



**OFFSHORE**

ENERGY. COMMITTED.



# ANNUAL REPORT 2019

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 2019	31 December 2018
Cash and cash equivalents	506	718
<b>Net cash and cash equivalents</b>	<b>506</b>	<b>718</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 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 oil and gas industry by supplying engineered products, vessels and systems, as well as offshore oil and gas 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, 2019 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 12, 2020.

## 4.2.7 ACCOUNTING PRINCIPLES

### A. ACCOUNTING FRAMEWORK

The consolidated financial statements of the Company have been prepared in accordance with, and comply with, IFRS and interpretations adopted by the EU, where effective, for financial years beginning January 1, 2019 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 2019 financial statements of SBM Offshore N.V.

### NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE AS OF JANUARY 1, 2019

The Company has adopted the following new standards as of January 1, 2019:

- IFRIC 23 - 'Uncertainty over Income Tax Treatments';
- Amendments to IFRS 9 - 'Prepayment Features with Negative Compensation';
- Amendments to IAS 19 - 'Plan Amendment, Curtailment or Settlement'; and
- Annual Improvements to 2015-2017 Cycle.

#### IFRIC 23 – Uncertainty over Income Tax Treatments

IFRIC 23 provides a framework to consider, recognize and measure the accounting impact of tax uncertainties. The interpretation provides specific guidance in several areas where previously IAS 12 was silent. The Interpretation also explains when to reconsider the accounting for a tax uncertainty.

An entity is to assume that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so. An entity has to consider whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing.

The adoption of this interpretation has no significant effect on the financial statements for earlier periods and the year-end financial statements for the period ended December 31, 2019.

#### IFRS 9 – Prepayment Features with negative Compensation

The International Accounting Standards Board (IASB) has issued a narrow-scope amendment to IFRS 9. The amendment covers two issues: