



**2023** ANNUAL REPORT



## 4.2.5 CONSOLIDATED CASH FLOW STATEMENT

in millions of US\$	<i>Notes</i>	2023	2022
<b>Cash flow from operating activities</b>			
<b>Profit/(loss) before income tax</b>		<b>589</b>	<b>660</b>
<b>Adjustments to reconcile profit before taxation to net cash flows:</b>			
Depreciation and amortization		65	85
Impairment		31	105
Net financing costs		573	373
Share net income of associates and joint ventures		(19)	(12)
Share based compensation		20	19
Net gain on sale of Property, Plant and Equipment		(0)	(9)
(Increase)/Decrease in working capital:			
- (Increase)/Decrease Trade and other receivables		(58)	(25)
- (Increase)/Decrease Contract assets		(2,774)	(3,023)
- (Increase)/Decrease Inventories		(124)	(10)
- Increase/(Decrease) Trade and other payables		(226)	303
Increase/(Decrease) Other provisions		112	142
Reimbursement finance lease assets		1,743	439
Income taxes paid		(101)	(96)
<b>Net cash flows from (used in) operating activities</b>		<b>(169)</b>	<b>(1,049)</b>
<b>Cash flow from investing activities</b>			
Investment in property, plant and equipment		(128)	(41)
Investment in intangible assets	4.3.14	(45)	(41)
Additions to funding loans	4.3.16	(11)	(13)
Redemption of funding loans	4.3.16	1	27
Interest received		24	9
Dividends received from equity-accounted investees		17	92
Proceeds from disposal of property, plant and equipment	4.3.13	0	34
Purchase of interests in equity-accounted investees		(1)	(0)
<b>Net cash flows from (used in) investing activities</b>		<b>(142)</b>	<b>67</b>
<b>Cash flow from financing activities</b>			
Equity funding from/repayment to non-controlling interests	4.3.30	235	357
Additions to borrowings and loans	4.3.23	3,440	1,536
Repayments of borrowings and lease liabilities	4.3.23	(2,988)	(779)
Dividends paid to shareholders and non-controlling interests		(279)	(217)
Payments from/to non-controlling interests for change in ownership	4.3.30	(21)	0
Share repurchase program		(5)	-
Proceeds from settlement of interest rate swaps	4.3.20	154	-
Interest paid		(366)	(252)
<b>Net cash flows from (used in) financing activities</b>		<b>170</b>	<b>646</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(141)</b>	<b>(335)</b>
Net cash and cash equivalents as at 1 January		683	1,021
Net increase/(decrease) in net cash and cash equivalents		(141)	(335)
Foreign currency variations		1	(3)
<b>Net cash and cash equivalents as at 31 December</b>		<b>543</b>	<b>683</b>

## 4 FINANCIAL INFORMATION 2023

The reconciliation of the net cash and cash equivalents as at December 31, 2023, with the corresponding amounts in the statement of financial position, is as follows:

### Reconciliation of net cash and cash equivalents as at 31 December

in millions of US\$	31 December 2023	31 December 2022
Cash and cash equivalents	543	683
<b>Net cash and cash equivalents</b>	<b>543</b>	<b>683</b>

### 4.2.6 GENERAL INFORMATION

SBM Offshore N.V. has its registered office in Amsterdam, the Netherlands, and is located at Evert van de Beekstraat 1-77, 1118 CL, Schiphol, the Netherlands. SBM Offshore N.V. is the holding company of a group of international marine technology-oriented companies. The Company globally provides services in the offshore oil and gas industry and alternative energy sources.

The Company is registered at the Dutch Chamber of Commerce under number 24233482 and is listed on the Euronext Amsterdam stock exchange.

The consolidated financial statements for the year ended December 31, 2023 comprise the financial statements of SBM Offshore N.V., its subsidiaries and interests in associates and joint ventures (together referred to as 'the Company'). They are presented in millions of US dollars, except when otherwise indicated. Figures may not add up due to rounding.

The consolidated financial statements were authorized for issue by the Supervisory Board on February 28, 2024.

### 4.2.7 ACCOUNTING PRINCIPLES

#### A. ACCOUNTING FRAMEWORK

The consolidated financial statements of the Company have been prepared in accordance with, and comply with, International Financial Reporting Standards ('IFRS') and interpretations adopted by the European Union, which were effective for the financial year beginning January 1, 2023, and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The Company financial statements included in section 4.4 are part of the 2023 financial statements of SBM Offshore N.V.

#### New Standards, Amendments and Interpretations applicable as of January 1, 2023

The Company has adopted the following new standards as of January 1, 2023:

- IFRS 17 – 'Insurance Contracts';
- Amendments to IAS 8 – 'Definition of Accounting Estimates';
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies';
- Amendments to IAS 12 – 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'; and
- Amendments to IAS 12 – 'International Tax Reform – Pillar Two Model Rules'.

#### IFRS 17 Insurance Contracts

IFRS 17 is the new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. This standard applies to all types of insurance contracts, regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

The Company has made a thorough assessment of its transactions against the scope of IFRS 17 and concluded that, despite the fact it does have some transactions that may fall within the scope of IFRS 17, those transactions are either scoped out (such as warranties provided to its customers) or an accounting policy choice is available (e.g., fixed-fee service contracts). The Company has decided to apply the accounting policy option to not apply IFRS 17 where permitted.