



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2020

The reconciliation of the net cash and cash equivalents as at 31 December 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 2020	31 December 2019
Cash and cash equivalents	414	506
Net cash and cash equivalents	414	506

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 in Schiphol, the Netherlands. SBM Offshore N.V. is the holding company of a group of international marine technology-oriented companies. The Company globally serves the offshore energy industry by supplying engineered products, vessels and systems, as well as offshore energy production services.

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, 2020 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 10, 2021.

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, where effective, for financial years beginning January 1, 2020 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 2020 financial statements of SBM Offshore N.V.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE AS OF JANUARY 1, 2020

The Company has adopted the following new standards as of January 1, 2020:

- Amendments to IFRS 3 – 'Definition of a Business';
- Amendments to IFRS 7, IFRS 9 and IAS 39 – 'Interest Rate Benchmark Reform';
- Amendments to IAS 1 and IAS 8 – 'Definition of Material';
- Amendment to IFRS 16 Leases – 'COVID-19-Related Rent Concessions'; and
- Revised Conceptual Framework for Financial Reporting.

IFRS 3 – Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs.

The amendments had no impact on the consolidated financial statements of the Company for the year ended December 31, 2020.

IFRS 7, IFRS 9 and IAS 39 – Interest Rate Benchmark Reform

The amendments to IFRS 7 – Financial Instruments: Disclosures, IFRS 9 – Financial Instruments and IAS 39 – Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.