

2025 ANNUAL REPORT

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4.3.17 DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities and associated net positions are summarized as follows:

Deferred tax positions (summary)

	31 December 2025			31 December 2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, plant and equipment	10	6	4	-	-	-
Tax losses	7	-	7	28	-	28
Other	284	103	181	283	178	105
Book value at 31 December	**301**	**109**	**192**	**311**	**178**	**133**

Deferred tax assets decreased by US$10 million during the current year, mainly due to the reversal of 2024 deferred tax asset position following change in other comprehensive income result related to forward currency contracts. Deferred tax liabilities decreased by US$69 million mainly due to the early sale of FPSO *ONE GUYANA* completed on February 4, 2026, ahead of the end of the maximum lease term in August 2027, which resulted in a release of the deferred tax liability recognized during the construction phase of the project. Balance of deferred taxes 'Other' includes mainly deferred tax related to hedging, timing of margin recognition and tax goodwill in Switzerland.

Movements in net deferred tax positions

		2025	2024
	Note	Net	Net
Deferred tax at 1 January		**133**	**74**
Deferred tax recognized in the income statement	*4.3.10*	80	71
Deferred tax recognized in other comprehensive income		(21)	(14)
Foreign currency variations		0	2
Total movements		**59**	**59**
Deferred tax at 31 December		**192**	**133**

Expected realization and settlement of deferred tax positions is within 20 years. The recognized deferred tax losses are expected to be recovered, based on the anticipated profit in the applicable jurisdiction, as included in the Company's budgets approved by the Management Board, including planned commercial initiatives. The Company has recognized during the period the effect of prior years unrecognized deferred tax asset in the current income tax charge of US$173 million (2024: US$98 million) (refer to 4.3.10 Income Tax Expense). The term in which these unrecognized deferred tax assets could be settled depends on the respective tax jurisdiction and ranges from five years to an unlimited period of time.

On a cumulative basis, a total amount of US$2,081 million at the end of 2025 (end of 2024: US$2,221 million) corresponds to unrecognized deferred tax assets related to temporary differences, unused tax losses and tax credits.

Unused tax losses carried forward, temporary differences and tax credits

	31 December 2025	31 December 2024
Unused tax losses carried forward, temporary differences and tax credits not recognized as a deferred tax asset	2,081	2,221
Unused tax losses carried forward, temporary differences and tax credits recognized as a deferred tax asset	301	311
Total	**2,382**	**2,531**

'Unused tax losses carried forward, temporary differences and tax credit not recognized as a deferred tax asset ' decreased compared to the previous year, due to recognition of some of deferred tax assets following the assessment of recoverability of these assets at year-end 2025 and consumption of the tax credits during 2025. A significant portion of this balance relates to the deferred tax asset in relation to a tax goodwill in Switzerland. In determining the taxable profits, the Company updated its assessment and modeling to determine that an amount of US$1,860 million could possibly be unrecoverable, which is concluded based on the assessment of profitability and commercial uncertainties (i.e. future awards) impacting future profits. Based on the uncertainty of recovering this tax asset in future years in light of applicable enacted Swiss tax

regulations, the Company determined the expected value based on a range of possible outcomes. As a result, the Company as of December 31, 2025, had a value of the deferred tax asset in relation to the tax goodwill in Switzerland of US$98 million, which has been assessed in accordance with IAS 12 and IFRIC 23 requirements.

Expiry date on deferred tax assets unrecognized on temporary differences, unused tax losses and tax credits:

	31 December 2025	31 December 2024
Within one year	13	20
More than a year but less than 5 years	10	18
More than 5 years but less than 10 years	35	39
More than 10 years but less than 20 years	1,867	1,993
Unlimited period of time	156	152
Total	**2,081**	**2,221**

No deferred tax liability has been recognized in respect of undistributed earnings of subsidiaries, joint ventures and associates, with an impact of US$10 million (2024: US$7 million). This is because the Company is able to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Deferred tax assets per location are as follows:

Deferred tax positions per location

	31 December 2025			31 December 2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Switzerland	261	68	193	282	82	200
Monaco	13	10	4	10	9	2
Guyana	6	5	1	4	57	(53)
the Netherlands	7	8	(1)	6	5	1
Angola	-	10	(10)	0	20	(20)
Other	13	8	5	8	5	3
Book value at 31 December	**301**	**109**	**192**	**311**	**178**	**133**

Following the early sale of FPSO *ONE GUYANA* completed on February 4, 2026, the Company derecognized a major part of deferred tax liabilities during the year of 2025 that would have been otherwise amortized over the lease contract period related to this unit.

4.3.18 INVENTORIES

	31 December 2025	31 December 2024
Materials and consumables	7	10
Multi-purpose floaters under construction and related equipment	324	27
Total	**332**	**37**

Multi-purpose floaters ('MPFs') under construction and related equipment mainly relate to the ongoing EPC phase of any Fast4Ward® new build hulls. Fast4Ward® hulls and related equipment remain in inventory until they are allocated to a specific FPSO contract.

The increase of the inventory balance at year-end 2025 mainly relates to multi-purpose hulls for use on future FPSO projects. As of December 31, 2025, the Company has two MPFs under construction (December 31, 2024: two MPFs under construction).