

SBM OFFSHORE

TRUE.
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The fair value of the derivative financial instruments included in the statement of financial position is summarized as follows:

Derivative financial instruments

	31 December 2025			31 December 2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Interest rate swaps cash flow hedge	216	3	213	373	4	369
Interest rate options cash flow hedge	8	-	8	7	-	7
Forward currency contracts cash flow hedge	109	7	102	0	179	(179)
Forward currency contracts fair value through profit and loss	36	13	23	49	82	(33)
Commodity contracts cash flow hedge	-	1	(1)	0	1	(1)
Total	**368**	**24**	**344**	**429**	**266**	**163**
Non-current portion	205	4	202	305	64	241
Current portion	162	20	142	124	201	(78)

The increase in the net balance of derivative assets and liabilities of US$181 million is mostly related to (i) the increase in marked-to-market value of forward currency contracts, driven by the depreciation of the US$ exchange rate versus the hedged currencies (especially EUR and BRL), partially offset by (ii) the negative impact of the marked-to-market value of interest rate swaps due to decreasing US$ market interest rates.

The ineffective portion of fair value changes arising from cash flow hedges of US$1 million was recognized in the income statement in 2025 (2024: no ineffectiveness). The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the statement of financial position.

4.3.21 NET CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
Cash and bank balances	522	100
Short-term investments	564	706
Cash and cash equivalent	**1,086**	**806**
Net cash and cash equivalent	**1,086**	**806**

The increase of the cash and bank balances mainly relates to:
- Net operating cash flows from the fleet under operations and from Turnkey activities;
- Company strategy on drawdowns on the RCF and construction financing;
- The payment of the final settlement agreement with the Company's insurers relating to the repair of tanks in *FPSO Cidade de Anchieta;* and
- Full drawdown of the sale and leaseback financing agreement for *FPSO Cidade de Paraty.*

Which together with some of the Company's existing cash were partially used to:
- Return funds to the shareholders and non-controlling interests through dividends and share repurchase programs;
- Fully repay US private placement notes in relation to *FPSO Cidade de Anchieta;* and
- Serve the Company's non-recourse debt and interest in accordance with the respective repayment schedules.

The cash and cash equivalents dedicated to debt and interest payments (and therefore restricted) amounted to US$341 million as per December 31, 2025 (2024: US$201 million). Short-term investment deposits are made for varying periods of up to one year, usually less than three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

The cash and cash equivalents held in countries with restrictions on currency outflow (Angola, Brazil, China and Nigeria) amounted to US$23 million (December 31, 2024: US$56 million, which also included Equatorial Guinea). These restrictions do not limit the liquidity of the cash balances.

Further disclosure about the fair value measurement is included in note 4.3.27 Financial Instruments – Fair Values and Risk Management.

4.3.22 EQUITY ATTRIBUTABLE TO SHAREHOLDERS

For a consolidated overview of changes in equity reference is made to 4.2.4 Consolidated Statement of Changes in Equity.

ISSUED SHARE CAPITAL

Following the approval by the General Meeting, the Articles of Association of the Company were amended on April 10, 2025, reducing the authorized share capital of the Company from two hundred million euro (EUR200,000,000) to one hundred fifty million euro (EUR150,000,000). This share capital is divided into three hundred million (300,000,000; previously: 400,000,000) ordinary shares with a nominal value of twenty-five eurocents (EUR0.25) each and three hundred million (300,000,000; previously: 400,000,000) protective preference shares, with a nominal value of twenty-five eurocents (EUR0.25) each. The protective preference shares can be issued as a protective measure as described in note 2.1.8 Stichting Continuïteit SBM Offshore.

The total number of ordinary shares issued and fully paid at December 31, 2025 was 171,361,365 (December 31, 2024: 176,361,365). No protective preference shares have been issued.

During the financial year the movements in the number of ordinary shares issued and fully paid are as follows:

number of shares	2025	2024
Ordinary shares issued and fully paid at 1 January	**176,361,365**	**180,671,305**
Treasury shares cancelled	(5,000,000)	(4,309,940)
Ordinary shares issued and fully paid 31 December	**171,361,365**	**176,361,365**

TREASURY SHARES

A total number of 2,707,318[11] treasury shares are reported in the ordinary shares issued and fully paid as at December 31, 2025 (December 31, 2024: 1,798,914) and are held partially for employee share programs. During 2025, a total of 1,461,821 shares (2024: 1,564,747) were transferred to management and employee share programs.

The Company completed its EUR130 million share repurchase program initiated in 2024. In the period between March 1, 2024, and April 23, 2025, a total number of shares of 7,978,332 were repurchased, at an average price of EUR16.29 per share, representing a total of EUR130 million. The objective of the program is to reduce share capital and, in addition, to provide shares for regular management and employee share programs. The repurchase program was accomplished under the authorization granted by the Annual General Meeting of the Company on April 13, 2023, and the authorization of April 12, 2024. Repurchased shares not allocated to regular management and employee share programs are cancelled.

As of December 31, 2025, the Company's cumulative repurchase in relation to the share repurchase program effective from April 24, 2025, for a total amount of EUR141 million (equivalent to US$150 million[12]) amounted to EUR117 million (equivalent to US$125 million[12]). The repurchase program is expected to be completed by February 26, 2026, and it is accomplished under the authorization granted by the Annual General Meeting of the Company on April 9, 2025. The objective of the 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 end employee share programs will be cancelled.

In line with the progress of the share repurchase program, the Company cancelled 5,000,000 ordinary shares on November 3, 2025, representing 2.8% of the Company's issued share capital. The total and final number of shares to be cancelled will be determined upon completion of the share repurchase program.

[11] In accordance with the Dutch Act on Conversion of bearer shares, all bearer shares at December 31, 2020 were converted into registered shares (31,840) held by the Company as per January 1, 2021 and accordingly the aforementioned shares are currently reported as part of the Treasury shares. A shareholder who handed in a bearer share certificate to the Company before January 2, 2026 would have been entitled to receive from the Company a replacement registered share. No bearer share certificates were handed in, meaning that all previously bearer shares are now registered shares held in the name of the Company.
[12] Based on the EUR/US$ exchange rate on February 20, 2025.