

SBM OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

4.5.3 OTHER RECEIVABLES

	31 December 2021	31 December 2020
Trade receivables	0	0
Amounts owed by Group companies	3	1
Other debtors	1	1
Total	**4**	**2**

Other receivables fall due in less than one year. The fair value of the receivables reasonably approximates the book value, due to their short-term character.

Intercompany receivable from group companies are free of interest, therefore no interest is imputed. In respect of repayment, no formal agreements have been made.

4.5.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are at SBM Offshore N.V.'s free disposal.

4.5.5 SHAREHOLDERS' EQUITY

For an explanation of the shareholders' equity, reference is made to the Consolidated Statement of Changes in Equity and note 4.3.23 Equity Attributable to Shareholders.

Legal reserve

	31 December 2021	31 December 2020
Investees equity non-distributable	1,511	1,585
Capitalized development expenditure	75	39
Translation reserve	(105)	(105)
Cash flow hedges	(270)	(215)
Total	**1,211**	**1,304**

The 'Investees equity non-distributable' legal reserve relates mainly to non-distributable profits generated by the co-owned entities (refer to note 4.3.30 Investment in Associates and Joint Ventures and 4.3.31 Information on Non-controlling Interests). The agreed principle in the applicable shareholders' agreements is that the shareholders shall procure that any available reserves are distributable after paying any expenses due and taking into account co-owned entity and applicable legal requirements. However, as unanimous decision of shareholders agreements in most of the co-owned entities is required to distribute the profits generated, the equity of these entities is classified as a non-distributable reserve under Dutch guidelines for financial reporting. On a regular basis the Company ensures that dividends are approved by the partners and distributed accordingly to the shareholders.

PROPOSED APPROPRIATION OF RESULT

With the approval of the Supervisory Board, it is proposed that the result shown in SBM Offshore N.V. income statement be appropriated as follows (in US$):

Appropriation of result

	2021
Profit/(Loss) attributable to shareholders	400
In accordance with note 4.6.1 to be transferred to the 'Retained earnings'	400
At the disposal of the General Meeting of Shareholders	**-**

It is proposed that US$1 per share out of retained earnings is distributed among the shareholders. Please refer to note 4.5.14 Events After End of Reporting Period.

4.5.6 OTHER CURRENT LIABILITIES

	31 December 2021	31 December 2020
Trade payables	1	0
Amounts owed to Group companies	2	19
Taxation and social security costs	0	0
Other liabilities	8	7
Total current liabilities	**11**	**26**

The other current liabilities fall due in less than one year. The fair value of other current liabilities approximates the book value, due to their short-term character.

As per year-end 2021, the Company has a payable due to SBM Holding Inc. S.A. (the cash pool leader of SBM Group) amounting to US$2 million (2020: US$19 million). The lending conditions applied to the outstanding amounts between the cash pool leader and the Company are as follows:

- Fixed fee: the cash pool leader charges a handling fee of 0.075% to the Company;
- Interest rate: the cash pool leader charges an interest of 0.25% (2020: 0.5%) to the Company.

Intercompany payable from group companies outside of the cash pool are free of interest, therefore no interest is imputed. In respect of repayment, no formal agreements have been made.

4.5.7 REVENUE

The revenue comprises of management fees charged to Group company Single Buoy Moorings Inc. S.A. which is the main EPC contractor.

4.5.8 GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
Employee Benefits	(28)	(29)
Other costs	(8)	(10)
Total	**(36)**	**(38)**

The employee benefits include the Management Board remuneration, and recharge of other personnel costs at the headquarters, as well as share-based payments for the entire Group. For further details on the Management Board remuneration, reference is made to note 4.3.6 Employee Benefit Expenses.

The other costs include audit fees, legal, compliance, corporate governance and investor relation costs. For the audit fees reference is made to note 4.3.33 Independent Auditor's Fees and Services.

4.5.9 FINANCIAL EXPENSES

The financial expenses relate mainly to foreign currency results and interest expenses charged by Group companies to SBM Offshore N.V.