



CONSTELLATION

Constellation Oil Services

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Energy Conference

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Forward looking statement



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At a glance



Safety - core value

We continuously work for safety emerge from our culture, investing in people, programs and systems



1,700 employees

Talented teams to support the challenging offshore operations



Leaders in Brazil

Constellation has about a quarter of the Brazilian market share, which is the largest UDW market in the world



Financial return

\$110M Adj. EBITDA delivered in 1H'23, largest fleet in Brazil provide scale and top-tier cost-structure in the industry



ESG Agenda in place

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



43 years continuously

Constellation has been working in Brazil since 1981. The 1st offshore unit was deployed in 1994

With about **16 years** of future backlog and consistently delivering positive results over **more than 40 years** of activity, Constellation operates in Brazil and India, with a robust UDW footprint



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

KEY CLIENTS



Robust operational track record

Highlights of recent operational milestones



BRAVA STAR FASTEST UDW WELL IN BRAZIL

- In 2020, Brava Star drilled the GdM4 well working with Shell in an exploratory campaign. The well was drilled in **18 days**, reaching a **Top Quartile benchmark**
- 4 pre-salt wells were drilled in the campaign at Sul de Gato de Mato (2 wells), Alto de Cabo Frio and Saturno prospects with all of them qualifying in terms of drilling time as best in class (BIC)



BRAVA STAR DEEPEST UDW WELL IN BRAZIL

- In 2022, Brava Star drilled the **deepest offshore well** in Brazil, working with Petrobras in the Monai-1 well (EX-M-669)
- The well crossed a record **4850m salt** layer and reached a final depth of **7700 meter**
- Campaign was deemed a success despite being faced with significant technical challenges in extreme environment



AMARALINA STAR IMPROVED PERFORMANCE AT RONCADOR

- Working at the Roncador field, operated by Petrobras and Equinor, Amaraila star reached important records:
- Supported the consortium on **48% reduction in time** and **60% reduction in cost**
- Recently achieved the **fastest completion** in the field – total of **9,3 days** (3rd fastest well for Petrobras fleet)

EXPERIENCE WITH PETROBRAS BRINGS EXPOSURE TO IOCs

- Constellation has performed activities in strategic fields in *Brazilian Production Sharing Agreement (PSC)*, such as BM-S-11, Monai, Alto de Cabo Frio, among others.
- It included partnering with several IOCs, such as:



People in the center, doing the right thing, always

Driving safety, excellence and sustainability with integrity



SAFETY FIRST

Non-negotiable condition and respect to life - no significant leaks, injuries or fatalities ¹

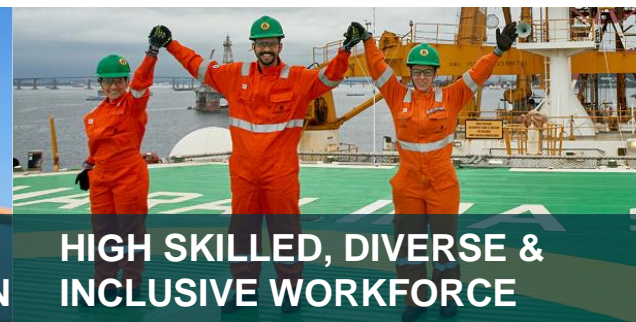
- Human factors with a system view being adopted
- Continuous improvement in ops. and process safety practices
- 30% improvement on recordable incidents rate ²



SUSTAINABILITY, DRIVING CARBON FOOTPRINT REDUCTION

Care for people, the environment and commitment to business continuity

- 2022 ESG Report released in July, new corporate commitments by 2030
- Shored base operations fully powered by solar
- Projects for reducing fleet's fuel consumption, in partnership with customers and universities



HIGH SKILLED, DIVERSE & INCLUSIVE WORKFORCE

+1,800 talented employees fostering diversity, equity, and inclusion

- 28% female in leadership positions, gender pay equity
- 350+ leaders with long tenure
- Great Place to Work certificate in 2023
- The largest engineering team in Brazil



ETHICS, COMPLIANCE AND TRANSPARENCY

Relationships based on mutual respect, honoring commitments with integrity

- New IR website open to public
- 100% anti-corruption training
- 100% suppliers' integrity check
- Anti-Corruption Policy complies with FCPA and UK Bribery Act

PARTNERSHIPS BRINGING PEOPLE'S PERFORMANCE TO WORDCLASS LEVEL



Rio das Ostras Facility



- ✓ Capacity for up to 12 rigs
- ✓ 100% solar-powered
- ✓ Warehouses and infrastructure to support operations

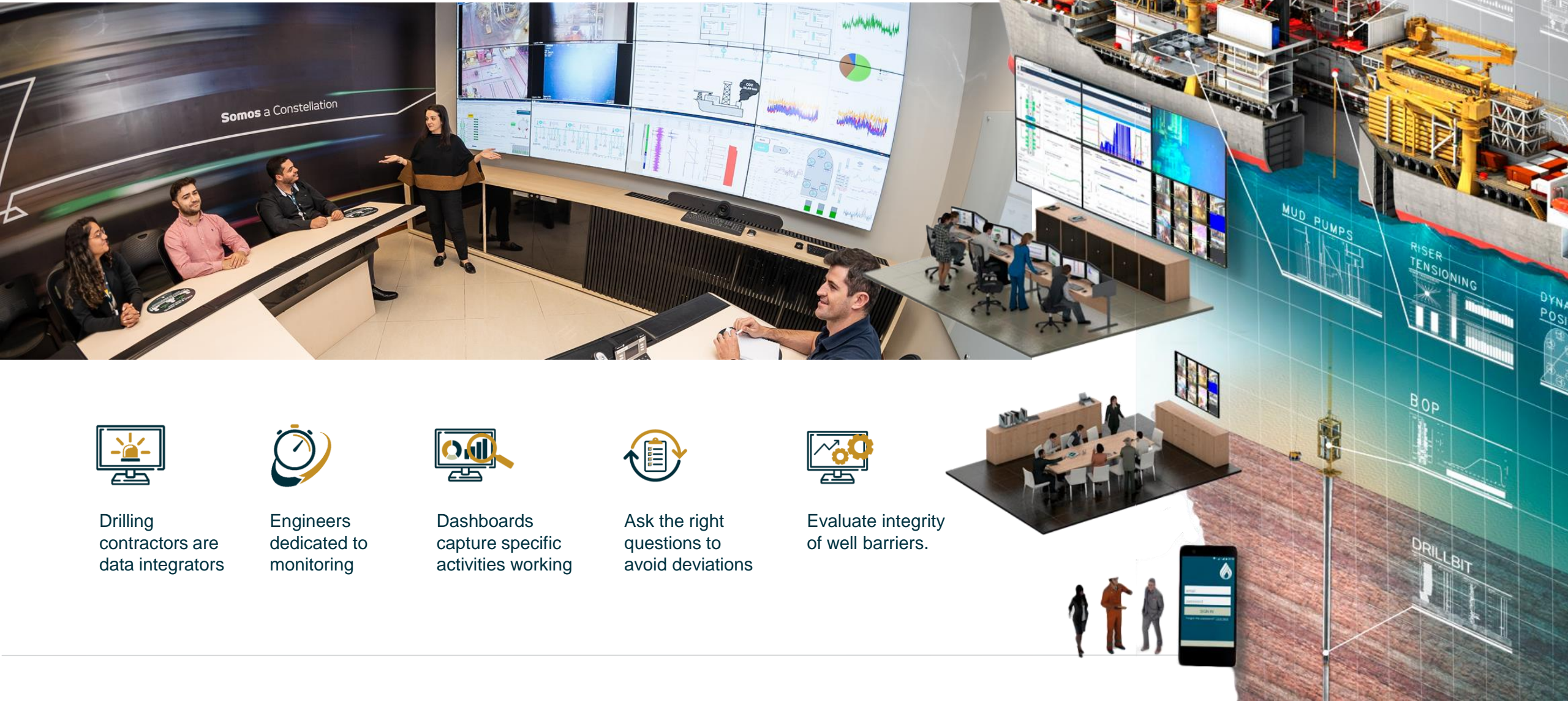
59.000m²
TOTAL AREA
Buildings & Storage area

5.785m²
OFFICES,
WAREHOUSES
AND WORKSHOPS



Innovation & Technology

Real-time Operating Center



Somos a Constellation



Drilling contractors are data integrators



Engineers dedicated to monitoring



Dashboards capture specific activities working



Ask the right questions to avoid deviations



Evaluate integrity of well barriers.



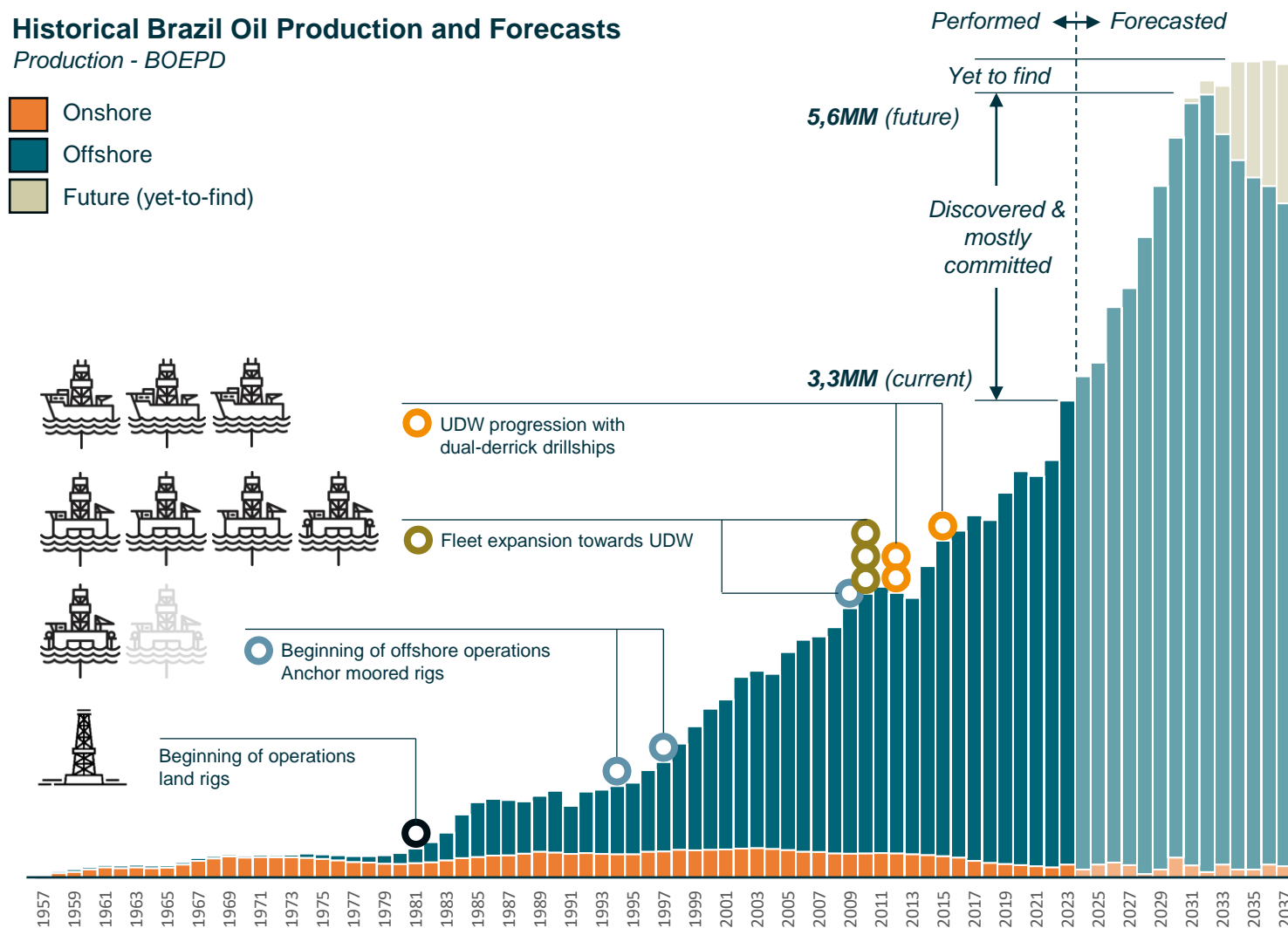
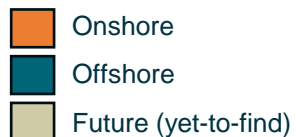
Brazilian offshore presents a sustainable O&G location

Compelling breakeven economics with lower carbon footprint



Historical Brazil Oil Production and Forecasts

Production - BOEPD



Currently the **9th largest** oil producing country - expected to become the **5th** by 2030



Feature **low carbon intensity** if compared to other oil producing regions



Oil production expected to **rise 80%** to ~5,4MMbbl/d with new investments to reach **US\$ 180bi** by 2030



O&G industry currently employs about **1,5 million of people** in Brazil



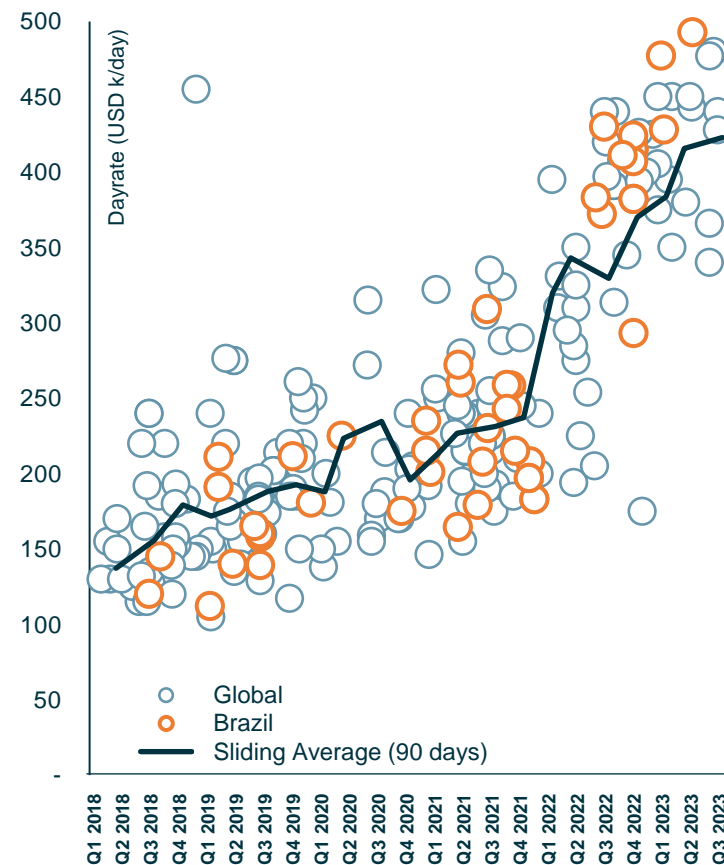
More than **74%** of future oil production will come from fields with a **breakeven price below 40 USD/bbl**

Constellation has deep knowledge in Brazil

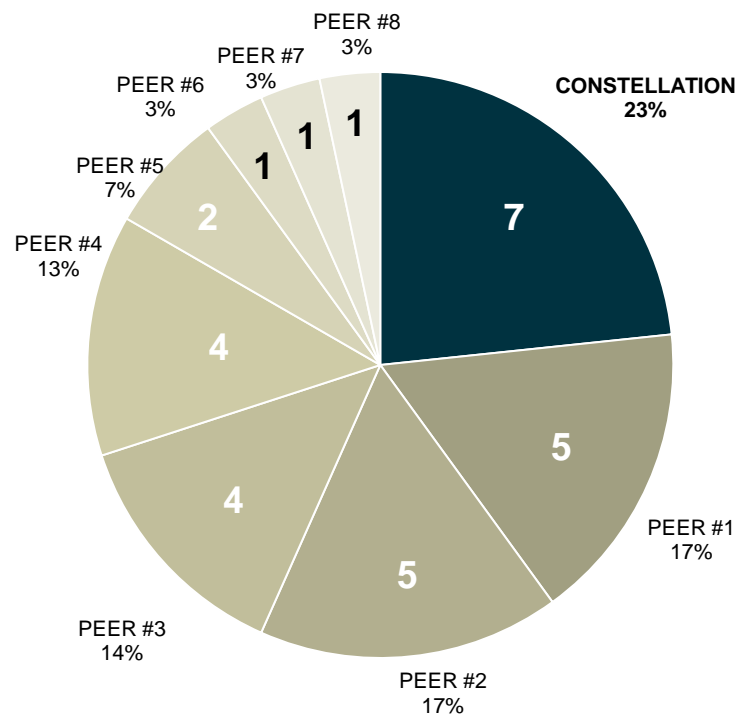
Understanding the business environment to succeed



Dayrate momentum continues – Brazil key for demand



Constellation currently accounts for almost a quarter in market share



of Rigs contracted for Brazil as of May 2023

Brazil as a highly regulated country to operate

- With a robust regulatory framework, Brazil has several agencies and police makers responsible for supervising the O&G segment and ensuring people and environmental protection.
- Constellation is prepared to comply with such environment, providing operations predictability in the Brazilian ecosystem



Fleet Fully Committed for '23/'24 ... Utilization est. ~100%¹



Successfully secured awards for Alpha Star and confident outlook for Atlantic Star extension

Fleet Status Report Sep '23		2023				2024				2025				2026				2027			
Month		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	OLINDA STAR	ONGC																			
	ATLANTIC STAR	Petrobras				Extension opportunity															
	LONE STAR	Petrobras																			
	GOLD STAR	Petrobras																			
	ALPHA STAR	Enauta				3R				Petrobras 3 Lots											
	AMARALINA STAR	Petrobras				Optional period															
	LAGUNA STAR	Petrobras																			
	BRAVA STAR	Petrobras				Petrobras															

Current contract
 Potential to extend
 Next contract (signed)
 Expected new fixture / upcoming bids

Contract
Backlog
\$1.6B ²

Backlog
Years
16 Years ²

Utilization
2023-2027e
~90 %

1. Utilization calculated excluding Olinda Star that is currently planned to be scrapped. 2. Jun'23 - Including new contracts for Alpha Star: 3R Petroleum and Petrobras 3 Lots

Financial Highlights



Industry-leading cost structure, to deliver top-tier EBITDA rate and ability to organically deleverage



Fleet fully contracted

- No stacked rigs, no major investment on the fleet expected
- Utilization at ~100% up to the end of '24, and more to come for '25+



Margin growth

- Recent contracts wins providing EBITDA upside to plan
- Leveraging scale for opex control, inflation offset by cost efficiency



Contract transitions

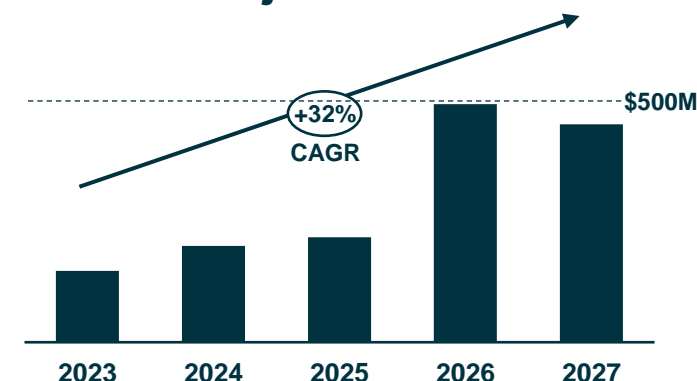
- Long-term contracts requiring lower transition costs
- Repricing opportunity for 2 DSs and 2 Semis in the near term



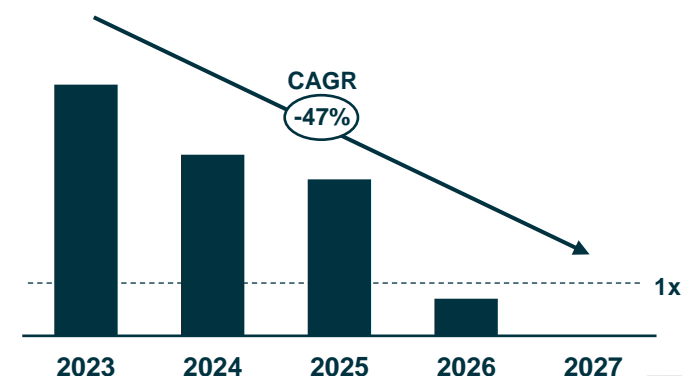
Flexible capital structure

- Healthy amortization term, and 90% outstanding debt convertible
- To commence interest payments in cash in Sep'23, ahead of plan

Adj. EBITDA

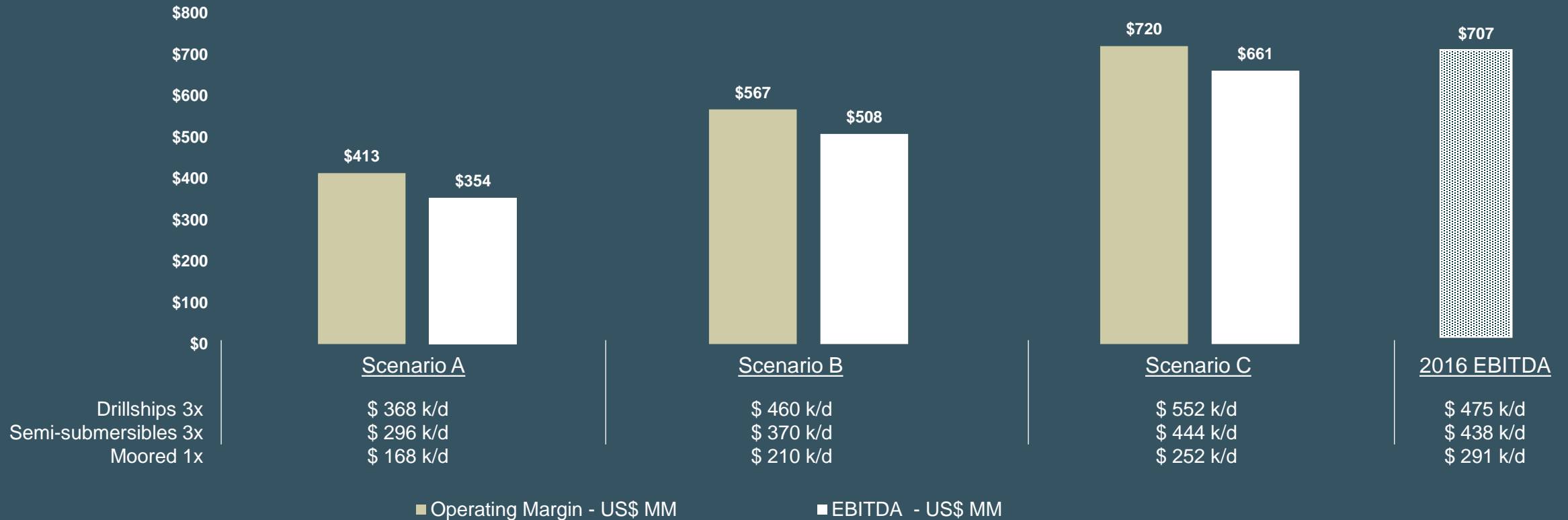


Net debt / EBITDA



Significant Opportunities for Repricing to Market Day-rates

Illustrative Op. Margin and EBITDA potential



1. "Scenario B" / Base Case: day rates for 2025-2026 based on latest market research
2. Sensitivity: "Scenarios A" and "C" considers -20% and +20% over dayrates
3. 2016 EBITDA represents actual financial results from such fiscal year
4. Assumes fleet utilization based on a two-year contract term and 3 months idle time (87.5%)
5. EBITDA: Includes shore base, support cost and SG&A
6. Operating Margin: Gross profit - SG&A - Support Base



Constellation

Poised for sustainable growth



Market leader and preferred drilling supplier in Brazil, the greatest offshore rig market



Fully mobilized diversified fleet fit for current market standards and client requirements



Ready to capture industry new super cycle, with deep knowledge of Brazilian market, regulations and technical gaps required by Petrobras



Poised for growth and to create additional value to our stakeholders by partnership models, such as bareboat, management fee



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