

# 2022 ANNUAL REPORT



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## 4 FINANCIAL INFORMATION 2022

Financial and Contract Assets and note 4.3.27 Financial Instruments – Fair Values and Risk Management for the risk of recoverability (i.e. for expected credit losses). The Company does not hold any collateral as security.

The breakdown of loans to joint ventures and associates is presented below.

### LOANS TO JOINT VENTURES AND ASSOCIATES

|   | <i>Notes</i>  | <b>31 December 2022</b> | <b>31 December 2021</b> |
|---|---------------|-------------------------|-------------------------|
| Current portion of loans to joint ventures and associates     | 4.3.19        | 7                       | 9                       |
| Non-current portion of loans to joint ventures and associates |               | 45                      | 42                      |
| <b>Total</b>  | <b>4.3.31</b> | <b>52</b>               | <b>51</b>               |

The balance of loans to joint ventures and associates has remained stable compared with the year-ago period.

The maximum exposure to credit risk at the reporting date is the carrying amount of the loans to joint ventures and associates, taking into account the risk of recoverability. The Company does not hold any collateral as security.

### 4.3.17 DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities and associated net positions are summarized as follows:

#### Deferred tax positions (summary)

|                                  | <b>31 December 2022</b> |                    |             | <b>31 December 2021</b> |                    |            |
|----------------------------------|-------------------------|--------------------|-------------|-------------------------|--------------------|------------|
|                                  | <b>Assets</b>           | <b>Liabilities</b> | <b>Net</b>  | <b>Assets</b>           | <b>Liabilities</b> | <b>Net</b> |
| Property, plant and equipment    | 0                       | -                  | 0           | -                       | -                  | -          |
| Tax losses                       | 6                       | -                  | 6           | 6                       | -                  | 6          |
| Other                            | 6                       | 38                 | (32)        | 7                       | 18                 | (11)       |
| <b>Book value at 31 December</b> | <b>12</b>               | <b>38</b>          | <b>(26)</b> | <b>13</b>               | <b>18</b>          | <b>(5)</b> |

All movements between the opening and closing balances were recognized in the income statement.

#### Movements in net deferred tax positions

|   |             | <b>2022</b> | <b>2021</b> |
|---|-------------|-------------|-------------|
|   | <i>Note</i> | <b>Net</b>  | <b>Net</b>  |
| <b>Deferred tax at 1 January</b>                |             | <b>(5)</b>  | <b>9</b>    |
| Deferred tax recognized in the income statement | 4.3.10      | (20)        | (14)        |
| Foreign currency variations                     |             | (1)         | (1)         |
| <b>Total movements</b>                          |             | <b>(21)</b> | <b>(15)</b> |
| <b>Deferred tax at 31 December</b>              |             | <b>(26)</b> | <b>(5)</b>  |

Expected realization and settlement of deferred tax positions is within 8 years. The current portion of the net deferred tax position as of December 31, 2022 amounts to US\$0.4 million. The deferred tax losses are expected to be recovered based on the anticipated profit in the applicable jurisdiction. The Company has US\$27 million (2021: US\$18 million) of deferred tax assets unrecognized in 2022 due to current tax losses not valued. The term in which these unrecognized deferred tax assets could be settled depends on the respective tax jurisdiction and ranges from five years to an unlimited period of time.

The non-current portion of deferred tax assets amounts to US\$9 million (2021: US\$10 million). On a cumulative basis a total amount of US\$220 million at the end of 2022 (2021: US\$257 million) corresponds to deferred tax assets basis unrecognized on temporary differences, unused tax losses and tax credits.

Deferred tax in connection with unused tax losses carried forward, temporary differences and tax credits:

|   | 31 December 2022 | 31 December 2021 |
|---|------------------|------------------|
| Unused tax losses carried forward, temporary differences and tax credits not recognized as a deferred tax asset | 220              | 257              |
| Unused tax losses carried forward, temporary differences and tax credits recognized as a deferred tax asset     | 12               | 13               |
| <b>Total</b>  | <b>232</b>       | <b>270</b>       |

Expiry date on deferred tax assets unrecognized on temporary differences, unused tax losses and tax credits:

|   | 31 December 2022 | 31 December 2021 |
|---|------------------|------------------|
| Within one year                           | 24               | 21               |
| More than a year but less than 5 years    | 11               | 12               |
| More than 5 years but less than 10 years  | 8                | 3                |
| More than 10 years but less than 20 years | 22               | 60               |
| Unlimited period of time                  | 156              | 161              |
| <b>Total</b>                              | <b>220</b>       | <b>257</b>       |

Deferred tax assets per location are as follows:

#### Deferred tax positions per location

|                                  | 31 December 2022 |             |             | 31 December 2021 |             |            |
|----------------------------------|------------------|-------------|-------------|------------------|-------------|------------|
|                                  | Assets           | Liabilities | Net         | Assets           | Liabilities | Net        |
| Guyana                           | -                | 36          | (36)        | -                | 18          | (18)       |
| Monaco                           | 2                | -           | 2           | 3                | -           | 3          |
| Switzerland                      | 7                | -           | 7           | 7                | -           | 7          |
| the Netherlands                  | 3                | -           | 3           | 3                | -           | 3          |
| Other                            | 0                | 2           | (2)         | -                | -           | -          |
| <b>Book value at 31 December</b> | <b>12</b>        | <b>38</b>   | <b>(26)</b> | <b>13</b>        | <b>18</b>   | <b>(5)</b> |

### 4.3.18 INVENTORIES

|   | 31 December 2022 | 31 December 2021 |
|---|------------------|------------------|
| Materials and consumables                 | 9                | 11               |
| Goods for resale                          | 4                | 3                |
| Multi-purpose floaters under construction | 13               | -                |
| <b>Total</b>                              | <b>25</b>        | <b>14</b>        |

Multi-purpose floaters ('MPFs') under construction relate to the ongoing EPC phase of any Fast4Ward® new-build hulls. Fast4Ward® hulls remain in inventory until they are allocated to a specific FPSO contract.

The increase of the inventory balance at year-end 2022 relates to the new multi-purpose hull for use on a future FPSO project. As per December 31, 2022, the Company has one MPF under construction for use on a future FPSO project.