



Ventura Offshore

RESULTS FOR THE FOURTH QUARTER 2025

Highlights

- Operational uptime of 94.4% and financial uptime of 91.5% in 4Q25 for the combined fleet of owned and managed rigs
- Our customer Eni declared the second and the third of four optional wells in Indonesia for SSV Catarina
- Our Revolving Credit Facility has been extended for six months
- Net Income of \$27.7 million for the quarter
- Adjusted EBITDA of \$21.9 million for the quarter
- Free cash position of \$43.0 million

“We are very pleased to report that, during this quarter, our customer Eni exercised the second and third optional wells for the SSV Catarina. This decision underscores the unit’s top-tier operational performance and the strength of our partnership. The award adds approximately \$30 million to our firm backlog, further enhancing our revenue visibility. Ventura Offshore remains fully focused on further expanding our backlog and capitalizing on both current and emerging opportunities.”

Guilherme Coelho, Chief Executive Officer

Operations

The operational uptime for the quarter was 94.4% for the combined fleet of managed and owned units, while the financial uptime was 91.5% for the combined fleet and 91.4% for the owned fleet. The operations carried out by the Catarina in Q4 largely explained this variance between operational and financial uptime, as most were contractually paid under a reduced rate.

The two owned rigs operating in Brazil, the DS Carolina and the SSV Victoria continue to operate under their current contracts with Petrobras, with the end of the current contracts currently estimated to occur in June and August of 2026, respectively, assuming an average 45-day duration well-in-progress option in our customer’s discretion.

The SSV Catarina continues to operate under its contract with Eni Indonesia, delivering exceptional 99% operational uptime. During the fourth quarter, the Company received notice from its customer that the second and third of four optional wells in Indonesia had been exercised, extending the expected firm work for the unit into the second quarter of 2026. Further exercise by Eni of the remaining optional well in Indonesia could keep the rig utilized into Q3 2026.

The Atlantic Zonda, which the Company operates under a management agreement, continues to perform very well on its first year of operations, maintaining its superior safety performance.

Conclusion of the economic impact of the interdiction of the DS Carolina during Q1 2025 with the Company’s client has not yet been reached and is unchanged from Q1. The Company expects conclusion of ongoing discussion with Petrobras during 2026.

Financial results 4Q25 and Year to Date

The Company reported for the three and twelve months ended December 31, 2025, a net income of \$27.7 million and \$96.5 million, respectively. The adjusted EBITDA for the three months ended December 31, 2025, was \$21.9 million as per the table below, compared to \$19.7 million, \$18.2 million and \$17.0 million for the third, second and first quarter, respectively. Cash flow from operating activities for our owned and managed drilling units in the three and twelve months ended December 31, 2025, was \$20.4 million and \$63.3 million, respectively. The positive operating cash flow in the fourth quarter is mainly related to the cash flows generated by our regular operations.

For the three months ended December 31, 2025, the Company reported revenues from contract drilling services for our three drilling units of \$74.1 million that includes \$20.9 million related to non-cash amortization of an unfavourable contract liability recorded as part of the UER acquisition in May 2024. For the twelve months ended December 31, 2025, the Company reported revenues from contract drilling services for our three drilling units of \$ 298.7 million that includes \$85.3 million related to the non-cash amortization of the unfavourable contract liability and \$5.7 million in amortized mobilization fees.

Management fee income net of cost related to the Atlantic Zonda, for both fixed and variable fees, was \$4.0 million for the fourth quarter compared to \$3.6 million in the third quarter, which was the first quarter with operations for the full quarter.

Rig Operating and Maintenance Expenses in the fourth quarter was \$29.2 million and \$126.0 million for the twelve months ended December 31, 2025, where approximately \$ nil and \$6.3 million, respectively, relates to ancillary services under the SSV Catarina contract which the Company is compensated for through an increased day rate. The operating cost of \$29.2 million in the fourth quarter implies a daily average OPEX of approximately \$105,800 based on 276 rig operating days for our three owned units and similarly a daily average OPEX of approximately \$107,300 (further excluding deferred mobilization cost of \$2.2 million) for the twelve months ended December 31, 2025. A critical focus for the Company is to continue to maintain its industry-leading operating cost for our drilling units.

General and Administrative Expenses in the fourth quarter was \$4.6 million and \$19.8 million for the twelve months ended December 31, 2025. During the fourth quarter, the Company has recognised a non-recurring cost reduction of \$1.5 million that is related to social security taxes in Brazil. The recovery relates to a period also before Ventura Offshore Holding acquired the Universal Energy Resources in mid-2024 and the amount has been posted as a cost reduction in Q4 when the amount was identified and recovered.

The Company has expensed about \$3.8 million of interest cost related to the bond loan in the fourth quarter that includes amortization of deferred loan cost of \$0.4 million, and \$16.8 million of interest cost for the twelve months period ended December 31, 2025, that includes amortization of deferred loan cost of \$1.6 million. As part of the acquisition and commencement of the current drilling contract for SSV Catarina, we also entered into a Revolving Credit Facility ("RCF") of \$30 million in July 2024. The interest expense in the three and twelve months ended December 31, 2025, for the RCF was about \$0.4 million and \$1.7 million, respectively.

The table below includes operating revenues and expenses for the Company's owned rigs all the quarters of 2025. Contract Drilling Services and Rig Operating and Maintenance Expenses include \$2.8 million and \$1.1 million in amortized mobilization fees and costs recognized in both 1Q25 and 2Q25.

ADJUSTED EBITDA <i>(all figures in USD '000)</i>	4Q25	3Q25	2Q25	1Q25
<u>Revenues</u>				
Contract Drilling Services - Owned units *	53,207	53,916	53,208	53,061
Management fee Income – Net of cost**	3,958	3,620	2,150	1,066
Total Revenues	57,165	57,536	55,358	54,127
<u>Operating Expenses</u>				
Rig Operating and Maintenance Expenses - Owned units	(29,198)	(32,135)	(32,590)	(32,057)
General and Administrative Expenses***	(6,049)	(5,656)	(4,520)	(5,079)
Total Expenses	(35,247)	(37,791)	(37,110)	(37,136)
Adjusted EBITDA	21,918	19,745	18,248	16,991

* excluding non-cash revenue related to amortization of Unfavorable Contract Liability

** presented as a net amount of management fees income, reimbursable revenues and expenses for managed vessels

***adjusted for a non-recurring recovery of payroll taxes of \$1,466k recorded as a cost reduction in Q425

Financing and liquidity

As of December 31, 2025, the Company held \$43.0 million in free cash. The company held an additional restricted cash of \$22.3 million on behalf of the owners of the managed drilling unit to cover upcoming operating and capital expenditures.

As of December 31, 2025, the outstanding balance on the Company's bond loan was \$135.0 million after paying down an instalment of \$10.0 million during the fourth quarter and \$40.0 million in total for the twelve months ended December 31, 2025. The bond loan carries 10% interest and has a duration of three years with quarterly amortization of \$10.0 million and interest payments and matures in April 2027. The free liquidity covenant is \$15.0 million including the unutilized portion of the RCF.

As of December 31, 2025, we have an outstanding loan balance of \$9.3 million for the RCF and a guarantee of \$9.5 million issued under the same facility, totalling \$ 18.8 million. The RCF is for \$30.0 million, and we have \$11.2 million in remaining available capacity. In the fourth quarter of 2025, we utilized an option to extend the maturity date of the RCF with six months and the final maturity date is now in July 2026.

During the fourth quarter, the Company has paid \$1.4 million in capex on its three owned units, which includes \$0.4 million related to long-lead items for the new long-term contract for the DS Carolina with Petrobras. For the twelve months ended December 31, 2025, we have paid vessel capex in the amount of \$13.0 million in total, including \$6.2 million for the DS Carolina project mentioned above. The Company is currently considering different alternatives for financing of the capex expenditures for DS Carolina and SSV Victoria, should the Company be successful in securing a long-term contract for this unit in addition to the already secured contract for DS Carolina. Both an amendment of the Company's existing bond as well as a full refinancing are alternatives being considered.

Other

The strategic priorities for the Company remain unchanged, being safe and reliable operations at industry leading operational cost levels, which the company has yet again delivered on. The Company has a strong position with all its rigs on term contracts.

Continued backlog addition has been pursued determinedly, and the Company has participated in tenders in Brazil for a long-term contract for Petrobras, which results are yet to be formalized. Should the Company be successful securing additional long-term work, the Company will actively evaluate a potential refinancing of its balance sheet to fund certain capital expenditures related to contract-required upgrades and to have a debt profile that matches the backlog and expected earnings profile going forward.

The exercise of the second and third optional wells by Eni for the SSV Catarina reinforces that the rig remains well positioned to continue working in Indonesia with the yet-to-be exercised optional well potentially keep the rig utilized into Q3 2026. Securing additional backlog beyond the Eni contract will be pursued determinedly with utilization being the overarching target for the Company. Hence, other opportunities both in and outside of Southeast Asia will continue to also be pursued.

Market Update

Drilling contractors are ending 2025 on a positive note. Despite uncertainties from geopolitical tensions and fluctuating oil prices, the sector proves resilient amid changes in day rates and utilization, with market utilization holding steady at 88%. The outlook for 2026 and 2027 is optimistic, as there are increasing signs of rising utilization. Late 2025 marked an inflection point in tender activity, with more operators seeking drilling assets for projects scheduled to start in 2026 and 2027. Deepwater regions are seeing higher demand and greater activity. Furthermore, industry consolidation is reshaping competition, leading to a more stable market and setting the stage for favorable supply-side dynamics.

Demand for floaters has grown significantly across Asia. ONGC and PTTEP have each awarded contracts for DP floaters in the region, confirming the expected demand from operators. ONGC has issued a new tender for up to five floaters under a long-term contract with expected commencement in 2027. Indonesia, in particular, has seen increased interest from international oil companies, especially in the gas-rich Kutei Basin, East Kalimantan, and the Andaman Sea. Mubadala, Petronas, and TotalEnergies have expressed intent to start drilling programs later this year or next. Previously, Eni Indonesia issued two tenders for ultra-deepwater drillships, with both offering up to five years of work per rig. Meanwhile, Eni is further developing existing assets using the SSV Catarina, which is playing a key role in sustaining production output with excellent performance and safe operations. As a result, Eni has exercised the second and third optional wells during Q4 2025, with one additional well option remaining. If this final option is used, the SSV Catarina could stay active into the third quarter of 2026.

Africa is showing strong growth, with rig counts expected to rise from 15 to around 20 in the next couple of years. Mozambique will see major program awards by ENI, Exxon, and Total, starting in 2027-2028. Nigeria has ongoing work with Shell and expects upcoming projects from Exxon, Chevron, and Total. Angola's activity remains high due to contract extensions and Shell's planned exploration for 2027. Namibia has promising exploration results and Total is launching a tender for the Venus development, requiring two rigs for three years from early 2028.

The South American market saw activity centred on Brazil, with Petrobras issuing short-term extensions to address the 2025 backlog for select units. At the same time, the Brazilian national oil company is still in the process of concluding contract renegotiations, with a focus on blends and extensions across several drilling contracts. Petrobras' Business Plan 2026–2030 takes a cautious, growth-focused approach, emphasizing capital discipline, continued pre-salt development, and energy transition. The company will invest about US\$109 billion, with US\$69 billion in Exploration and Production – 62% of that targeting pre-salt assets. Petrobras projects peak oil output of 2.7 million barrels/day by 2028 and up to 3.4 million boe/d in 2028–2029, enabled by eight new FPSOs launching by 2030 and further projects planned for the next decade. Offshore rig demand is expected to remain steady or increase slightly in the long term, as dozens of pre-salt wells and around 15 Equatorial Margin wells will be drilled annually. Petrobras' newly released business plan features an updated rig count projection, now ranging from 23 to 28 rig years. However, short-term fleet count is expected to remain stable in country, with few drilling rigs moving from Petrobras to different IOCs within the region.

Over the next two years, Equinor and BP are set to deepen their presence in Brazil's offshore oil and gas sector, with a strong focus on the pre-salt basins. Equinor is prioritizing the ramp-up of its Bacalhau deepwater project in the Santos Basin, one of the largest offshore developments in Brazil, while advancing early construction and engineering work on the Raia gas project, which is expected to become a major domestic gas supply source later in the decade. In parallel, BP is moving from discovery to appraisal in Brazil following its Bumerangue pre-salt find, with appraisal drilling and development concept studies planned through 2026–2027 as the company evaluates the potential for a new long-term production hub in the country. Together, these initiatives underline Brazil's strategic role in both companies' upstream growth plans in the near term.

In summary, the global offshore drilling sector is navigating a period of transformation and renewed optimism. With resilient utilization rates, robust tender activity, and expanding opportunities across Asia, Africa, and South America, contractors and operators will capitalize on evolving market dynamics. Strategic investments, industry consolidation, and a focus on high-return projects are driving growth and stability.

Reconciliation of Non-GAAP measures

<i>(all figures in USD '000)</i>	4Q25	3Q25	2Q25	1Q25
Net Income	27,679	22,340	24,025	22,485
Income Tax Expense	3,649	3,490	3,835	4,227
Total Financial Expense, net	4,005	4,411	4,505	4,871
Depreciation and Amortization	8,910	8,831	8,558	7,844
Non-cash Revenue from Unfavourable contracts	(20,859)	(19,327)	(22,662)	(22,413)
Other	(1,466)	-	(13)	(23)
Adjusted EBITDA	21,918	19,745	18,248	16,991