



Constellation Oil Services

J.P. Morgan Global Leveraged Finance Conference

J.P. Morgan Global Emerging Markets Corporate Conference

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Introducing the new, transformed Constellation

Constellation at a glance



Leadership in **Brazil**

Constellation is the **leader** and has **over a fifth of the Brazilian market share**, which is the **largest UDW market in the world** (accounts for **37%¹** of global demand)



Top quartile profitability

\$197M Adj. EBITDA 3Q24LTM, largest fleet operating in one hub provides scale and cost advantage relative to international drillers



Unique positioning

With most of the **backlog secured** at **solid dayrates**, the company is positioned as one of the industry **leaders in contract coverage** for the next three years.



ESG Agenda in place

Structured ESG program with clear **ambitions** and **targets**, contributing to **energy security** and continued activity



45 years of track record

Constellation has been working in **Brazil since 1981**, its **first offshore** unit was deployed in **1994**



1,800 employees

Talented teams to support the challenging offshore operations



Strong governance and capital allocation

Strong governance structure and **capital allocation framework** focused on **deleveraging** the balance sheet



Safety – core value

We continuously work to build a **safety culture**, investing in **people, programs** and **systems**

~20 years² of future backlog and consistently delivering positive results **over 40 years** of activity, Constellation operates in **Brazil**, with a **robust UDW footprint**

8 Offshore Units, including one management contract

Modern and high-quality fleet of drillships and highly flexible semis to address a wide range of activities



Key Clients



Top rated supplier to PBR - a client with a **consistent record** of compliance with contracts and payment obligations and **ambitious growth profile**



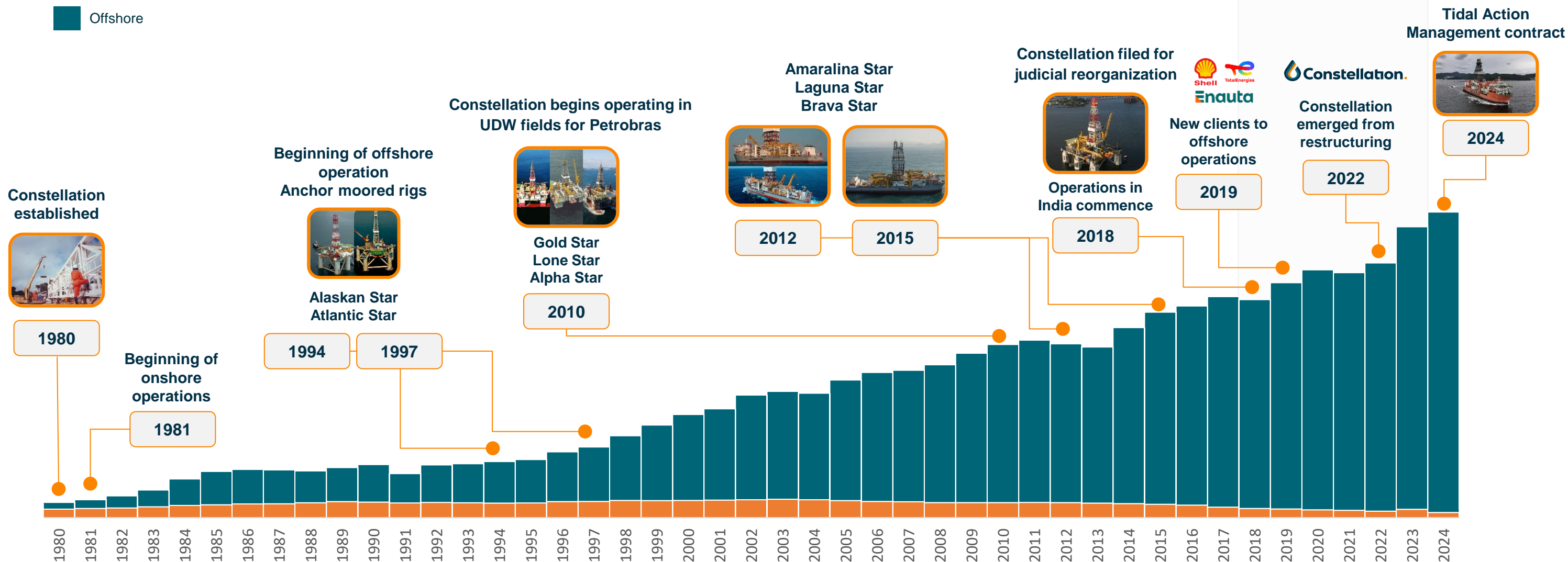
Source: Rystad Energy. Notes: (1) Includes contracted rigs (drillships & SS), competitive in the market, excluding Harsh Environment Units. Does not include rigs not yet in the country or yet to mobilize, (2) Includes IDT extensions and WIP

Constellation has a long history of operations in Brazil, established in 1980

Prior to becoming a pure offshore drilling company, Constellation owned and operated FPSOs and onshore rigs

Historical Brazil Oil Production

Production – BBL/D



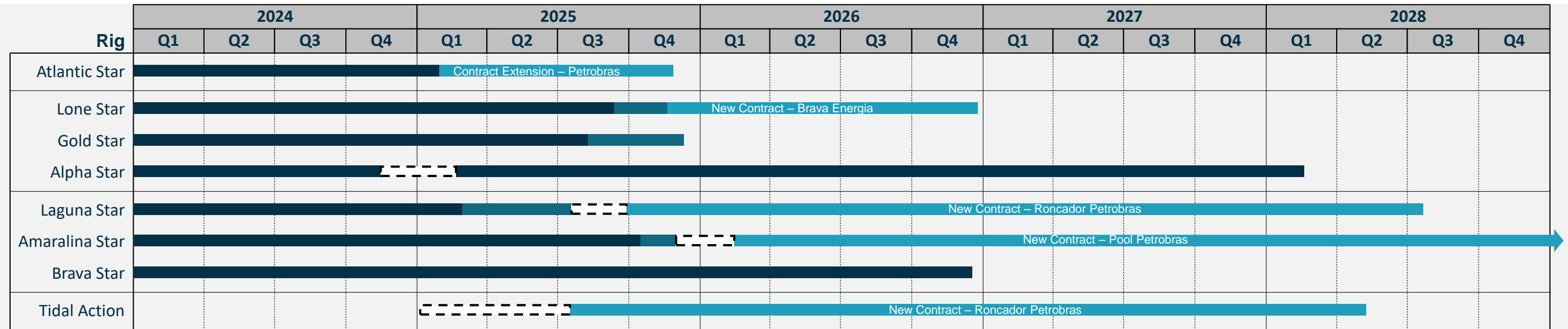
Source: Rystad Energy Briefing Latin America - The future of Brazilian Hydrocarbons - May 11, 2022. Data from ANP.



Constellation signed five new contracts over the last six months

Contract backlog of \$2.1 billion, representing 20 total backlog years, ranks among the top in contract coverage for the next three years

	Ultra-deepwater						Midwater	
	Brava Star	Laguna Star	Amaralina Star	Alpha Star	Lone Star	Gold Star	Tidal Action ¹	Atlantic Star
Client	Petrobras	Petrobras	Petrobras	3R / Petrobras	Petrobras	Petrobras	Petrobras	Petrobras
Contract Coverage²	100%		96%	71%		44%		



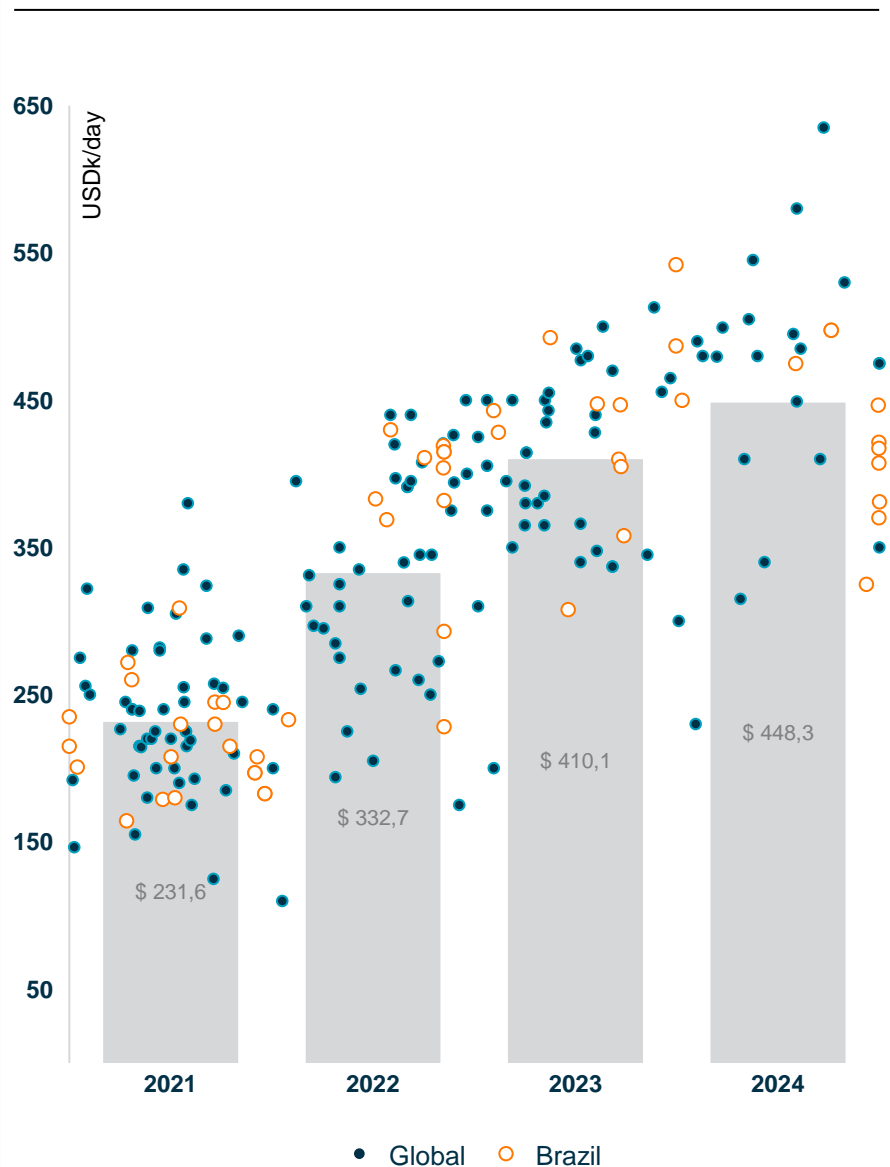
- Current Contracts
- Well in Progress (Est.)
- New Contract / Extensions

Notes: * Current contracts dayrates as of December 31, 2024. Considers FX BRL USD of 6.1923; (1) Considers WIP extensions (2) Expresses the days on firm contract divided by available days. Company adjustments for Constellation: Extension periods for Petrobras counted as firm

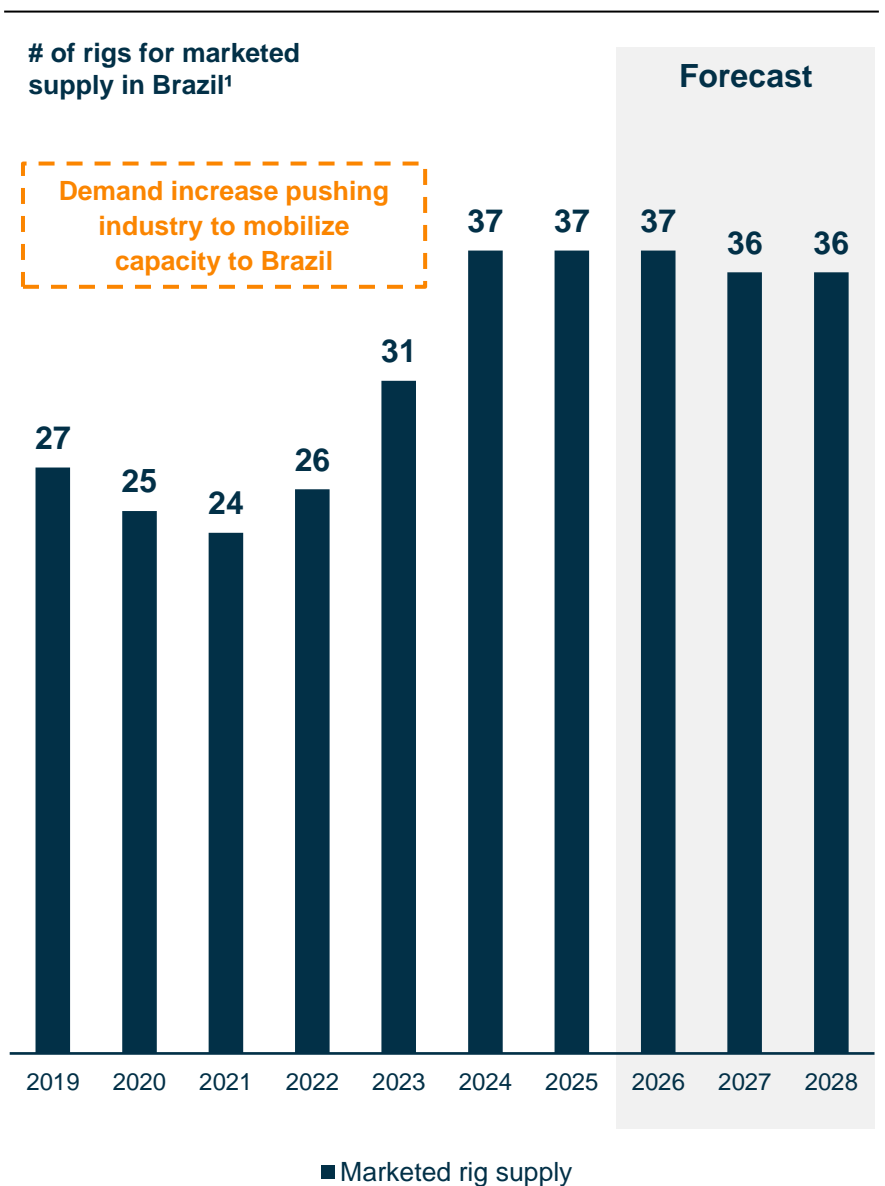
Constellation has secured robust contract coverage

Constellation ranks among the top in contract coverage for 2025 and 2026, and the highest in 2027

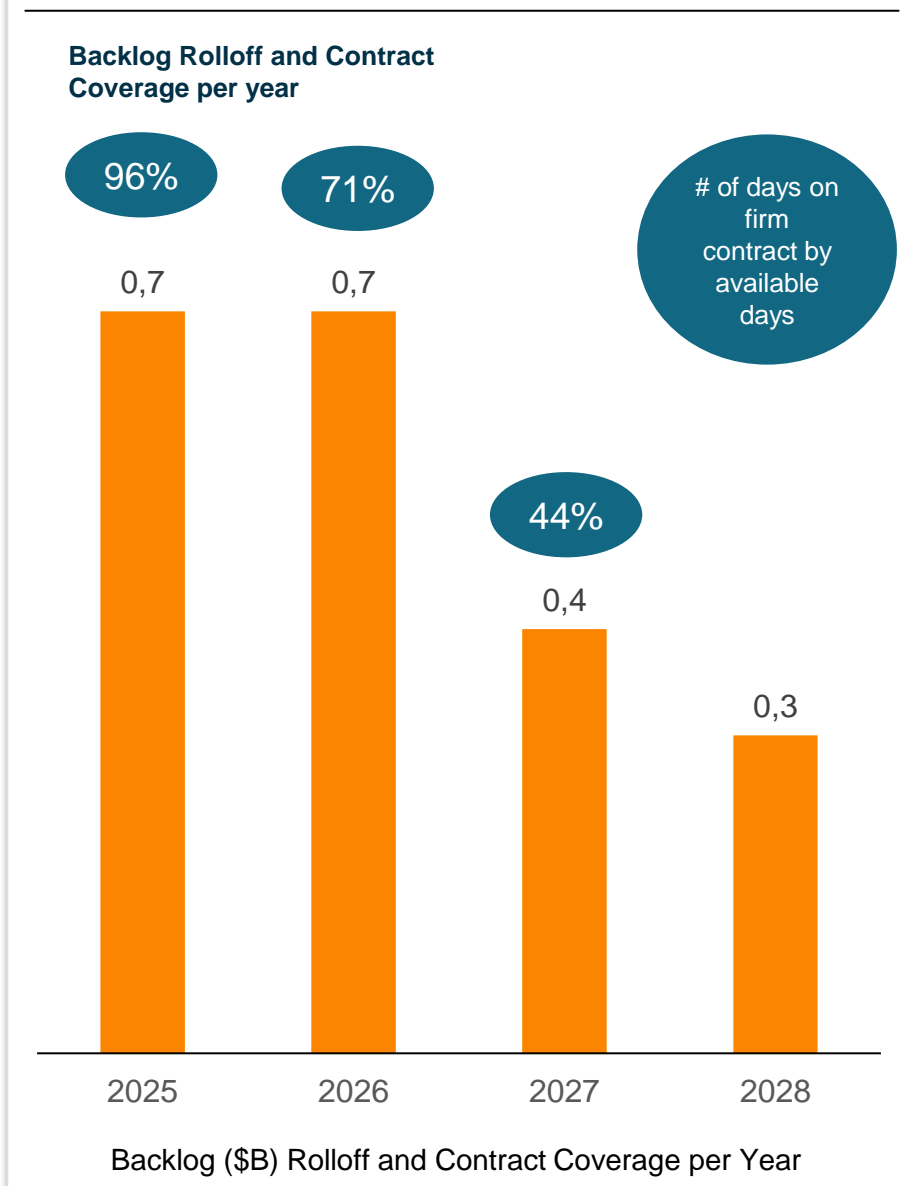
Leveraging the positive dayrate momentum in the offshore drilling market ...



... and the stability of Brazil's offshore drilling segment, which represents 37% of the global market² ...



... Constellation ranks in the 1st quartile of contract coverage for the next 3 years



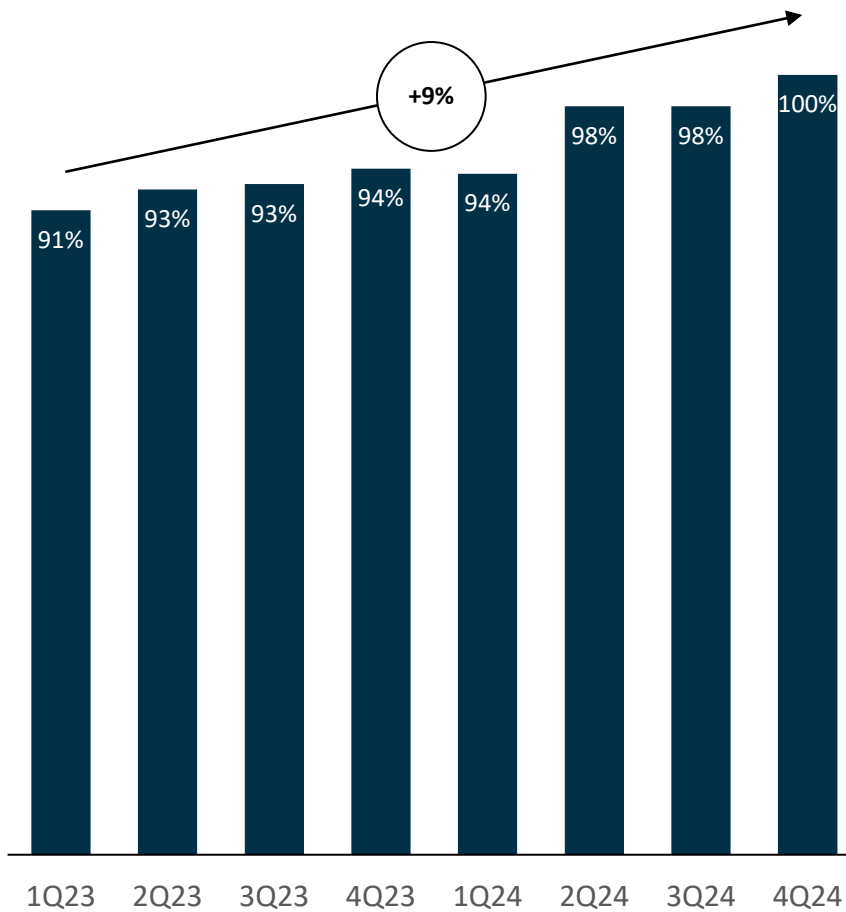
1. Includes Floaters and LWIVs without jackups.
 2. Considers contracted operating floaters excluding harsh environment units

A robust and efficient operation track record

Constellation currently stands on the 1st position and holds the 1st and 2nd best rigs in “Sondópolis”¹

Constellation maintains a solid historical uptime performance²...

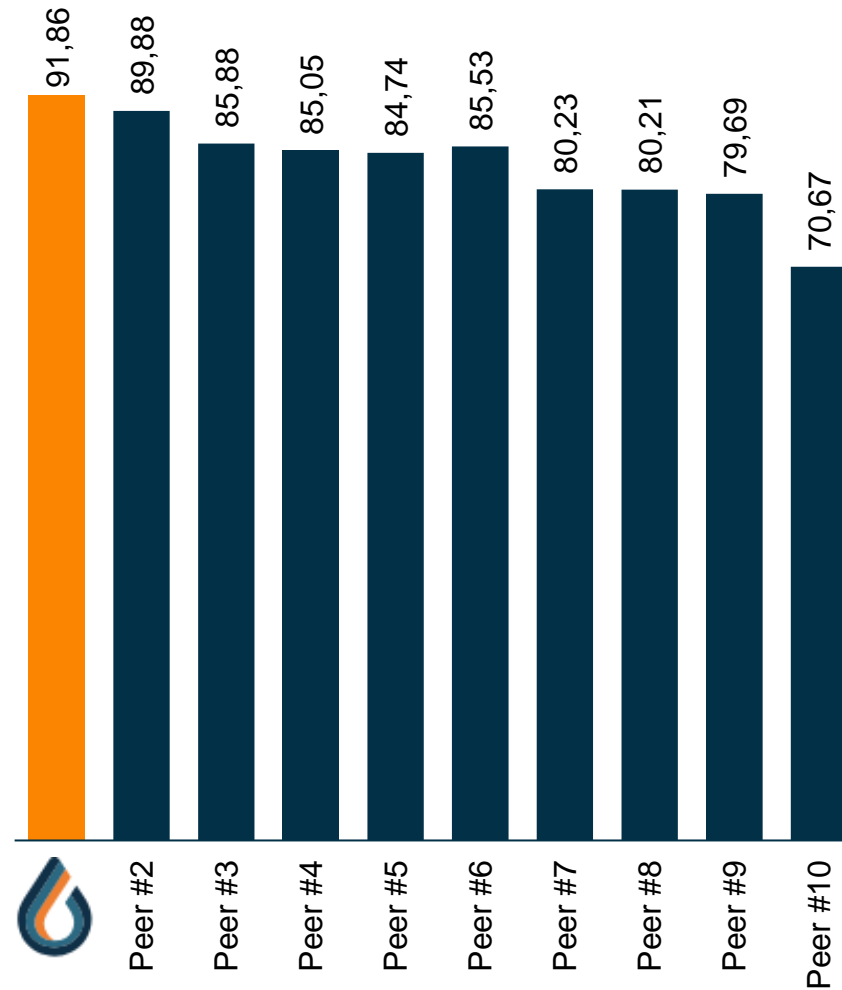
Uptime



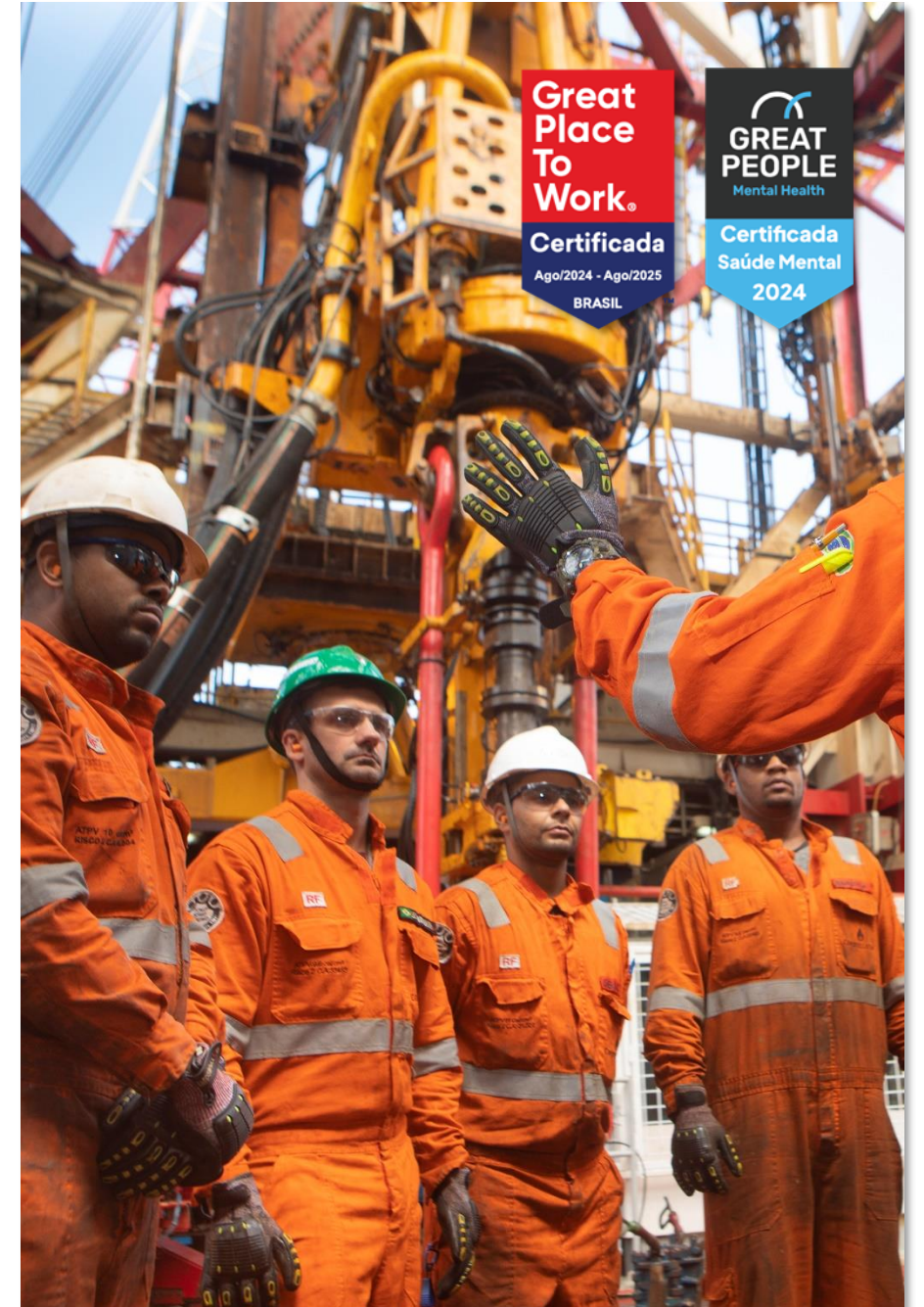
97% average uptime in 2024

... driving superior results over the execution of its contracts

Petrobras' Ranking of Drilling Contractors (“Sondópolis”)



Ranked in the 1st position among fleet of 10 contractors in Brazil in Sondópolis (Petrobras)⁴



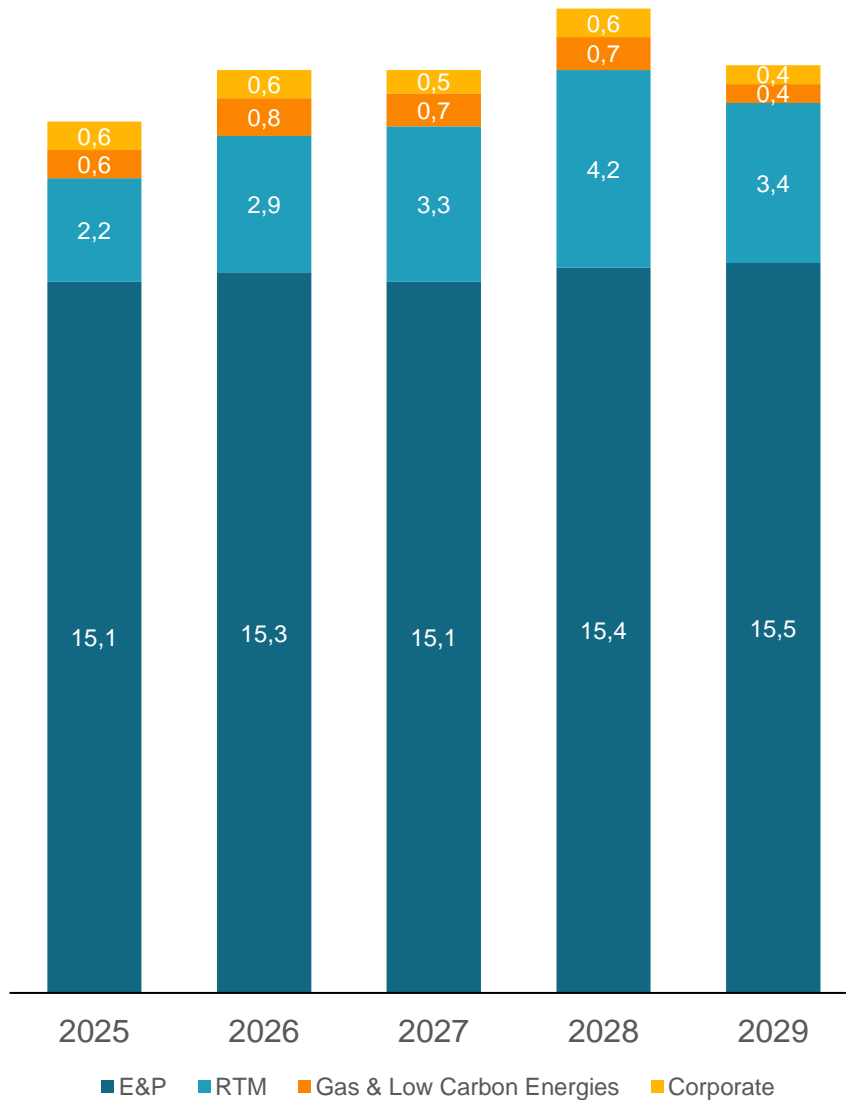
Notes: (1) According to Petrobras Ranking as of December 2024 (2) Uptime performance calculated not purging planned maintenance in zero rate events; (3) Period between contracts (4) Petrobras “Sondópolis” ranking as of December 2024.



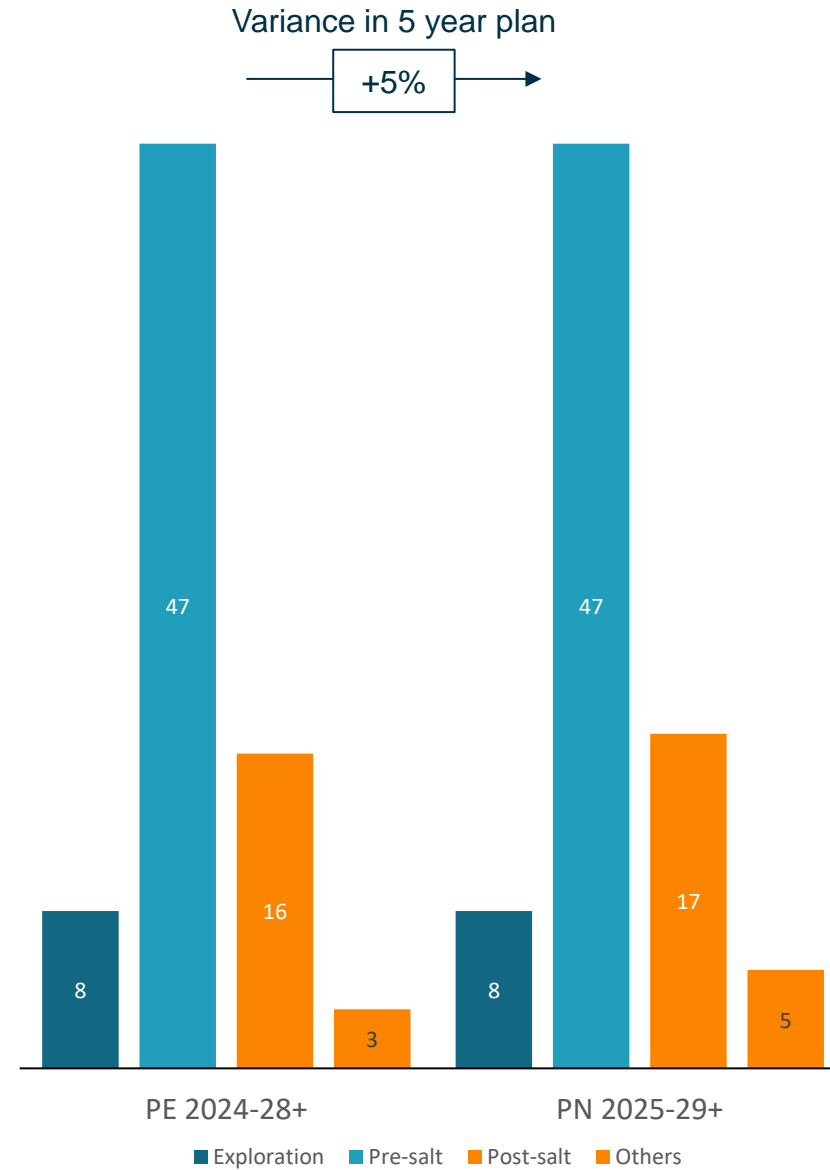
Petrobras presents a robust business plan for the next years

The plan expects to reach total production of 3,2MM BOEPD (78% Oil)

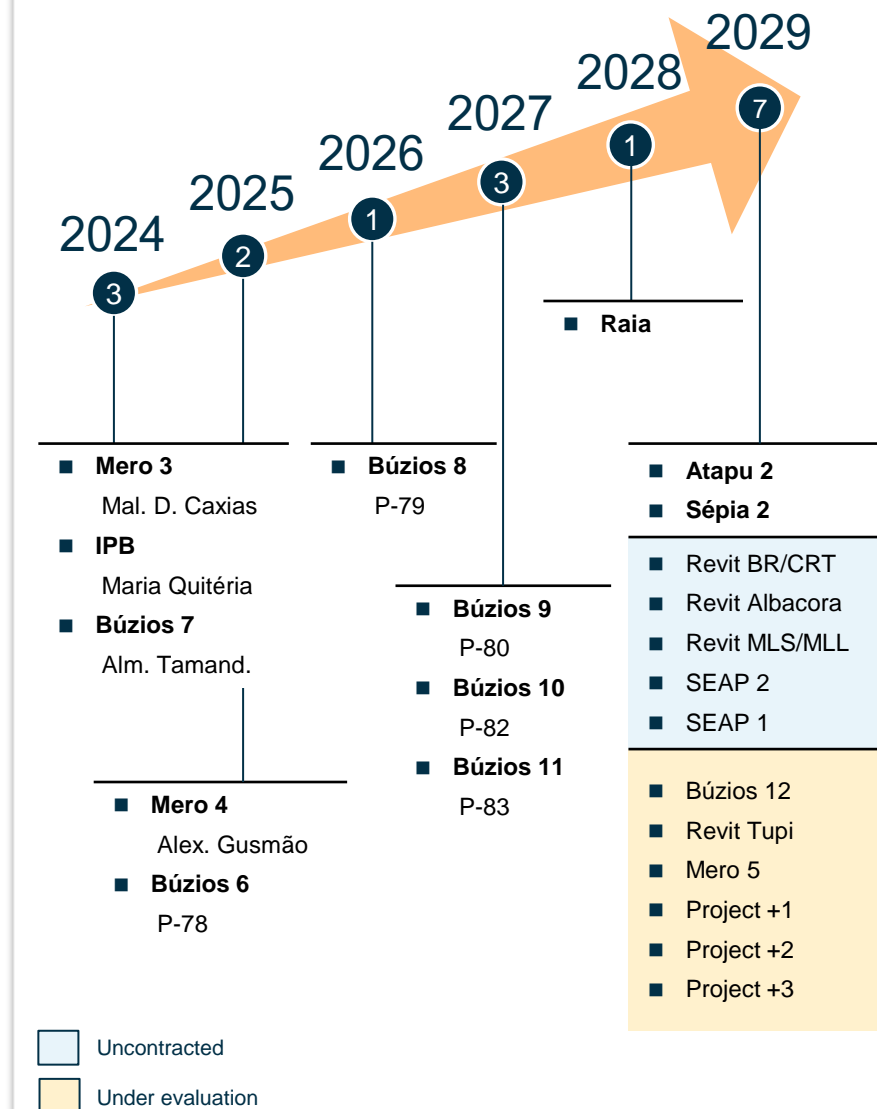
Petrobras Annual Capex
USDBbn



Petrobras E&P Capex (Forecasted vs Previous)
USDBbn



17(+6) FPSO's to sustain robust pipeline of offshore production increase¹



Source: Petrobras BP 2025-2029 / RTM - Refining, Transportation and Marketing

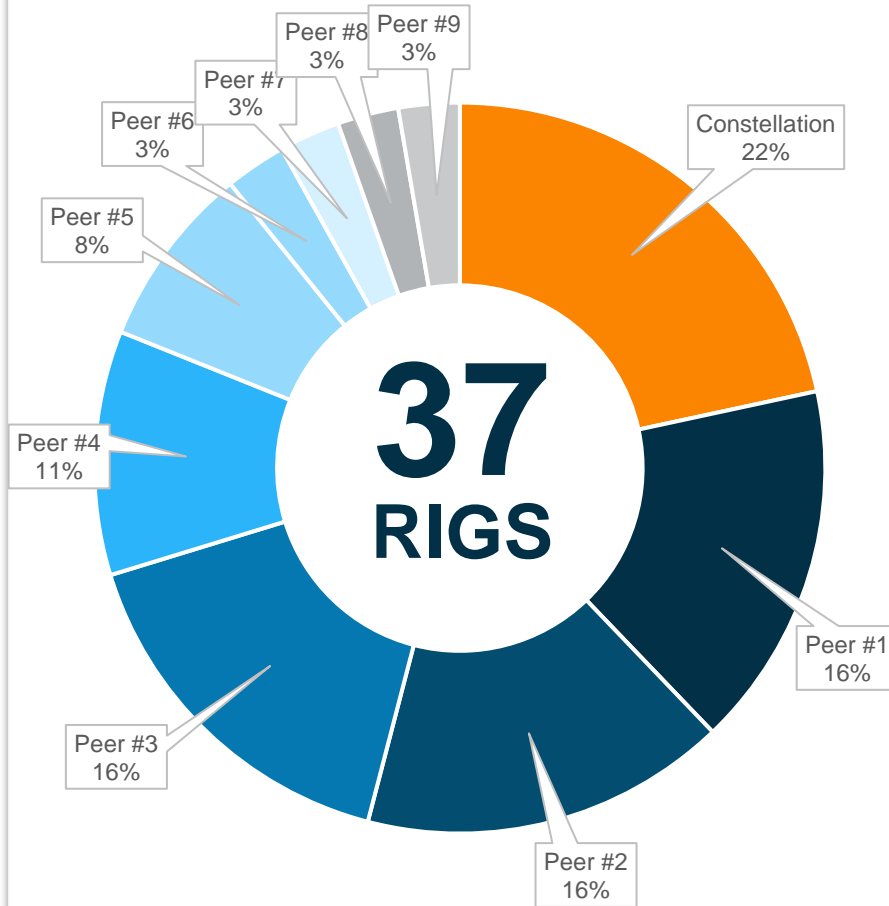


Largest fleet, fully equipped to address Brazilian market needs

Fleet distribution talks to the future demand for activity in Brazil

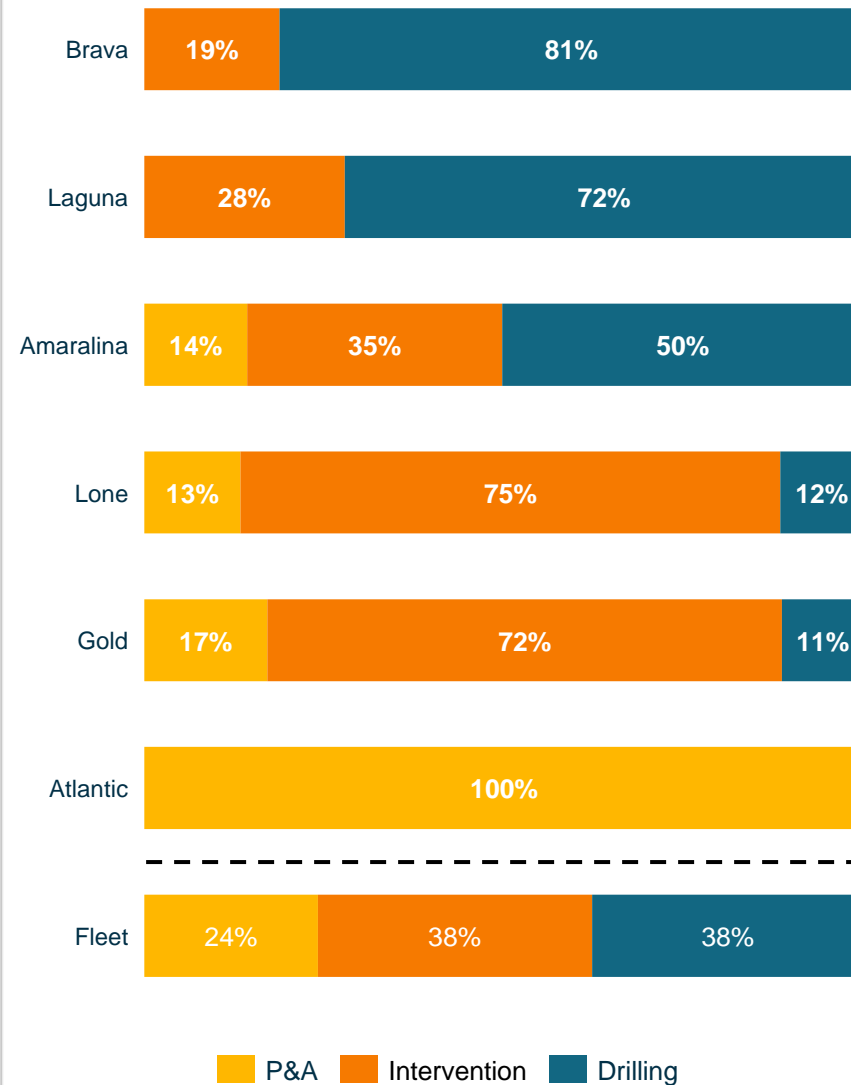
Constellation currently holds over 20% of the market share¹...

Brazilian Market Share
Dec/24



... and has consistently demonstrated versatility by executing a diverse range of activities³

Mix of activities from Constellation's rigs with Petrobras – 2022-2024



It aligns perfectly with the opportunities associated with increasing production in Brazil²



Exploration

- A total of **51 wells** are planned to be drilled over the next five years, with the *Amaralina Star* selected as one of the units to execute this plan.
- 15 of these wells are planned for the **Equatorial Margin**, showcasing a strategic focus on this region.



Development – Pre-Salt

- The **Búzios, Tupi/Iracema, and Mero** fields are key drivers of Pre-Salt activity, accounting for 80% of current production.
- Planned activities include **incremental FPSOs** and **revitalization efforts** to sustain and enhance production capacity.



Campos Basin

- The Campos Basin will see significant revitalization efforts, representing **30% of future E&P investments**.
- Approximately **200 new wells** are expected to be connected over the next five years.



Recovery Factor Increase

- Future projects focus on **revitalization**, **Productive Life Extension Projects (EVPRo)**, and improving **recovery factors** to maximize production efficiency.



Decommissioning

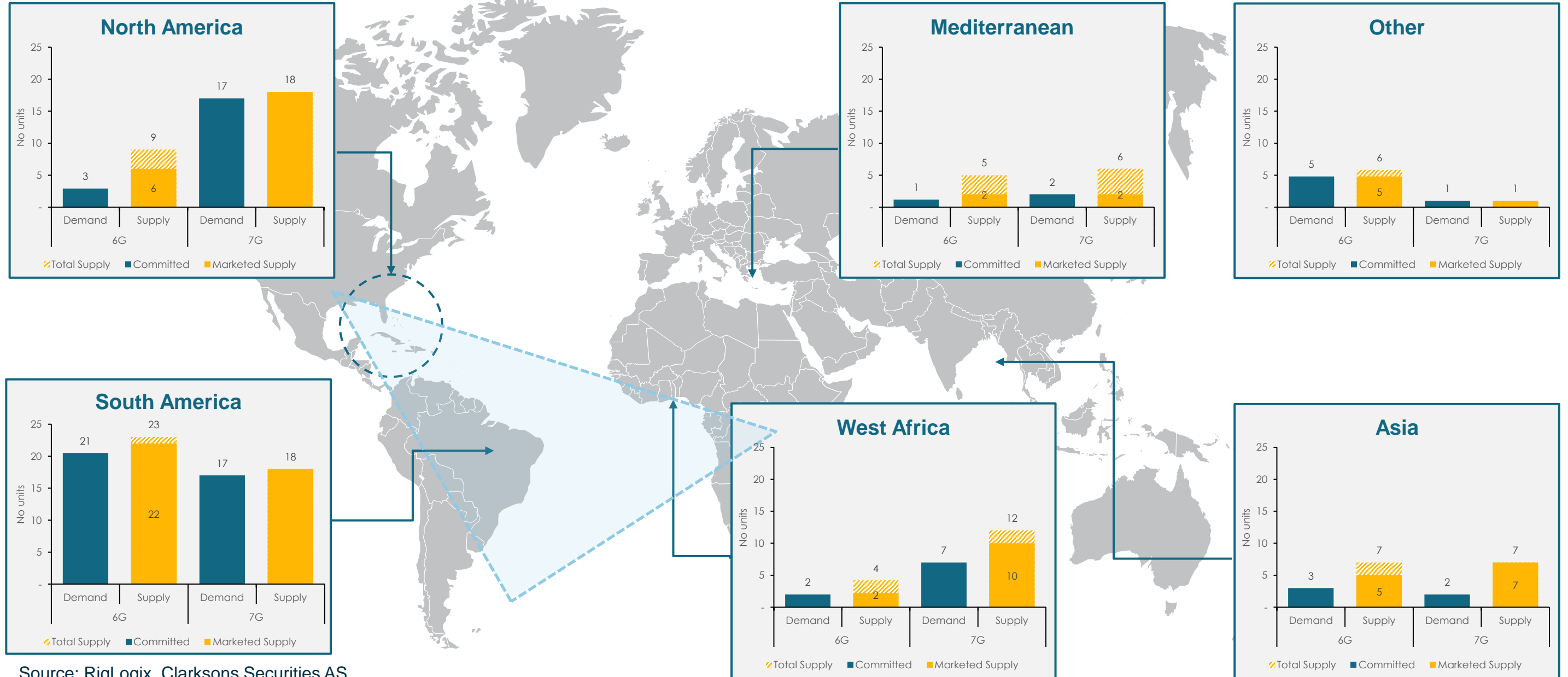
- Over **420 wells** are planned for **abandonment** over the next five years, as part of responsible resource management initiatives.

1. Market share considering rigs currently in Brazil and yet to arrive in the country as of December 2024. Does not include jackup rigs. 2. Source: Petrobras Business Plan 2025-2029. 3. Source: Internal Analysis.



Constellation's floaters can operate opportunistically across key basins

Constellation's core market is Brazil – however, Constellation has the optionality to bid and operate in other high demand regions



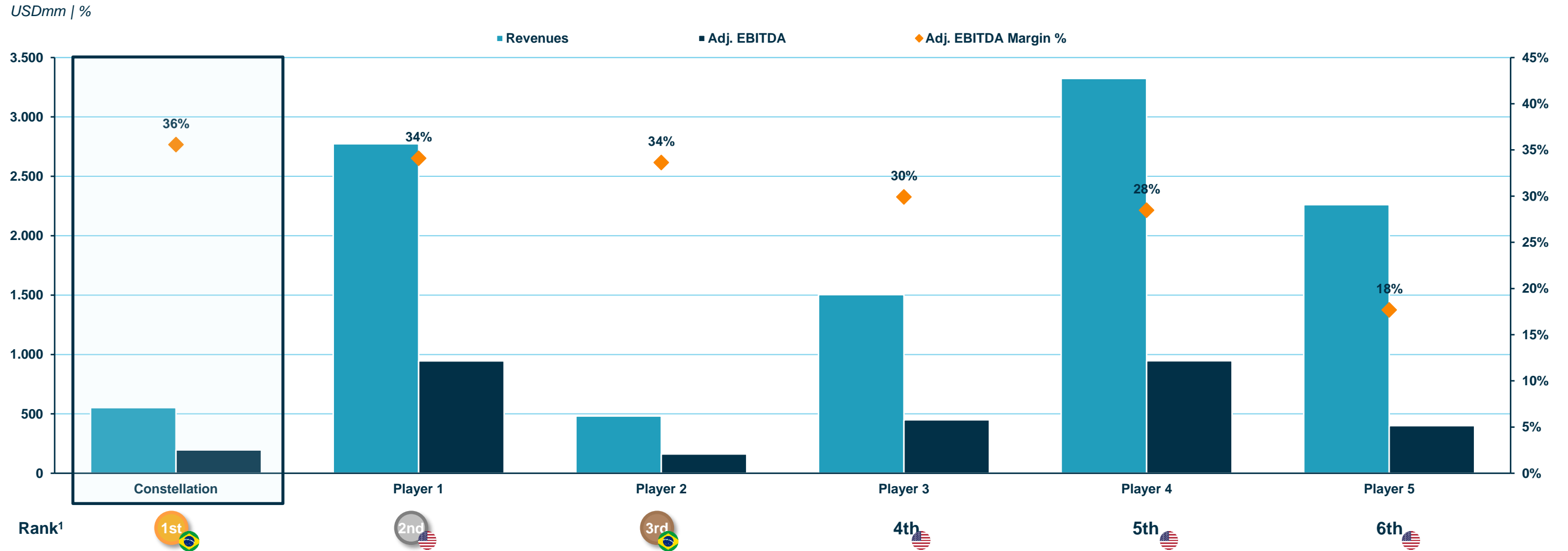
Source: RigLogix, Clarksons Securities AS

EBITDA Performance and Peer Comparison

Leading cost structure relative to regional and global peers helping to deliver top-tier industry profitability

- Despite having a smaller fleet size than top international drillers, Constellation's **focus** and **experience in one hub** provides a **superior economy of scale**
- Expected to deliver **strong Adj. EBITDA margin** in the **long-term** as contracts are repriced to current positive market rates

Revenue, Adj. EBITDA & Adj. EBITDA Margin as of 3Q24LTM¹

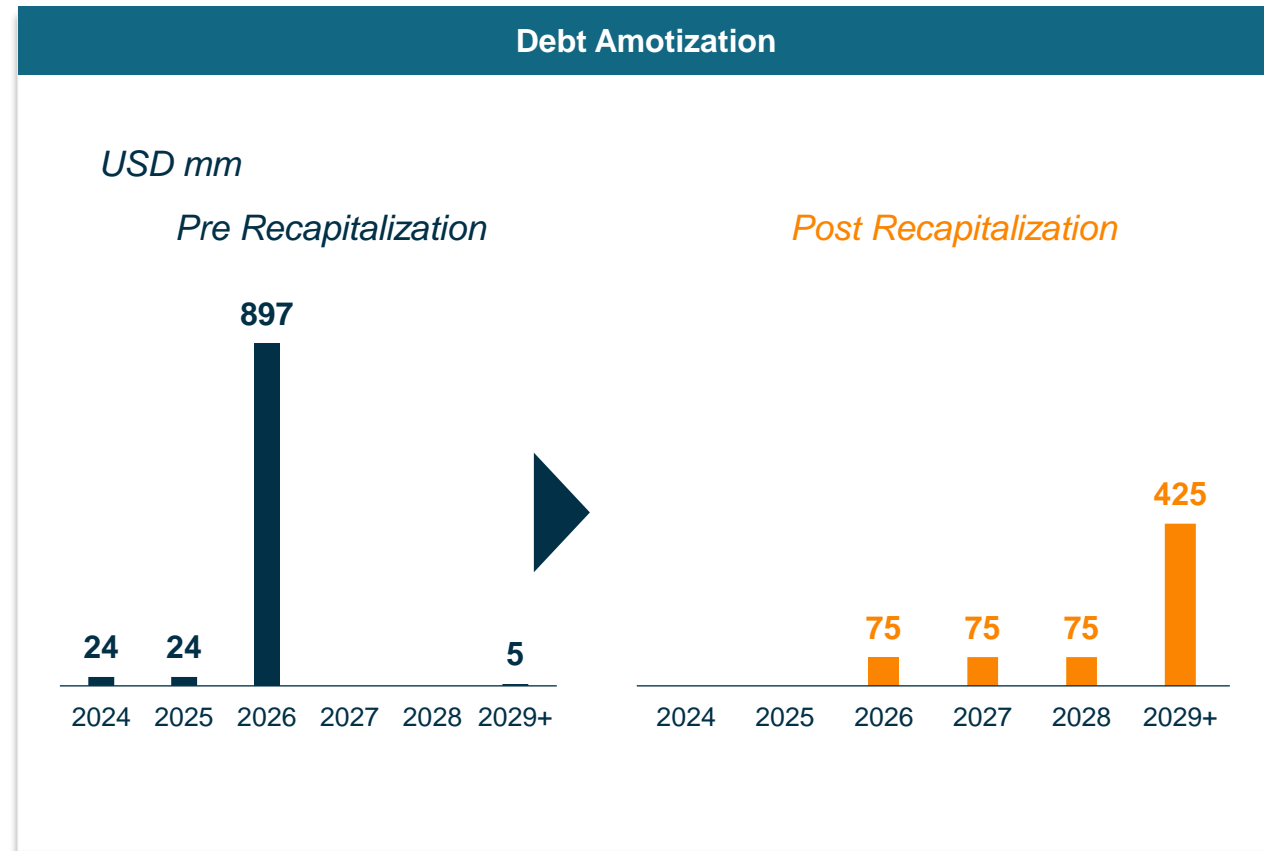


Source: Companies' earnings release and financial statements
 Notes: (1) Ranked in order of Adj. EBITDA Margin



Enhanced capital structure: positioned for growth and value creation

Successful recapitalization and refinancing achieved, delivering a strengthened financial position



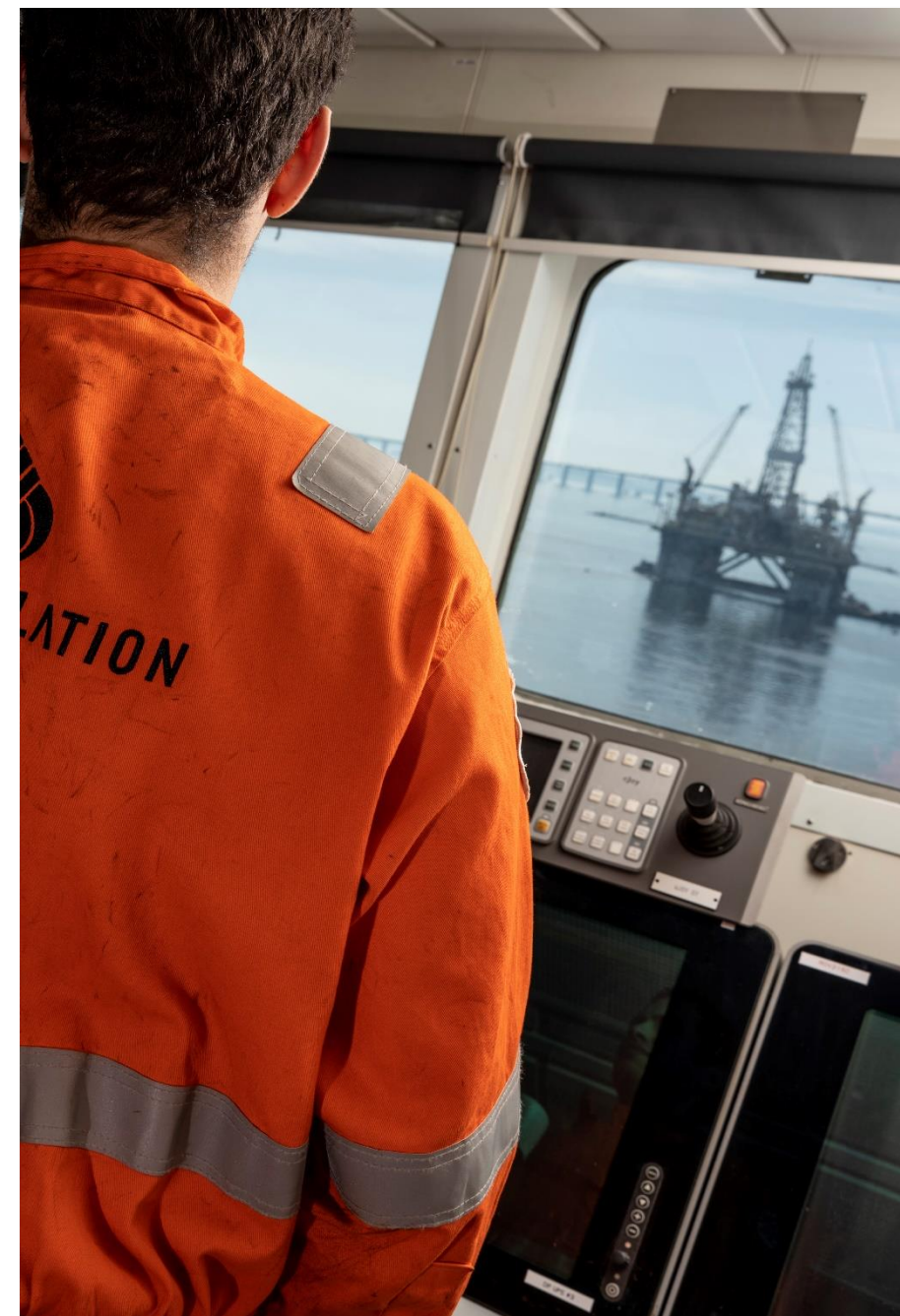
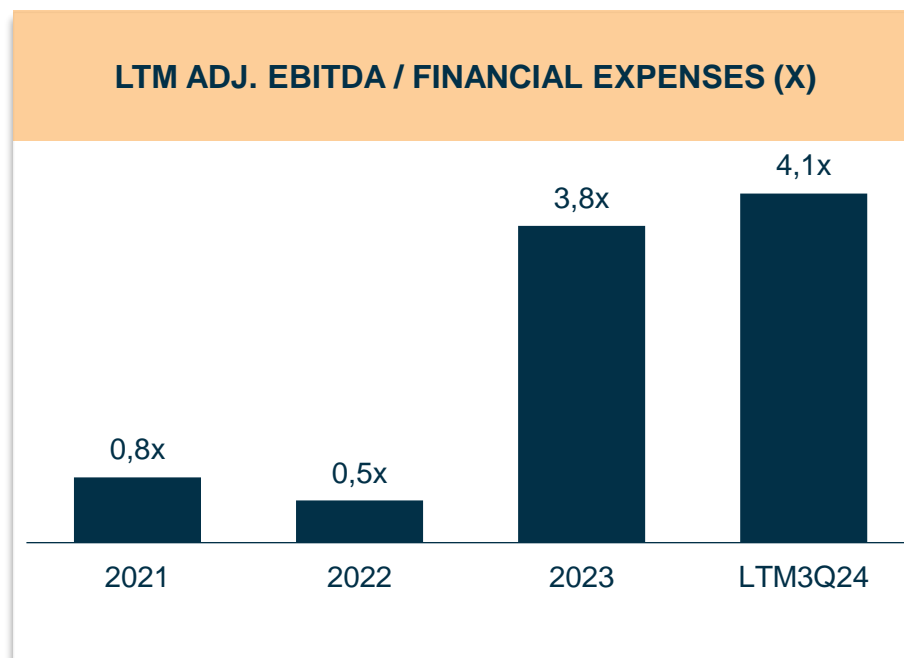
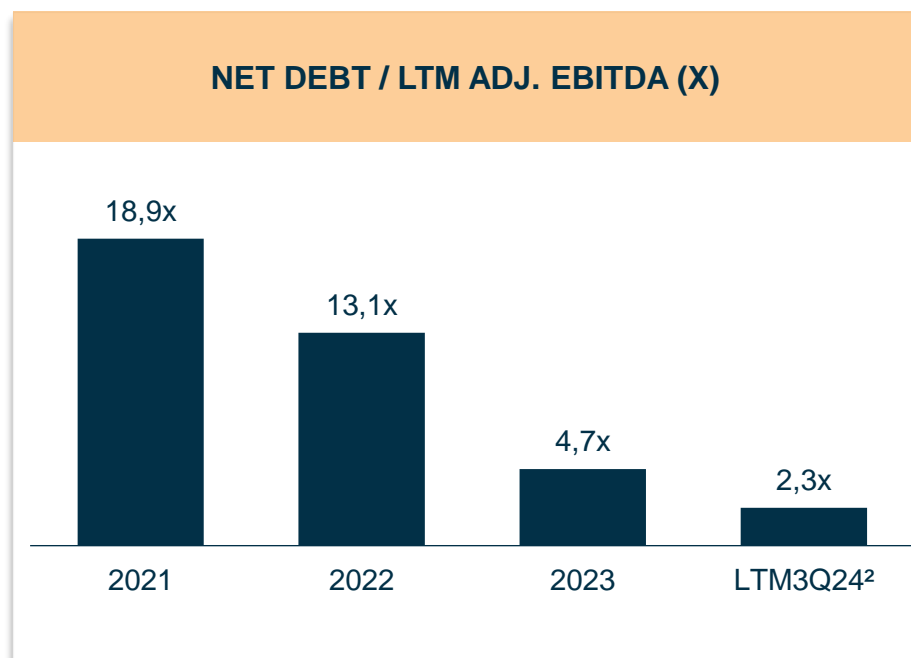
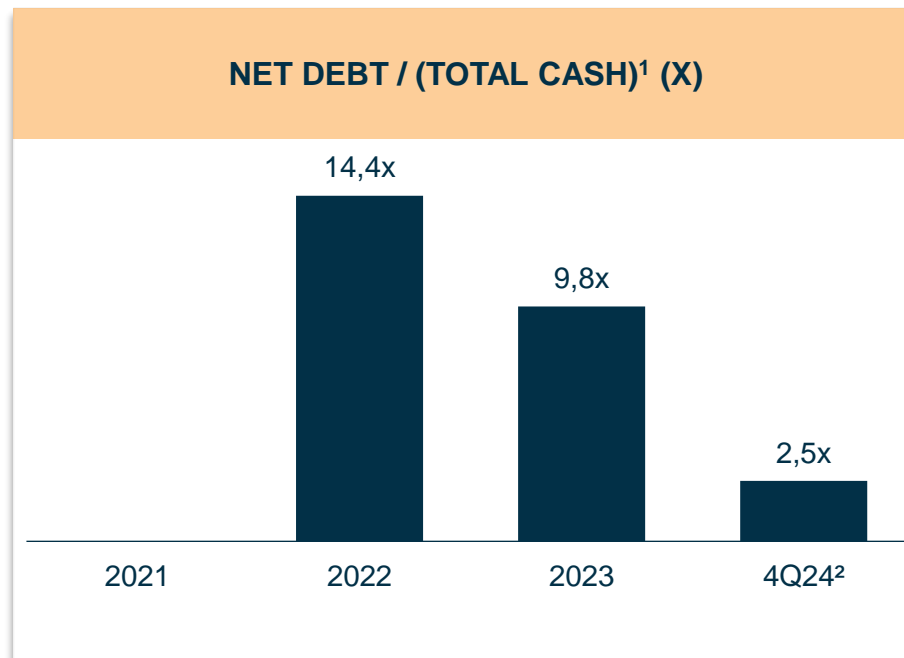
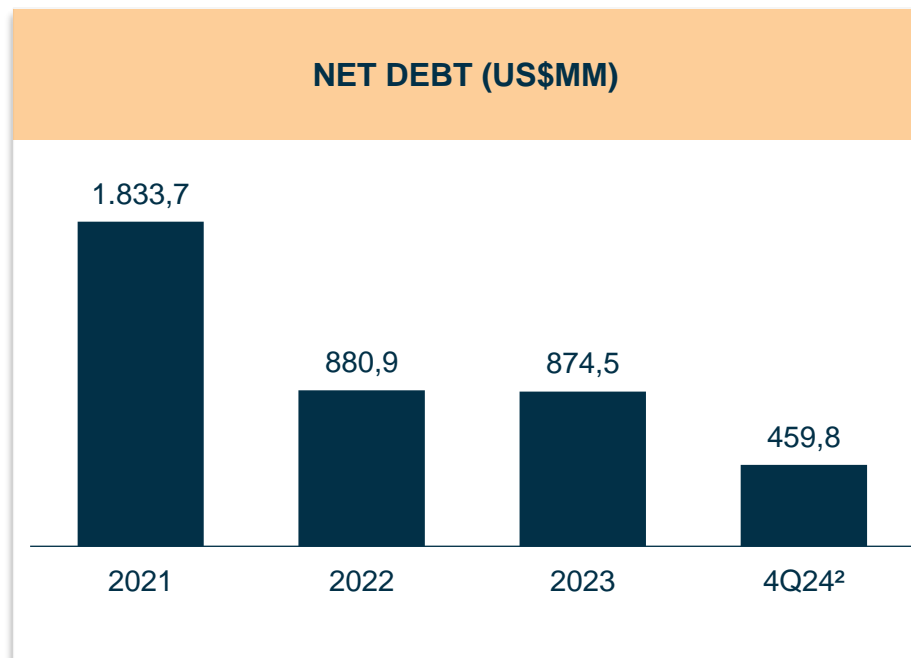
Capitalization Table

USD mm, otherwise stated	3Q24		Pro-forma	
	Amount	xEBITDA 3Q24 LTM	Amount ² 4Q24	xEBITDA 3Q24 LTM
Adj. EBITDA LTM		197		197
Priority Lien Notes	36	0.2x		
First Lien Notes	285	1.5x		
Second Lien Notes	2	0.0x		
Senior Unsecured Notes	3	0.0x		
Super Priority Bradesco Loan	45	0.2x		
Restructured ALB	536	2.7x		
ALB L/C Debt	30	0.2x		
New First Lien Senior Secured Notes			642	3.3x
Total Debt	937	4.8x	642	3.3x
Cash and cash equivalents ¹	(83)	(0.4)x	(183)	(0.9x)
Net Debt	855	4.3x	460	2.3x

- In 4Q'24, Constellation successfully completed a **recapitalization and refinancing**, strengthening its capital structure.
 - **\$618M in junior capital** raised through equity, including **\$75M from new investors**.
 - **\$650M in new senior secured notes** issued.
 - \$657M in debt and equity redemptions, **reducing leverage by ~\$300M**.
 - **Pro-forma cash balance of ~\$180M**, ensuring financial flexibility.
- With a **strong financial foundation**, a **robust backlog**, and **cost-efficiency**, the company is set for substantial **cash generation**. This underpins a **disciplined capital allocation framework** focused on **debt reduction**, **maximizing dividend potential**, and maintaining **flexibility for accretive growth initiatives**.

Notes: (1) Includes short-term investments and restricted cash, (2) Preliminary 4Q24 pro-forma Net Debt

Leverage and liquidity profile



Source: Company's financial statements as of 2022FY, 2023FY, 3Q23 and 3Q24

Notes: (1) Includes short-term investments and restricted cash, (2) 4Q24 pro-forma Net Debt and LTM 3Q24 Ebitda



Constellation is the market leading offshore drilling company in Brazil, serving the largest ultra deep-water market in the world



Leadership positioning in a key market with high barriers to entry



Fleet capable of addressing growing market demand



Strong economy of scale with top-tier industry profitability



Solid liquidity and strong backlog underpinning debt repayment and shareholder returns



Focus on safety, excellence, sustainability and innovation

USD 553m

Revenue Q3'24 LTM

USD 197m

Adj. EBITDA Q3'24 LTM

USD 2.1b

Contract Backlog

2.3x

Pro-forma Q3'24
Net Leverage

22%

Mkt Share Brazil





Constellation.