



2023 ANNUAL REPORT



4 FINANCIAL INFORMATION 2023

The bank 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

Entity name	% Ownership	% Interest	Maturity	Net book value at 31 December 2023			Net book value at 31 December 2022		
				Non-current	Current	Total	Non-current	Current	Total
US\$ Project Finance facilities drawn:									
Sonasing Xikomba Ltd	50.00	4.10%	15-05-2026	117	73	190	190	69	259
Normand Installer SA	49.90	6.00%	15-12-2026	11	6	16	-	22	22
Loans from subsidiaries of SBM Offshore N.V.¹				324	-	324	293	7	300
Loans from other shareholders of the joint ventures and associates				368	-	368	341	6	346
Loans from other joint ventures²				266	-	266	255	-	255
Net book value of loans and borrowings				1,086	79	1,164	1,079	103	1,182

1 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.

2 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

	2023	2022
Net result at 100%	2	(18)

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

	2023	2022
Equity at 100%	(72)	(18)
Partner ownership	193	141
Share in negative net equity reclassification to loans to joint ventures and associates	166	166
Investments in associates and joint ventures	288	290

4.3.30 INFORMATION ON NON-CONTROLLING INTERESTS

The Company has several jointly owned subsidiaries:

Entity name	Partners	% of ownership	Country registration	2023 main reporting segment	Project name
Aseng Production Company Ltd.	GE Petrol	60.00	Cayman island	Lease & Operate	FPSO Aseng
Gepsing Ltd.	GE Petrol	60.00	Cayman island	Lease & Operate	FPSO Aseng / FPSO Serpentina
Gepsing Ltd - Equatorial Guinea Branch	GE Petrol	60.00	Equatorial Guinea	Lease & Operate	FPSO Aseng / FPSO Serpentina
Brazilian Deepwater Production Ltd.	Malaysia International Shipping Corporation Behard	51.00	Bermuda	Lease & Operate	FPSO Espirito Santo
Brazilian Deepwater Production Contractors Ltd.	Malaysia International Shipping Corporation Behard	51.00	Bermuda	Lease & Operate	FPSO Espirito Santo
Brazilian Deepwater Production B.V.	Malaysia International Shipping Corporation Behard	51.00	The Netherlands	Lease & Operate	FPSO Espirito Santo
Operações Marítimas em Mar Profundo Brasileiro Ltda	Owned by Brazilian Deepwater Production Contractors (see information above)	51.00	Brazil	Lease & Operate	FPSO Espirito Santo
Alfa Lula Alto S.à.r.l.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Luxembourg	Turnkey	FPSO Cidade de Marica

Entity name	Partners	% of ownership	Country registration	2023 main reporting segment	Project name
Alfa Lula Alto Holding Ltd.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Bermuda	Lease & Operate	FPSO Cidade de Marica
Alfa Lula Alto Operações Marítimas Ltda.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Brazil	Lease & Operate	FPSO Cidade de Marica
Alfa Lula Alto S.à r.l. (Brazilian branch)	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Brazil	Lease & Operate	FPSO Cidade de Marica
Beta Lula Central S.à.r.l.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Luxembourg	Turnkey	FPSO Cidade de Saquarema
Beta Lula Central Holding Ltd.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Bermuda	Lease & Operate	FPSO Cidade de Saquarema
Beta Lula Central Operações Marítimas Ltda.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Brazil	Lease & Operate	FPSO Cidade de Saquarema
Beta Lula Central S.à r.l. (Brazilian branch)	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	61.00	Brazil	Lease & Operate	FPSO Cidade de Saquarema
Tupi Nordeste S.à.r.l.	Nippon Yusen Kabushiki Kaisha; Itochu Corporation	63.13	Luxembourg	Lease & Operate	FPSO Cidade de Paraty
Tupi Nordeste Operações Marítimas Ltda.	Nippon Yusen Kabushiki Kaisha; Itochu Corporation	63.13	Brazil	Lease & Operate	FPSO Cidade de Paraty
Tupi Nordeste Holding Ltd.	Nippon Yusen Kabushiki Kaisha; Itochu Corporation	63.13	Bermuda	Lease & Operate	FPSO Cidade de Paraty
Tupi Nordeste S.à r.l. (Brazilian branch)	Nippon Yusen Kabushiki Kaisha; Itochu Corporation	63.13	Bermuda	Lease & Operate	FPSO Cidade de Paraty
Guara Norte S.à.r.l.	Mitsubishi Corporation	75.00	Luxembourg	Lease & Operate	FPSO Cidade de Ilhabela
Guara Norte Holding Ltd.	Mitsubishi Corporation	75.00	Bermuda	Lease & Operate	FPSO Cidade de Ilhabela
Guara Norte Operações Marítimas Ltda.	Mitsubishi Corporation	75.00	Brazil	Lease & Operate	FPSO Cidade de Ilhabela
Guara Norte S.à r.l. (Brazilian branch)	Mitsubishi Corporation	75.00	Brazil	Lease & Operate	FPSO Cidade de Ilhabela
Mero 2 Operacoes Maritima Ltd.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	64.50	Brazil	Lease & Operate	FPSO Sepetiba
Mero 2 Operacoes Holding S.A.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	64.50	Switzerland	Lease & Operate	FPSO Sepetiba
Mero 2 Owning B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	64.50	The Netherlands	Lease & Operate	FPSO Sepetiba
Mero 2 B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	64.50	The Netherlands	Lease & Operate	FPSO Sepetiba
MERO 2 B.V. (Brazilian Branch)	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	64.50	The Netherlands	Lease & Operate	FPSO Sepetiba
YTSM JV S.A.	CB&I Nederland B.V.	70.00	Switzerland	Lease & Operate	FPSO ONE GUYANA
Tamandare Owning B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	The Netherlands	Lease & Operate	FPSO Almirante Tamandaré
Tamandare B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	The Netherlands	Lease & Operate	FPSO Almirante Tamandaré
Tamandare Operations Holding S.A.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Switzerland	Lease & Operate	FPSO Almirante Tamandaré
Tamandaré Operações Marítimas Ltda.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Brazil	Lease & Operate	FPSO Almirante Tamandaré

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Entity name	Partners	% of ownership	Country registration	2023 main reporting segment	Project name
MERO 4 Owning B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	The Netherlands	Lease & Operate	FPSO <i>Alexandre de Gusmão</i>
MERO 4 B.V.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	The Netherlands	Lease & Operate	FPSO <i>Alexandre de Gusmão</i>
Mero 4 Operations Holding S.A.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Switzerland	Lease & Operate	FPSO <i>Alexandre de Gusmão</i>
Mero 4 Operações Marítimas Ltda.	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Brazil	Lease & Operate	FPSO <i>Alexandre de Gusmão</i>
NOVA EAST WIND INC.	Micantia Wind Inc - DP Global Energy Limited	90.00	Canada	Turnkey	Atlantic Canada
Tamandare BV (Brazilian Branch)	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Brazil	Lease & Operate	FPSO <i>Almirante Tamandaré</i>
MERO 4 BV (Brazilian Branch)	Mitsubishi Corporation; Nippon Yusen Kabushiki Kaisha	55.00	Brazil	Lease & Operate	FPSO <i>Alexandre de Gusmão</i>

Transaction with non-controlling interests

The US\$255 million reported in 4.2.4 Consolidated Statement of Changes in Equity mainly relates to multiple equity contributions from the partners in the subsidiaries Mero 2, Mero 4 and Tamandaré, related to respectively *FPSO Sepetiba*, *FPSO Alexandre de Gusmão* and *FPSO Almirante Tamandaré*, out of which US\$235 million were cash transactions.

During 2023, the Company acquired the remaining shareholding in SBM Nauvata Private Limited. The Company already exercised control over the investees and now has full ownership over the entity. The transaction was directly booked within equity with a reattribution from non-controlling interests to equity attributable to shareholders. For more information, refer to note 4.3.25 Trade and Other Payables.

Information on non-controlling interests (NCI)

Included in the consolidated financial statements are the following items that represent the Company's interest in the revenues, assets and loans of the partially owned subsidiaries.

Figures are presented at 100% before elimination of intercompany transactions.

2023

Project name	Place of business	Total assets	Non-current assets	Cash	Loans	Non-current liabilities	Current liabilities	Dividends to NCI	Revenue
<i>FPSO Aseng / FPSO Serpentina</i>	Equatorial Guinea	118	41	23	0	0	33	8	104
<i>FPSO Espirito Santo</i>	Brazil	151	71	18	97	110	95	-	57
<i>FPSO Cidade de Marica</i>	Brazil	1,512	1,311	68	672	544	185	10	210
<i>FPSO Cidade de Saquarema</i>	Brazil	1,481	1,326	26	820	712	150	16	204
<i>FPSO Cidade de Paraty</i>	Brazil	985	826	9	20	3	71	26	168
<i>FPSO Cidade de Ilhabela</i>	Brazil	1,320	1,122	63	720	672	120	21	203
<i>FPSO Sepetiba</i>	Brazil	2,070	154	8	1,425	1,438	218	-	213
<i>FPSO Almirante Tamandaré</i>	Brazil	1,745	26	23	911	1,005	10	-	513
<i>FPSO Alexandre de Gusmão</i>	Brazil	1,815	0	27	1,017	1,134	36	-	773
<i>FPSO ONE GUYANA</i>	Guyana	237	12	0	-	2	196	-	752
Non material NCI		18	4	2	3	2	5	-	0
Total 100%		11,450	4,895	268	5,685	5,622	1,119	81	3,197

2022

Project name	Place of business	Total assets	Non-current assets	Cash	Loans	Non-current liabilities	Current liabilities	Dividends to NCI	Revenue
<i>FPSO Aseng / FPSO Serpentina</i>	Equatorial Guinea	124	57	16	0	0	30	9	93
<i>FPSO Espirito Santo</i>	Brazil	130	66	15	114	114	76	7	45
<i>FPSO Cidade de Marica</i>	Brazil	1,577	1,388	71	793	675	174	-	190
<i>FPSO Cidade de Saquarema</i>	Brazil	1,557	1,405	39	922	820	145	10	202
<i>FPSO Cidade de Paraty</i>	Brazil	1,058	901	58	92	0	126	-	156
<i>FPSO Cidade de Ilhabela</i>	Brazil	1,366	1,201	63	764	720	95	14	185
<i>FPSO Sepetiba</i>	Brazil	2,105	170	28	1,397	1,500	151	-	219
<i>FPSO Almirante Tamandaré</i>	Brazil	1,296	-	41	632	56	663	-	1,019
<i>FPSO Alexandre de Gusmão</i>	Brazil	1,002	-	15	618	62	652	-	880
<i>FPSO ONE GUYANA</i>	Guyana	196	1	0	-	10	190	-	492
Non material NCI		18	4	2	4	3	7	-	0
Total 100%		10,428	5,192	347	5,335	3,959	2,309	40	3,482

Reference is made to note 4.3.23 Borrowings and Lease Liabilities for a description of the bank interest-bearing loans and other borrowings per entity.

The risks associated with interests in subsidiaries, joint ventures and associates are described in section 4.3.27 Financial Instruments – Fair Values and Risk Management. The risks identified are deemed to be inherent to the operations of the Company as a whole and includes the risk profiles of interests in other entities.

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Included in the consolidated financial statements are the following items that represent the aggregate contribution of the partially owned subsidiaries to the Company consolidated financial statements:

Interest in non-controlling interest (summary)

	2023	2022
Net result	123	105
Accumulated amount of NCI	1,797	1,517

Reconciliation equity at 100 % with Non-controlling interests on partially owned subsidiaries

	2023	2022
Equity at 100%	4,709	4,159
Company ownership	(2,912)	(2,642)
Accumulated amount of NCI	1,797	1,517

4.3.31 RELATED PARTY TRANSACTIONS

During 2023, the Company made equity contributions towards investees, related to *FPSO Almirante Tamandaré*, *FPSO Sepetiba*, *FPSO Alexandre de Gusmão* and *FPSO Espírito Santo* (combined US\$321 million) projects. There were no other major related party transactions requiring additional disclosure in the consolidated financial statements.

For relations with Supervisory Board members, Management Board members and other key personnel reference is made to note 4.3.6 Employee Benefit Expenses.

The Company has transactions with joint ventures and associates which are recognized as follows in the Company's consolidated financial statements:

Related party transactions

	<i>Note</i>	2023	2022
Revenue		48	16
Cost of sales		(17)	(17)
Loans to joint ventures and associates	4.3.16	41	52
Trade receivables		125	70
Trade payables		16	12

The Company has provided loans to joint ventures and associates such as shareholder loans and funding loans at rates comparable to the commercial rates of interest.

During the period, the Company entered into trading transactions with joint ventures and associates on terms equivalent to those that prevail in arm's-length transactions.

Additional information regarding the joint ventures and associates is available in note 4.3.29 Investment in Associates and Joint Ventures.