

Constellation announces Expected Transaction

Luxembourg, October 14th, 2024 - Constellation Oil Services Holding S.A. (“Constellation” or the “Company”) is contemplating a comprehensive recapitalization involving all current shareholders and debt holders. The recapitalization is expected to consist of the following key components:

- A range from US\$ 600-630 million of junior capital, sourced from existing stakeholders and third-party investors
- Approximately US\$650 million of new debt in the form of senior secured high yield bonds
- Approximately US\$ 660 million cash redemption of certain existing debt and equity holders
- All current financial debt will either be converted into junior capital or repaid

The recapitalization would be conducted through an acquisition and merger with a special purpose vehicle that will be owned by the third-party investors. The recapitalization would qualify as a Liquidity Event under Constellation’s existing financing documents.

The new junior capital would be raised, and the merger would occur at a combined debt and equity valuation of US\$1,150-1,250 million. Constellation’s existing debt and equity holders following the Liquidity Event are expected to be given a cash-out option at a Constellation valuation of US\$1,000-1,050 million.

Constellation expects to list its common shares on the Euronext Growth (Oslo) exchange following the closing of the Liquidity Event. The junior capital raise was formally launched today, and the Liquidity Event, if completed, is expected to close at the end of the fourth quarter of 2024.

The company’s day-to-day operations will not be impacted by this process. Constellation will continue to operate as usual throughout the recapitalization, ensuring stability for all stakeholders involved.

Disclaimer:

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities. Constellation is currently evaluating its options, has not made any final decision regarding the proposed recapitalization and the Boards of Constellation and the Special Purpose Vehicles have not yet approved the transaction. There can be no assurance that the proposed recapitalization or any part of it will proceed as described or at all. Constellation reserves the right to change the terms of the recapitalization or abandon the process altogether without any further notice.

The proposed recapitalization remains subject to ongoing review, negotiation, and necessary approvals. Additionally, there are no commitments from third-party investors or guarantees that any such commitments will be secured. As such, there is no certainty that the transaction will be completed, nor is the company under any obligation to proceed with the recapitalization or listing on any exchange.

About Constellation



Constellation.

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.

NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, such statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by the “forward-looking statements.” The Company undertakes no obligation to release publicly revisions to any “forward-looking statement,” including, without limitation, outlook, to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued “forward-looking statement” constitutes a reaffirmation of that statement. Continued reliance on “forward-looking statements” is at investors’ own risk.