

2025 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

LEASE LIABILITIES

The lease liabilities mostly relate to the leasing of office buildings as of December 31, 2025.

The movement in the lease liabilities is as follows:

	2025	2024
Principal recognized at 1 January	**93**	**85**
Additions	27	26
Redemptions	(14)	(12)
Foreign currency variations	10	(6)
Other	0	1
Total movements	**22**	**9**
Remaining principal at 31 December	**115**	**93**
Of which		
Current portion	17	11
Non-current portion	98	82

The movements in lease liabilities over the period mainly related to an increase due to the lease extensions and new lease office contracts, mainly arising from the new lease agreement for office spaces in India beginning in September 2025 and new lease agreements on apartments in Guyana and foreign currency translations, partially offset by regular redemptions of the existing lease contracts.

The total cash outflow for leases in 2025 was US$17 million, which includes redemptions of principal and interest payments. Total interest paid for the period amounted to US$5 million.

4.3.24 PROVISIONS

The movement and type of provisions during the year 2025 are summarized as follows:

Provisions (movements)

	Demobilization	Warranty	Restructuring	Employee benefits	Other	Total
Balance at 1 January 2025	**112**	**118**	**1**	**22**	**313**	**565**
Arising during the year	-	66	(0)	3	(18)	51
Unwinding of interest	5	-	-	1	5	11
Utilized	(2)	(34)	(0)	(1)	(33)	(70)
Released to profit	(53)	(40)	(0)	(1)	(16)	(111)
Other movement	-	0	(0)	1	(1)	0
Balance at 31 December 2025	**61**	**111**	**0**	**25**	**249**	**447**
of which :						
Non-current portion	54	-	-	25	52	131
Current portion	7	111	0	-	197	315

Demobilization

The provision for demobilization relates to the costs for demobilization of the vessels and floating equipment at the end of the respective operating lease periods. The obligations are valued at net present value, and a yearly basis interest is added to this provision. The recognized interest is included in the line item 'Financial expenses' of the consolidated income statement (refer to note 4.3.9 Net Financing Costs).

The decrease in the provision for demobilization mainly relates to the sale of the semi-submersible production facility *Thunder Hawk* to the client, leading to the release of the existing demobilization provision and demobilization receivable