RESULTS FOR THE FIRST QUARTER 2025

Highlights

- Operational uptime of 93.6% and financial uptime of 90.7% in 1Q25 for the three units in operation, excluding the time experienced by the DS Carolina in January and February during the interdiction issued by ANP (Brazilian oil, natural gas and biofuels regulatory body)
- Entered into an agreement with the previous owners of SSV Catarina to acquire the 17.5% earnout agreement and settle all other amounts outstanding
- Net Income of $22.5 million
- Adjusted EBITDA of $16.7 million
- Free cash position of $27.6 million

Subsequent events

- Announced that DS Zonda commenced operations on April 18, 2025, under a three-year contract, with an option for additional three years, with Petrobras.

We were very pleased to announce during Q1 the acquisition of the 17.5% earnout agreement of the SSV Catarina and the settlement of all amounts outstanding with the previous owners at an attractive purchase price. Our operations this quarter were adversely affected by the interdiction of the DS Carolina for a total of 61 days but we remain in constructive discussions with our client regarding the issue. Securing additional backlog will be pursued determinedly with utilization being the overarching target for Ventura. We believe we are well positioned for the expected upcoming requirements in Brazil to secure backlog for our units at attractive re-contracting economics.

Guilherme Coelho, Chief Executive Officer

Operations

The operational uptime for the quarter was 93.6% for the owned fleet. This excludes a 61-day period during Q1 relating to the previously discussed order of interdiction from ANP for the DS Carolina. For the remaining portion of the quarter, the DS Carolina had an 100% operational uptime. The operations for the SSV Victoria were during the quarter impacted by an intermittent failure on the KBOS equipment which led to approximately 6 days of downtime. The SSV Catarina continued to operate under its 4-well contract with ENI Indonesia, with an uptime of 94% in the first quarter. The company expects the SSV Catarina to move to the location for ENI's first optional well before completing the drilling program under the current 4 firm well program, keeping the rig utilized into the fourth quarter of 2025. Further exercise by ENI of the remaining 3 optional wells could keep the rig utilized through Q2 2026.

The financial uptime for the quarter was 90.7%. The financial uptime was impacted mostly by approximately 80% of the operations for the SSV Catarina in Q1 being related to completion work, which is remunerated at 90% of the dayrate.

During the quarter, the Company announced that it had entered into an agreement with the previous owners of SSV Catarina to pay a lump sum amount of $ 8 million reflecting the following the following:

- any and all earnings under the 17.5% profit split since the ENI contract commencement in August 2024,
- all future earnings under the remaining parts of the 5-year profit split tenure, and
- all amounts in relation to the final account and working capital of the rig in connection with its acquisition completed in July 2024.

The Company expects that the cash flow from the full period of the firm period of the ENI contract as well as other adjustments in the final accounts and working capital agreed will exceed the $8 million purchase price and hence significantly de-risk this investment.

The Atlantic Zonda, which the Company operates under a management agreement, underwent final commissioning and acceptance tests in Brazil during the first quarter of 2025 and, as a subsequent operational event to Q1, in April the rig commenced operations under its three-year contract, with an option for additional three years, with Petrobras.

Regarding the interdiction of the DS Carolina, the Company is in ongoing constructive discussions with its client regarding the financial impact. The Company remains confident that it should not be material and has included an estimate for revenue recognized in the quarter. Final conclusion is not expected before later in the year and the Company will provide further updates on this matter in due course.

Financial results 1Q25

The Company reported for the three-months' period ending March 31, 2025, a net income of $22.5 million and an adjusted EBITDA of $16.7 million as per the table below. These numbers include an estimate for revenue recognized for the DS Carolina in the quarter during the interdiction period. Cash flow from operating activities for our owned and managed drilling units in the three-month period was negative with $11.3 million mainly as a result of an increase in outstanding accounts receivable at quarter end compared to December 31, 2024 and other working capital changes. We have collected a significant portion of the outstanding receivables in April and May and the working capital changes has improved in the second quarter.

The Company reported revenues from contract drilling services for our three drilling units of $75.5 million that includes $22.4 million related to a non-cash amortization of an unfavourable contract liability recorded as part of the UER acquisition in May 2024 and $2.8 million in recognized amortization of mobilization fees.

Management fee income, net of cost related to the DS Atlantic Zonda was approximately $1.1 million. With the unit now having commenced its three-year contract with Petrobras in April, the management fee is expected to materially increase going forward.

Rig Operating and Maintenance Expenses in the first quarter was $32.4 million. Approximately $3.8 million of the $32.4 million relates to ancillary services under the SSV Catarina contract which the Company is compensated for through an increased day rate. The remaining balance of $28.6 million implies a daily average OPEX of approximately $106,000 based on 270 rig operating days for our 3 owned units in the quarter. 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 first quarter was $5.1 million.

The Company has expensed about $4.6 million of interest cost related to the bond loan in the first quarter that includes $0.4 million of amortization of deferred loan cost. 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 first quarter for the RCF was about $0.4 million.

The table below includes operating revenues and expenses for the Company's owned rigs in the period from January 1 to March 31, 2025. Contract Drilling Services and Rig Operating and Maintenance Expenses include $2.8 million and $1.0 million in amortized mobilization fees and costs, respectively, for the relevant period.

ADJUSTED EBITDA 1Q25	USD '000
Revenues Contract Drilling Services - Owned units * Management fee Income – Net of cost**	 53,061 1,066
Total Revenues	54,127
Operating Expenses Rig Operating and Maintenance Expenses - Owned units General and Administrative Expenses	 (32,367) (5,079)
Total Expenses	(37,446)
Adjusted EBITDA	16,681

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

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

Financing and liquidity

As of March 31, 2025, the Company had $ 27.6 million in free cash plus $1.3 million in a restricted bank deposits used as collateral related a performance bond for the Catarina. We have further deposited $9.5 million as a time deposit with a local bank in Indonesia as security for a performance bond for the Catarina, which is not reflected under Cash and Cash Equivalents in our balance sheet but presented in Other Current Assets. We are expecting this time deposit to be replaced by a bank guarantee under the Company's RCF.

The company held an additional restricted cash of $8.4 million on behalf of the owners of the managed drilling unit to cover upcoming operating expenditure and capital expenditures.

As of March 31, 2025, the outstanding balance on the Company's bond loan was $165.0 million after paying down an instalment of $10.0 million during the quarter. 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 million including the unutilized portion of the RCF.

During the quarter, the Company drew $ 8.0m under the RCF to finance the purchase of the 17.5% profit split for the Catarina. Hence, the outstanding balance as of March 31, 2025, increased to $18.8 million. The remaining amount drawn under the RCF remained unchanged during the quarter and has been used for cash collaterals related to the performance bonds required under the drilling contract in Indonesia and working capital requirements.

During the quarter, the Company had $2.5 million in CAPEX on its 3 owned units, which includes $1.9M related to long-lead items for the new long-term contract for the DS Carolina with Petrobras.

Other

The strategic priorities for the Company will be to continue its safe and reliable operations at industry leading operational cost levels. The Company has a strong position with all its rigs on term contracts. Continued backlog addition will be pursued determinedly with utilization being the overarching target. The SSV Catarina is well positioned to be continuing working in Indonesia under ENI optional wells potentially keep the rig utilized through second quarter of 2026 should all options in Indonesia be exercised. The Company will also pursue opportunities outside of Southeast Asia to secure continued utilization of the SSV Catarina. As further highlighted below, the recently announced market inquiry from Petrobras for one or more high specification units for the Buzios field fits the SSV Victoria availability window and will be pursued firmly.

Market Update

The challenging macroeconomic and geopolitical environment continues to influence global O&G project FID's, and therefore upstream investments. Market consensus anticipates a temporary pause in the upcycle, with momentum resuming in late 2026. Most deepwater projects are concentrated in specific development areas, with increased focus on South America.

Asia maintains numerous projects, each with varying demands for different rig types and contractual terms. Indonesia remains a focal area for regional development. Recent reports indicate that new companies may enter Indonesia's deepwater development sector. ENI plans to advance the Indonesia Deepwater Development (IDD) project, progressing with the future potential demand for at least two floaters in 2026. The exploration and development of the East Ganal, East Sepinggan and Muara Bakau blocks is proceeding as expected, with the SSV Catarina slated to operate on a minimum of three wells. ENI Indonesia has an additional three exercisable options to continue the rig operations through Q2 2026, if exercised. Several new projects in Asia reveal potential to materialize in 2025 with commencement of operations in 2026.

Petrobras continues to implement its strategic business plan published last year. With ongoing analysis to contract the 12th FPSO unit for Búzios, Petrobras remains focused on developing its infrastructure and drilling additional wells in its most prolific field. In alignment with its long-term plan, Petrobras has issued a Market Inquiry to hire one or more deepwater rigs specifically for the Búzios campaign. The rig demand requires Petrobras to maintain or improve the current level of rigs dedicated to this field, which presently has six rigs exclusively operating in the field. The technical specifications of the mentioned Market Inquiry include Managed Pressure Drilling (MPD)-equipped rigs, among other typical services required by Petrobras. The contract duration of four years, with an option for a total of five years, represents industry-leading tenure that supports Petrobras' long-term plans and confirms their commitment to securing resources for the development of Búzios. The current Búzios Market Inquiry process may secure multiple rigs, aligning with previous guidance to maintain the Petrobras rig fleet between 25 and 30 rigs. The mobilization window of this opportunity coincides well with the availability of the SSV Victoria. Additionally, Petrobras has communicated that other blocks will require deepwater rigs. Mero field has been identified as being in the late planning phase, with the rig hiring process expected to commence soon.

The Brazilian market is optimistic about additional demand from various operators in the region. Shell's Gato do Mato project has been approved, with a projected rig demand of approximately two years, encompassing both drilling and completion activities. Besides Shell, other clients in Brazil are actively discussing securing resources to initiate operations in 2026 and 2027. Shallow water activity has recently improved with the start of operation of Arabia I and the announcement of Admarine 511 contract; both jack-up rigs were hired to launch the P&A program previously announced by Petrobras. The P&A program, together with decommissioning efforts, contributes to the ongoing demand for comprehensive offshore services that require services to plug, abandon, decommission, and dispose of equipment and structures in accordance with local regulations. Petrobras is increasingly focused on environmental decommissioning programs that require capable rigs and service companies to meet permanent abandonment criteria successfully.

Petrobras made significant progress in initiating the drilling campaign in the Equatorial Margin. Recently, the environmental license permit process has progressed favorably, and current plans put commencement of drilling in 2026. Additionally, the environmental legal landscape has improved with favorable bills progressing in Congress. The proposed new legislation will facilitate environmental licensing, expediting approval process especially in the new exploration frontier areas such as the Equatorial Margin.