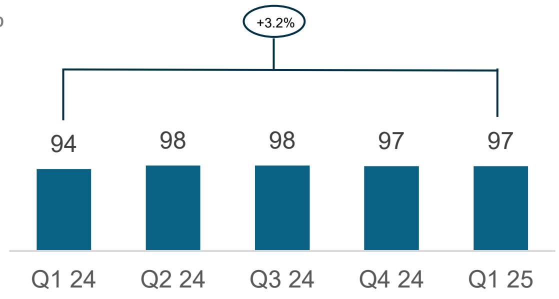
Q1 2025
Earnings Release

Constellation.

Q1 2025 Highlights

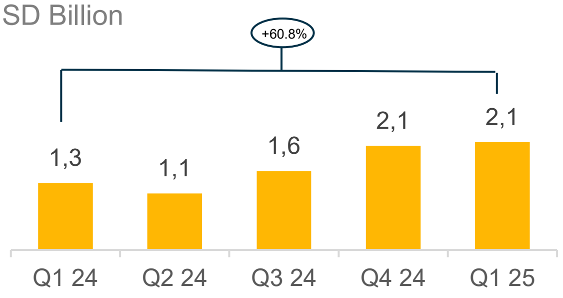
Uptime

%



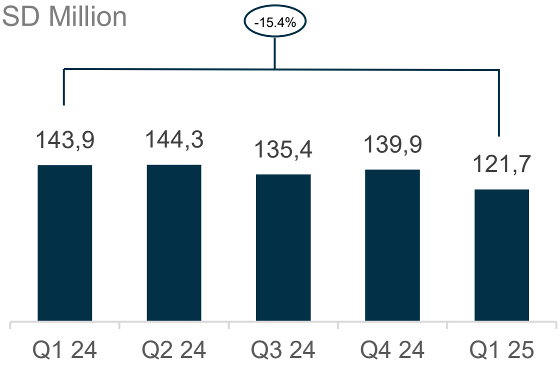
Backlog

USD Billion



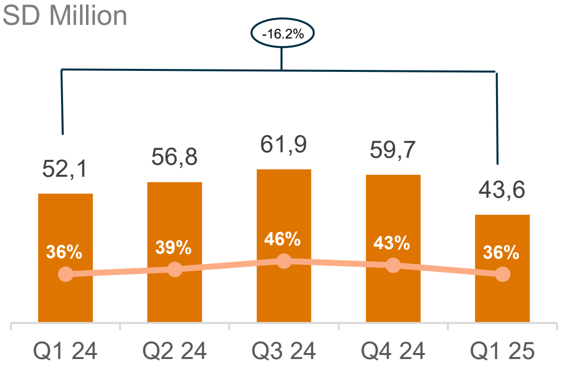
Net Revenue

USD Million



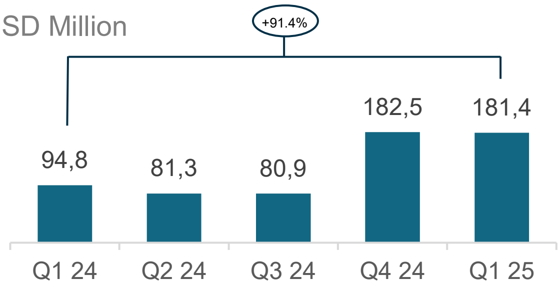
Adjusted EBITDA & Margin

USD Million



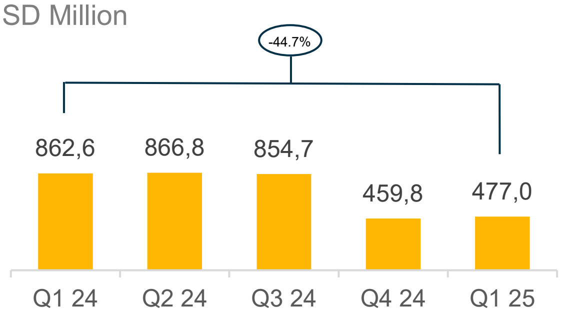
Cash, Cash Equivalents and Short-Term Investments

USD Million



Net Debt

USD Million



- Fleet uptime of 97% in Q1 2025, compared to 94% in Q1 2024 (+3 p.p. year-over-year);
- Contract backlog of US$2.1 billion up 60.8% year-over-year;
- Revenues decreased 15.4% year-over-year, reaching US$ 121.7 million in Q1 2025, compared to US$ 143.9 million in 1Q 2024;
- Adjusted EBITDA of US$ 43.6 million (35.9% margin) compared to US$ 52.1 million (36.2% margin) in Q1 2024, a 16.2% decrease year-over-year, while sustaining margin;
- Net debt increased 3.7% to US$ 477.0 million compared to US$ 459.8 million on December 31, 2024;
- Cash and cash equivalents and short-term investments remained in line quarter-over-quarter, at US$ 181.4 million as of March 31, 2025, compared to US$ 182.5 million on December 31, 2024; and
- CAPEX of US$ 45.6 million increased 73.2% versus US$ 26.3 million in Q1 2024.

Financial results

Net operating revenue reduced 15.4% year-over-year to US$ 121.7 million in Q1 2025, mostly due to US$ (14.2) million revenue reduction of Alpha Star during the transition to the new Petrobras contract and a US$ (7.2) million negative impact due to BRL depreciation of 18.2%, year-over-year. The average FX (BRL/US$) in the quarter was R$ 5.85 compared to R$4.95 in Q1 2024. However, fleet uptime improved from 94% in Q1 2024 to 97% in Q1 2025, slightly offsetting these negative effects.

Contract drilling expenses (operating costs excluding depreciation) totaled US$ 70.6 million in Q1 2025, down US$ 15.3 million from US$ 85.9 million in Q1 2024. This year-over-year reduction was primarily driven by a US$ 10.9 million decrease related to BRL depreciation. The remaining decrease reflects cost optimization efforts, largely related to lower material spending.

General and administrative expenses have increased by 5%, from US$ 6.9 million in Q1 2024 2024 to US$ 7.3 million in Q1 2025. The increase was mainly driven by a US$ 0.6 million uptick in contingencies which have been partially offset by a US$ 0.3 million decrease in payroll, charges, and benefits.

Other operating income decreased US$ 2.8 million, or 33.9%, from US$ 8.3 million in Q1 2024 to US$ 5.5 million in 1Q 2025. This decrease was mainly driven by a contractual penalty related to Alpha Star starting its new contract outside the agreed window.

Q1 2025 adjusted EBITDA came in at US$ 43.6 million, with a 35.9% adjusted EBITDA margin, compared to US$ 52.1 million and 36.2% margin, respectively, in Q1 2024.

Net financial expenses came in at US$ 14.0 million, compared to US$ 15.1 million in Q1 2024, mainly due to US$ 0.8 million higher financial income.

Net loss of US$ (23.6) million in Q1 2025, compared to US$ (2.3) million in Q1 2024. Other than the US$ (8.4) million adjusted EBITDA reduction, the year-over-year variation is also explained by US$ (8.4) million higher depreciation expenses and US$ (3.8) million increase in income taxes.

Cash Flow & Balance Sheet Highlights

Cash flow provided by operating activities decreased by US$ 21.7 million, to US$ 32.9 million in Q1 2025, compared to US$ 54.5 million in Q1 2024 mainly due to the reduction of 86 days in the fleet utilization. Furthermore, cash flow in Q1 2024 was positively impacted by the cash-in of Brava Star mobilization fee which also explains the variance.

Capital expenditure investment activities increased by US$ 19.3 million, from US$ 26.3 million in Q1 2024 to US$ 45.6 million in Q1 2025. This growth is primarily attributed to Alpha Star's preparations for the new contract with Petrobras, which commenced in February 2025.

No cash flow was used in financing activities because the bonds issued in November 2024 have a 6-month grace period, with the first interest payment scheduled for May 2025.

Net debt slightly increased from US$ 459.8 million on December 31, 2024, to US$ 477.0 million as of March 31, 2025, mainly due to the bonds accrued interest in the period. Cash and cash equivalents and short-term investments remained stable at US$ 181.4 million, compared to the US$ 182.5 million as of December 31, 2024

Recent developments and subsequent events

Q1/2025

On March 27, 2025, the Group signed a new contract with Petrobras for the operation of the Admarine 511 platform – a jackup unit belonging to ADES Holding Company. The contract has an estimated duration of 3 years, with an extension option of 472 days, by mutual agreement. Its operation is scheduled to begin in the third quarter of 2025. The unit will operate well abandonment campaigns in shallow waters in the Sergipe, Alagoas, Ceará and Potiguar Basins. This campaign represents the second contract in which Constellation will operate a third-party unit, reinforcing the company's ability to carry out diversified operations.

On May 7, 2025, the Company executed a foreign exchange hedge transaction through a series of Non-Deliverable Forward (NDF) contracts, covering its BRL-denominated cash flow exposure for the period from June to December 2025. The hedge was implemented to manage the Company's exposure to foreign exchange volatility between the Brazilian Real (BRL) and the U.S. Dollar (USD), given that the Company's functional currency is USD. The contracts hedge a total notional exposure of BRL 532 million (approximately USD 86 million) from June through December 2025. This subsequent event does not affect the financial position as of December 31, 2024.

On May 23, 2025, the Company published its 2024 ESG Annual Report. The document describes the company's developments in terms of governance and the main results achieved in conducting its business in a way connected to promoting sustainable development.

Financial statements

Constellation– Financial and Operating Highlights

	For the three–month period ended March 31, (unaudited)	
	2025	**2024**
Statement of Operations Data:	*(in millions of $)*	
Net operating revenue	121.7	143.9
Operating Costs	(129.0)	(135.8)
Gross profit	(7.3)	8.0
General and administrative expenses	(7.3)	(6.9)
Other operating income (expenses). net	5.5	8.3
Operating profit	(9.1)	9.4
Financial expenses. net	(14.0)	(15.1)
Profit before taxes	(23.1)	(5.7)
Taxes	(0.4)	3.4
Profit (loss) for the period	(23.6)	(2.3)

	For the three-month period ended March 31, (unaudited)	
	2025	**2024**
Other Financial Information:		
Profit (loss) for the period/year………………………………………………….....	(23.6)	(2.3)
(+) Financial expenses. net …………………………………………………………	14.0	15.1
(+) Taxes	0.4	(3.4)
(+) Depreciation ……………………………………………………………………………	58.5	50.0
EBITDA [(1)] …………………………………………………………………………………………	49.4	59.4
EBITDA margin (%) [(2)] ………………………………………………………………	40.6%	41.3%
Non-cash adjustment………………………………………………………………………		
EBITDA [(1)] ………………………………………………………………………………………	49.4	59.4
Onerous contract provision. net …………………………………………	7.0	8.3
Management Incentive Plan ……………………………………………………	(0.2)	(0.7)
Other Extraordinary Expenses [(3)]……………………………………………	(0.3)	(0.2)
Oslo Listing Costs [(6)]………………………………………………………	(0.8)	-
Adjusted EBITDA [(1)] …………………………………………………………	**43.6**	**52.1**
Adjusted EBITDA margin (%) [(2)] …………………………………………	**35.9%**	**36.2%**
Derivative …………………………………………………………………………………	-	-
Adjusted net financial expenses [(4)] ……………………………………	(14.0)	(15.1)
Adjusted net income [(5)] ……………………………………………………	(29.3)	(9.7)

(1) EBITDA is a non-GAAP measure prepared by us and consists of net income. plus, net financial expenses taxes and depreciation. EBITDA is not a measure defined under IFRS. should not be considered in isolation. does not represent cash flow for the periods indicated and should not be regarded as an alternative to cash flow or net income. or as an indicator of operational performance or liquidity. EBITDA does not have a standardized meaning. and different companies may use different EBITDA definitions. Therefore. Our definition of EBITDA may not be comparable to the definitions used by other companies. We use EBITDA to analyze our operational and financial performance. as well as a basis for administrative decisions. The use of EBITDA as an indicator of our profitability has limitations because it does not account for certain costs in connection with our business. such as net financial expenses. taxes. depreciation. capital expenses and other related expenses. Adjusted EBITDA is also a non-GAAP measure prepared by us and consists of net income. plus, net financial expenses taxes. depreciation and some specified non cash adjustments.

(2) EBITDA margin is a non-GAAP measure prepared by us. EBITDA margin is calculated by dividing EBITDA by net operating revenue for the applicable period. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable period.

(3) Costs related to restructuring of charter legal entities, extraordinary one-off costs, and other strategic initiatives requested by the Board.

(4) Adjusted net financial expenses is a non-GAAP measure prepared by us and consists of some specified noncash adjustments such as the exclusion of the derivative effect as per note 20 of the financial statements.

(5) Adjusted net income/(loss) is a non-GAAP measure prepared by us and consists of some specified non cash adjustments.

(6) On March 06,2025, the Group announced the successful listing of the Company’s shares on Euronext Growth Oslo.

Consolidated Statement of Financial Position:	As of March 31, (unaudited) 2025	As of December 31, (audited) 2024
Cash and cash equivalents	172.5	165.4
Short-term investments	8.9	17.1
Total assets	2,658.5	2,630.0
Total loans and financings	658.4	642.3
Total liabilities	840.0	792.2
Shareholders' equity	1,818.5	1,837.8
Net Debt	477.0	459.8

(1) Net Debt is a non-GAAP measure prepared by us and consists of: Total Loans and Financings, net of Cash, Cash and equivalents and Short-term investments

Consolidated Statement of Cash Flows: *(in millions of $)*	For the three-month period ended March 31. (unaudited) 2025	2024
Profit/(Loss) for the period	(23.6)	(2.3)
Adjustments to reconcile net income to net cash used in operating activities	42.4	50.7
Net income after adjustments to reconcile net income to net cash used in operating activities	**18.8**	**48.3**
Increase (decrease) in working capital related to operating activities	14.0	6.2
Cash flows provided by operating activities	**32.9**	**54.5**
Short-term investments	8.2	-
Acquisition of property, plant and equipment	(35.5)	(26.3)
Cash flows after investing activities	**5.8**	**28.2**
Cash flows used in financing activities	-	(20.6)
Increase (decrease) in cash and cash equivalents	**5.6**	**7.7**
Effects of exchange rate changes on the balance of cash held in foreign currencies	1.5	(0.8)
Cash and cash equivalents at the beginning of the period	**165.4**	**87.9**
Cash and cash equivalents at the end of the period	**172.5**	**94.8**

Fleet summary report

	Own fleet							Managed Fleet	
	GOLD STAR (1)	LONE STAR (1)	ALPHA STAR (2)	AMARALINA STAR (3)	LAGUNA STAR (4)	BRAVA STAR (5)	ATLANTIC STAR (6)	Tidal Action (7)	Admarine 511 (8)
									
WATER DEPTH (FEET)	*9.000*	*7.900*	*9.000*	*10.000*	*10.000*	*12.000*	*2.000*	*12.000*	*375*
SHIPYARD	*Keppel FELS*	*SBM Atlantia / GPC*	*Keppel FELS*	*Samsung Korea*	*Samsung Korea*	*Samsung Korea*	*C.F.E.M*	*Hanwha Korea*	*ADES Holding*
START OF OPERATIONS/ LAST UPGRADE	*February. 2010*	*April. 2011*	*July. 2011*	*September. 2012*	*November. 2012*	*August. 2015*	*1997/ February 2011*	*September. 2025*	*September. 2025*
CLIENT CURRENT[A] / NEW[B]	*Petrobras*	*Petrobras*	*Petrobras*	*Petrobras*	*Petrobras[A/B]*	*Petrobras*	*Petrobras*	*Petrobras*	*Petrobras*
CURRENT CONTRACT START[1]	*August. 2022*	*September. 2022*	*February. 2025*	*October. 2022*	*March. 2022*	*December. 2023*	*January. 2021*	-	-
CURRENT CONTRACT END[1]	*November . 2025*	*October. 2025*	*February. 2028*	*November . 2025*	*July. 2025*	*December. 2026*	*November. 2025*	-	-
NEW CONTRACT START[2]	-	*October. 2025*	-	*February. 2026*	*September 2025*	-	-	*September. 2025*	*October. 2025*
NEW CONTRACT END[2]	-	*December 2026*	-	*February. 2029*	*July 2028*	-	-	*June. 2028*	*December. 2028*

* As of May 2025.

(1) On January 03. 2022. the Company announced that the Gold and Lone Star rigs have been awarded contracts with Petrobras S.A. ("Petrobras"). The operations of Gold Star contract started on August 09. 2022. while Lone Star's operations commenced on September 14. 2022. Each contract has a duration of 1095 days and has the option to be extended by mutual agreement in up 17 months. Petrobras exercised priced options and Gold Star contract was extended for additional 94 days (expected to mature in November 2025), and Lone Star contract was extended for additional 46 days (expected to mature in October 2025). On November 25th, 2024, we announced that the Lone Star has been awarded a new contract with Brava Energia, for a firm term of 400 days plus a 60-days priced option. The operations are expected to commence in direct continuation to its current contract with Petrobras.

(2) On September 20. 2023. the group announced that the Alpha Star was awarded a new contract with Petrobras. The contract has a firm duration of 1095 days plus a mutually agreed option to extend it for the same period. The operations commenced in February 18th, 2025.

(3) On December 06. 2021. the Company announced a new contract for the Amaralina Star drillship with Petrobras. The job has a total duration of 1095 days. consisting of 730 days of a firm scope plus options to extend the contract in up to 365 days at Petrobras discretion, which was exercised in November 2023. The operations commenced on October 18. 2022, and are expected to end by December 2025, considering a priced option of additional 17 days which Petrobras has already exercised (expected to mature in November 2025). On December 16. 2024. the Company announced that the Amaralina Star was awarded a new contract with Petrobras for a firm period of three years, expected to commence by February 2026, with an option for contract extension up to an additional 315 days, subject to mutual agreement.

(4) On July 6. 2021. the group announced that the Laguna Star drillship was awarded a new contract with Petrobras. The contract has a 3-year estimated duration and includes the use of the MPD system. The operations commenced on March 01. 2022, and are expected to end by July 2025, considering a priced option of additional 124 days which Petrobras has already exercised. On September 23rd. 2024, the company announced the award of a new contract with Petrobras on the Roncador Field, Campos Basin. The contract has 931 days, with a priced option of additional 95 days, and a mutually agreed option to extend it for the same firm period (931 days). The operations are expected to commence in September 2025.

(5) On December 08. 2022. the Company announced a contract for the Brava Star drillship with Petrobras. The job has a total duration of 1095 days. plus a mutually agreed option to extend it till the same period. The operations started on December 19th 2023.

(6) On February 05. 2020. the Company announced that the Atlantic Star was awarded a contract with Petrobras. The contract has a firm duration of 1095 days and was extended by mutual agreement by 389 days. The operations commenced on January 06. 2021. On December 23. 2024, the Company announced a contract extension with Petrobras for an additional period of up to 301 days.

(7) On September 23rd. 2024. the company announced the award of a new contract with Petrobras to operate with Tidal Action on the Roncador Field, Campos Basin. Tidal Action is a third-party rig owned by the Hanwha Ocean, which will be managed and operated by Constellation under a management fee agreement in connection with charter and service agreements with Petrobras. The contract has 931 days, with a priced option of additional 95 days, and a mutually agreed option to extend it for the same firm period (931 days). The operations are expected to commence in September 2025.

(8) On March 31. 2025. the company announced the award of a new contract with Petrobras for the deployment of the Admarine 511 - a jackup drilling rig owned by its commercial partner, ADES Holding Company, which will be used for a campaign of Plug and Abandonment (P&A) of wells at shallow waters in the Sergipe, Alagoas, Ceará and Potiguar basins, in Brazil. The Admarine 511 will be run and operated by Constellation, which will have up to 210 days for mobilizing the rig from its current location in Bahrain, to Brazil, where it will remain under contract for a firm execution period of 1.143 days, with an extension option of up to 472 days, upon mutual agreement between the parties. The operations are expected to commence in October 2025.

Backlog [1]

(in millions of $)	2025	2026	2027	2028	2029	Total	%
Ultra-deepwater………	473.9	724.4	445.1	262.0	18.7	1,924.2	**90.7%**
Midwater…………………	56.0	47.7	47.7	45.4	-	196.9	**9.3%**
Total…………………	**530.0**	**772.0**	**492.8**	**307.4**	**18.7**	**2,121.1**	**100%**

(1) Contract drilling backlog is calculated by multiplying the contracted operating dayrate by the firm contract period. Our calculation also assumes 100% uptime of our drilling rigs for the contract period; however. the amount of actual revenue earned and the actual periods during which revenues are earned may be different from the amounts and periods shown in the tables below due to various factors. including. but not limited to. stoppages for maintenance or upgrades. unplanned downtime. the learning curve related to commencement of operations of additional drilling units. weather conditions and other factors that may result in applicable dayrates lower than the full contractual operating dayrate. Contract drilling backlog includes revenues for mobilization and demobilization on a cash basis.

Revenue per asset type (unaudited)

	For the three-month period ended March 31.		% Change
	2025	2024	2025/ 2024
Net revenue per asset type:	*(in millions of US$)*		
Ultra-deepwater..	105.8	125.0	- 15.4%
Deepwater...	0	2.5	- 100%
Midwater	16	16.4	- 2.4%
Total	121.7	143.9	- 15.4%

Operating Statistics (unaudited)

	For the three-month period ended March 31.	
	2025	2024
Uptime (1):	*(%)*	
Total Offshore	97	94

	For the three-month period ended March 31.		Change
	2025	2024	2025/ 2024
Utilization days (2):	*(in days)*		
Ultra-deepwater (3)	475	546	(71)
Deepwater	0	14	(14)
Midwater	90	91	(1)
Total	565	651	(86)

(1) Uptime is derived by dividing (i) the number of days the rigs effectively earned a contractual dayrate by (ii) utilization days. Uptime adjusts for planned downtime. such as rig upgrades and surveys.

(2) Utilization days consider the impact of scheduled maintenance. reflecting the days without revenue related to planned upgrades and surveys.

About Constellation Oil Services Holding S.A.

Constellation is a market leading provider of offshore oil and gas contract drilling services through its subsidiary Serviços de Petróleo Constellation S.A. (“Serviços de Petróleo Constellation”). With continuous operations since 1981, Serviços de Petróleo Constellation has built an unmatched reputation for excellence in offshore drilling services, obtaining ISO 9001, ISO 14001, ISO 45001, and API Spec Q2 certifications for its quality management, environmental and safety records and systems.

Forward Looking Statements

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements relate to Constellation’s expectations, beliefs, intentions or strategies regarding the future. These statements may be identified by the use of words like “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “project,” “should,” “seek,” and similar expressions. Forward-looking statements reflect Constellation’s current views and assumptions with respect to future events and are subject to risks and uncertainties

The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in Constellation’s records and other data available from third parties. Although Constellation believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond Constellation’s control, Constellation cannot assure you that it will achieve or accomplish these expectations, beliefs or projections described in the forward-looking statements contained herein. Actual and future results and trends could differ materially from those set forth in such statements.

Important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include (i) factors related to the offshore drilling market, including supply and demand, utilization and day rates; (ii) hazards inherent in the drilling industry causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations; (iii) changes in laws and governmental regulations, particularly with respect to environmental or tax matters; (iv) the availability of competing offshore drilling rigs; (v) the performance of our drilling units; (vi) our ability to procure or have access to financing and comply with our loans and financings covenants; (vii) our ability to successfully employ our drilling units; (viii) our capital expenditures, including the timing and cost of completion of capital projects; and (ix) our revenues and expenses. Due to such uncertainties and risks, investors are cautioned not to place undue reliance upon such forward-looking statements.

Contact information

ir@theconstellation.com

Tel: +352 20 20 2401

IR Team:

Monique Fares mfares@theconstellation.com

João Gabriel Ratton jratton@theconstellation.com

Victor Paranhos vparanhos@theconstellation.com

João Pedro Zakour jdemonteiro@theconstellation.com