the Directional lease accounting impact for differences in the timing of margin recognition.

The above differences in the consolidated financial statements between Directional reporting and IFRS are highlighted in the reconciliations provided in this note on revenue, gross margin, EBIT and EBITDA, as required by IFRS 8 'Operating segments'. The Company also provides the reconciliation of the statement of financial position and cash flow statement under IFRS and Directional reporting. The statement of financial position and the cash flow statement under Directional reporting are evaluated regularly by the Management Board in assessing the financial position and cash generation of the Company. The Company believes that these disclosures should enable users of its financial statements to better evaluate the nature and financial effects of the business activities in which it engages, while facilitating the understanding of Directional reporting by providing a straightforward reconciliation with IFRS for all key financial metrics.

SEGMENT HIGHLIGHTS

Accounting treatment of current projects under construction (IFRS versus Directional)

Under IFRS, the construction of FPSO *ONE GUYANA* contributed to both Turnkey revenue and gross margin until the start of production in the third quarter of 2025. This is because the contract is classified as a finance lease under IFRS 16 and is therefore accounted for as a direct sale.

Under Directional Reporting, however, FPSO *ONE GUYANA* is qualified as an operating lease, with the lessor-related entities being 100% owned by the Company. Therefore, its contribution to the Directional Turnkey revenue was limited to upfront payments and variation orders directly paid by the client before or at the commencement of the lease. FPSO *ONE GUYANA* began contributing to Directional profit and loss over the period following its start of production in August 2025, and will further contribute in 2026 up to the date of sale to the client.