

Foresea Holding S.A.

Consolidated financial statements
as of and for the year ended December 31, 2025
and Independent Auditor's Report

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CONSOLIDATED MANAGEMENT'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to assist all readers in understanding Foresea Holding S.A.'s financial conditions and results of operations for the full year of 2025 ("2025"). The comments should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2025.

Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to provide the reader of the financial statements with a narrative from the perspective of management.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking financial projections for Foresea Holding S.A. ("Foresea" or "Company") as of December 31, 2025. These statements could contain words such as terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should", "possible", "if," or other similar expressions. Forward-looking statements are based on management's current expectations and assumptions regarding future economic conditions, market trends, and the execution of the business strategy, including, but not limited to, any statement that may project, indicate or imply performance or achievements, future performance of the offshore drilling industry, expectations regarding the Company's plans, strategies and opportunities, expectations regarding the Company's business or financial outlook, future borrowing capacity and liquidity, expected utilization, dayrates, revenues, costs and expenses, rig commitments and availability, cash flows, tax rates and accounting treatment, contract status, terms and duration, contract backlog, capital expenditures, insurance, financing and funding.

It is important to be aware that these forward-looking financial projections are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict, and factors beyond the Company's control, which may cause actual results to differ materially from what is projected and should be considered as estimates only.

All subsequent written and oral forward-looking statements attributable to the Company or to people acting on its behalf are expressly qualified in their entirety by reference to these risks and uncertainties. Investors and stakeholders are advised to exercise caution and not to place undue reliance on these forward-looking statements. Foresea undertakes no obligation to update or revise these forward-looking financial projections, whether as a result of new information, future events, or otherwise.

OVERVIEW

Foresea is a leading offshore drilling company, focused on offering intelligent solutions, with expertise and excellence in chartering and operating rigs for ultra-deep and shallow waters. Foresea has a strong track-record operating a high-quality rig fleet of four ultra-deepwater drillships and one semisubmersible and provides operation and management services to third parties' fleet.

With experience, technology and commitment to safety and sustainability, Foresea is always innovating when chartering and operating platforms and rigs. Additional information is available at <https://www.foresea.com/> or <https://www.investors.foresea.com/>.

RISK FACTORS SUMMARY

Foresea advises all stakeholders to consider carefully all the risks described in the summary below, before making an investment decision in the Company's securities. If any of the following events occur, its business, financial condition and operating results may be materially adversely affected. It is important to note that the risk factors summarized below may not cover all the situations to which the Company is exposed.

- The offshore drilling industry is highly competitive and cyclical;
- Business development depends on the level of activity in the offshore oil and gas industry, which is significantly affected by volatile prices and other factors;
- Business depends on securing new economically viable contracts;
- Long-term contracts are subject to delays, renegotiations and cost increases, which can affect its economy and profitability;
- Customers may be unable or unwilling to fulfill their contractual commitments, including their obligations to pay on time, cover losses and damages or other liabilities;
- The loss of a significant customer, as well as customer consolidation and changes to customer strategy, could adversely affect business;
- Foresea's activities are largely concentrated in Brazil and in the offshore drilling segment, which leaves the Company vulnerable to risks related to lack of diversification;
- Drilling contracts with national oil companies may have greater risks than normally assumed with private customers;
- Business strategies can include the strengthening and broadening of activities that involve acquisitions of businesses or assets, mergers, joint ventures, and/or other investments, and such transactions would present various risks and uncertainties;
- Worldwide financial, economic and political conditions could restrict the ability to access capital markets, and reduce flexibility to react to changing economic and business conditions;
- Insurance coverage may be insufficient to repair damage to assets, people and/or third parties, including environmental and regulatory scopes;
- Significant expenditures are made to meet customers' requirements, maintain the fleet in compliance with laws and regulations and/or enhance the competitiveness of the rigs, which may affect cash position and financial performance;
- Disruptions to the operations and business of key customers, suppliers and other counterparties, including impacts affecting the supply chain and logistics, are critical for the Company;
- Downtime and other risks associated with offshore rig operations, including rig, personnel or equipment failure, damage and other unplanned repairs may adversely affect business performance;
- Accidents, adverse weather conditions, natural disasters and other similar incidents relating to the oil and gas industry may affect the business;
- The network and systems, including rig operating systems and critical data, are subject to cybersecurity risks and technical disruptions;
- Environmental or other liabilities, risks, damages or losses related to weather-related events, collisions, groundings, blowouts, fires, explosions, cyberattacks, terrorism or otherwise, for which insurance coverage and contractual indemnities may be insufficient, unenforceable or otherwise unavailable;
- Compliance with or breach of environmental and safety laws can be costly and limit operations;
- Tax matters, including effective tax rates, tax positions, results of audits, changes in tax laws, treaties and regulations, tax assessments and liabilities for taxes may affect financial condition.

MARKET OUTLOOK

The oil & gas industry operated through 2025 in a highly dynamic environment, shaped by oil price volatility, geopolitical tensions, and Organization of the Petroleum Exporting Countries (OPEC) phase out of production cuts. The downward pressure on crude prices, upstream activity remained robust, maintaining a constructive backdrop for offshore investments.

The offshore drilling segment has been a standout beneficiary of this resilience, supported by deepwater development, offshore projects, growing energy-security concerns, and continued technological advances in drilling assets. While dayrates moderated slightly late in the year, the overall trend remains structurally positive, underpinned by multi-year project commitments by oil operators.

Whitespace concerns dampened over the course of 2025, supported by improved visibility on new contract awards. Early-year concerns tied to geopolitical disruptions, macroeconomic uncertainty, and OPEC adjustment risks have partially dissipated. By year-end, the sector delivered a solid operational and financial performance, supported by stronger-than-expected demand.

A defining characteristic of the current offshore cycle is the disciplined approach of drilling contractors. Companies are maintaining strict fleet management practices by retiring noncompetitive units, optimizing operational availability, and avoiding speculative rig reactivations. This discipline has helped preserve dayrates at competitive and sustainable levels, despite modest index softening and broader commodity price pressures. Supply remains constrained for high-specification units, supporting pricing and utilization.

At the same time, operators and contractors are actively revisiting projects whose final investment decisions (FIDs) were previously postponed during more uncertain market periods. As macro conditions stabilize, and the need for reserves replacement increases, these developments are returning to negotiation pipelines. Short-term rig availability — particularly for premium floating units — remains tight, and 2027 increasingly points to higher utilization, driven by multi-year contracting activity and expected sanctioning of deferred offshore projects.

Within this global context, Brazil stands out as the world's leading offshore drilling hub. The country combines geological resources opportunities, strong technical capability, and a diverse pipeline of deepwater and ultra-deepwater projects led by Petrobras, major international operators, and an expanding group of independents. Brazil is the most active offshore market globally and continues to operate at full utilization for high-spec rigs.

OPERATIONAL PERFORMANCE AND KEY INDICATORS

Operational Overview

2025 was outstanding for Foresea, with strong operational performance being a key driver of results. This achievement represents the best performance in the Company's history and sets a benchmark in the offshore drilling industry. By fully utilizing its fleet and expanding its operating portfolio with third-party assets, the Company delivered excellence to its clients and was duly recognized for it.

In 2025, Foresea maintained its leading position in Petrobras' Operational Excellence Program (PEO-Sondas), a comprehensive assessment of offshore drilling suppliers, and was awarded the 2025 Offshore Drilling Service Provider of the Year.

The operational performance results reinforce the Company's leadership position in the offshore drilling market and strategically positions it to continue expanding its backlog. Foresea continues to focus on offering its clients intelligent drilling solutions, prioritizing their needs, remaining adaptable, and taking care of its people, its communities, and the environment.

Backlog

Over the course of 2025, Foresea secured approximately US\$235 million in additional backlog through new commitments, contract extensions and amendments, as follows:

- a) Norbe VIII: amendment signed in January 2025, to include new technologies and operations in shallow waters;
- b) Norbe IX and ODN II: contract extensions were signed in 3Q25, extending the expiration of those contracts from 4Q25 to 1Q26 and 1H26, respectively;
- c) Polvo and Peregrino fixed platforms: new contracts signed to provide operation and management services to four fixed platforms owned by PRIO, signed in November 2025;
- d) ODN II: amendment signed in December 2025 to include, in the subsequent contract, a robotic riser for pipe maneuvering, improving safety and efficiency in operations.

Therefore, Foresea keeps a strong predictability of its business plan with a backlog of US\$ 1.4 billion as of December 31, 2025.

The backlog is derived from firm commitments for offshore drilling charter and services, including mobilization fees on a cash basis, and management fees from operating & management services contracts provided to third parties rigs. Backlog is calculated by multiplying the maximum current contracts dayrate by the number of remaining days under the terms of these firm agreements, assuming full compliance with contract terms and full availability of the relevant assets.

It is worth mentioning that availability may be affected by various factors, including unscheduled repairs and maintenance, downtime, weather conditions.

Foresea's contracts with Petrobras are divided into charter and service components, with the charter portion representing approximately 65% of the contract's dayrate and denominated in US dollars. The services portion is referenced in Brazilian reais and corresponds to approximately 35% of the contracted dayrate, subject to annual adjustments based on macroeconomic indicators. Any variation in the exchange rate may impact the contract backlog.

The following table summarizes the Company's backlog.

<i>In million dollars</i>		
	December 31, 2025	December 31, 2024
Backlog	1,445	1,717

The Company's backlog at the end of 2025 reflects a fully contracted and in-operation fleet, adding predictability to its business plan, and reinforces Foresea's ability to allocate its assets competitively in new contracts, as well as to meet complex demands involving upgrades and new capabilities in the fleet.

The year-over-year backlog decrease of US\$272 million is mainly related to work performed in the period, the partial receipt of the Norbe VIII mobilization fee related to the contract amended in January 2025, as well as the receipt of its mobilization fee related to the start of its contract in December last year, offset by a positive change in foreign exchange rate.

The table below presents the expected backlog runoff through 2030, and the fleet's commitment rate:

Year	Year Ending December 31 st				
	2026	2027	2028	2029	2030
Commitment Fleet Rate¹	87%	59%	40%	17%	0%
Backlog Consumption	635	420	268	115	7
<i>% of Consumption</i>	44%	29%	18.5%	8%	0.5%

The Company's fleet is fully contracted up to 4Q26 with two special periodic surveys (SPS) scheduled for 2026. These maintenance activities, involving Norbe IX and ODN II were initially planned for the end of 2025, as a result of the contract extensions signed in 4Q25, both SPSs were postponed, with Norbe IX performing its survey in 1Q26, and ODN II subsequently after the end of its current contract, both ahead of their already secured 3-year contracts.

With the Company's fleet fully contracted through 4Q26 and off-hire periods mostly restricted to scheduled maintenance activities, Foresea benefits from enhanced revenue visibility, high utilization across its assets, and a strengthened competitive position within the offshore drilling sector.

Rig Utilization

In 2025, Foresea's owned fleet remained 100% utilized, representing a year fully contracted and in operation. 2025 utilization exceeded 2024 results by 6.5 p.p. and prior expectations for the year, underscoring the confidence clients place in the Company's operational performance and contract execution. Foresea successfully negotiated extensions for the Norbe IX and ODN II contracts – both of which had Special Periodic Surveys (SPS) originally scheduled for the year but now deferred to 2026. In 2024, the utilization rate reflected Norbe VIII's planned maintenance, performed between 3Q24 and 4Q24.

In 2026, the utilization rate should reflect the scheduled SPSs of Norbe IX and ODN II. The first quarter of the year should be affected by the scheduled maintenance of Norbe IX, ahead of the commencement of its new contract. ODN II's SPS is planned to be carried out between April and July, depending on the final schedule of its current contract.

Rig utilization is a measure of the proportion of the time that the owned fleet is operating under a contract. It is calculated by dividing the total number of operating days for the total owned fleet, by the total number of days in the period. This rate can be impacted by off-hire periods, time in the shipyard, preparation for new contracts and mobilization periods.

The following table summarizes the Company's owned rigs' utilization.

	2025	2024
Rig Utilization	100%	93.5%

¹ Foresea's owned fleet

Operational Uptime

Foresea concluded 2025 with a remarkable achievement: 98.6% of operational uptime for its owned fleet, 1.3 p.p. above 2024 average. This result showcases the high level of operational excellence and consistent execution of the Company. This performance led to reliability, confidence and recognition by its clients, as Foresea received various client satisfaction awards during 2025 for its excellence in operations, which creates commercial advantages and strategically positions the Company to further harvest future market opportunities. With this performance, Foresea has routinely been chosen to pioneer highly complex and impactful jobs across the Brazilian offshore industry.

Operational uptime considers the number of hours the rig is operating or ready to operate, in relation to the total hours in the period for the contracted fleet. It excludes the period the rig is out of contract or in the shipyard. The operational uptime is a good measure of the quality of services rendered and it has a direct impact on customers' satisfaction.

The table below presents the Company's operational uptime for the owned fleet.

	2025	2024
Operational Uptime	98.6%	97.3%

As a subsequent event, Foresea's operational uptime for 1Q26 is expected to be impacted by downtime on ODN II, whose operations have been temporarily paused since January 4, 2026, after a loss of biodegradable drilling fluid originated from auxiliary lines. The leak was immediately contained and the Company performed the necessary inspections and repairs and is currently reinstalling equipment and conducting final tests to safely resume operations.

Foresea has a strong track record of excellence in operational performance, demonstrating the capacity of its fleet and team to operate safely and efficiently, even in highly complex projects.

Revenue Efficiency

In 2025, Foresea continued to improve the conversion of its operational focus into revenues, increasing contract revenue efficiency to 94.9%, a 0.3 p.p. expansion compared to 2024. This performance highlights the Company's ability to generate value from its operations even with ODN II operating at a stand-by rate (equivalent to 90% of the contractual dayrate) for nearly half of the year. The result also reinforces Foresea's financial discipline and the consistently strong operational performance of its fleet.

Revenue efficiency measures how much of the contract has been converted into actual revenues and is calculated by dividing the actual operational revenue received by the full actual dayrate specified in the contract, not including mobilization fees.

It is important to mention that there are some factors that impact revenue efficiency, like downtime, standby rate, moving rate, weather-related events, repair rate, foreign exchange rate or other penalties and bonuses as defined by each contract.

The table below summarizes the evolution of revenue efficiency for the owned fleet.

	2025	2024
Revenue Efficiency	94.9%	94.6%

As a subsequent event and previously mentioned, revenue efficiency for 1Q26 is expected to be impacted by the downtime on ODN II.

Average Daily Revenue

Supported by the fleet's transition from legacy contracts to more competitive and updated agreements, along with continued improvements in operational performance and efficiency, Foresea's average daily revenue in 2025 increased by 11.0% versus 2024, from US\$272.1 to US\$302.0 thousand.

Average daily revenue is a measure of the earnings performance and is calculated by dividing operating revenues, excluding mobilization fees, by the total number of operating days (number of days a rig is contracted) in the period for Foresea's owned fleet.

The average daily revenue performance for the owned fleet is shown on the table below.

	<i>In thousand dollars</i>	
	2025	2024
Average Daily Revenue	\$302.0	\$272.1

FINANCIAL PERFORMANCE

Financial Overview

In 2025, Foresea sustained its solid growth trajectory and delivered one of the most remarkable annual performances in its history. The Company exceeded all operational targets and delivered exceptional financial results, supported by enhanced profitability and full utilization of its owned fleet, which drove consistent cash generation. This performance, combined with disciplined capital allocation further strengthened the Company's balance sheet. This outcome reflects the effectiveness of Foresea's long-term strategy and the resilience of its business model.

Throughout the year, Foresea benefited from more favorable contract terms, sustained cost efficiency, and industry-leading operational performance. Predictable and recurring cash flows enabled the Company to continue its active fleet reinvestment program and remunerating its investors, while preserving a strong liquidity position and financial flexibility.

From a capital structure perspective, Foresea made meaningful progress in optimizing its financial position and enhancing shareholder value. The successful reopening of its notes, completed in 1Q26, together with additional capital-structure initiatives, greater visibility over the Company's debt profile, and strengthened long-term financial sustainability.

These results demonstrate the Company's commitment to rigorous financial discipline, efficient capital management, and the generation of sustainable value for investors and stakeholders.

CONSOLIDATED INCOME STATEMENT

(in thousands of U.S. dollars)

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
<i>Net Revenues</i>	583,050	487,595
<i>Operating Costs</i>	(309,059)	(275,040)
<i>General and administrative expenses</i>	(25,619)	(30,143)
<i>Other operating revenue, net</i>	57	232
Operating Result	248,429	182,644
<i>Depreciation and amortization expenses</i>	(102,270)	(103,814)
<i>Disposal of fixed assets</i>	-	(8,786)
<i>Impairment of assets</i>	(213,478)	(27,542)
<i>Other expenses</i>	-	(6,124)
Operational profit/ (loss)	(67,319)	36,378
Finance result, net	(24,930)	(18,696)
Profit/(loss) before income tax	(92,249)	17,682
<i>Income tax</i>	(1,744)	198
Net Profit/(loss) for the year	(93,993)	17,880

Net Revenues

Net revenues increased by 19.6% year over year, reaching US\$583.1 million in 2025, compared to US\$487.6 million in 2024. This performance was primarily driven by higher fleet utilization and improved commercial conditions across the fleet, including higher contracted dayrates resulting from the Company's renewed contract portfolio. In addition, stronger operational metrics - increased operational uptime, and improved revenue efficiency - contributed meaningfully to the year-over-year expansion in revenues.

As a result of these developments, the Company's owned fleet average daily revenue reached US\$302.0 thousand per rig in 2025, representing an 11.0% increase over 2024.

Costs and Expenses

Operating costs totaled US\$309.1 million in 2025, representing a 12.4% increase compared to 2024. This variation was primarily driven by the expansion of third-party assets under management, higher utilization of the owned fleet compared to 2024, and preparation activities and purchases related to planned SPS programs.

General and administrative expenses decreased by US\$4.5 million, totaling US\$25.6 million in 2025, compared to US\$30.1 million in 2024. This reduction was mainly attributable to lower consultancy expenses and a continued focus on costs.

Impairment

In 2025, the Company recognized a net impairment loss of US\$213.5 million to reduce the carrying value of its assets, compared to US\$27.5 million in the prior year, a US\$186.0 million variation. The recoverable amounts of its drilling rigs were estimated using value-in-use calculations based on discounted cash flows. The impairment recognized in the period was mainly driven by lower forecasted dayrates, influenced by updated market conditions and revised utilization levels.

Financial Result

In 2025, the Company recorded US\$24.9 million in financial expenses, an increase of US\$6.2 million compared to the previous year. This variation was mainly driven by the impact of foreign exchange rate changes and other financial costs.

Income Tax

Foresea's income tax expenses totaled US\$1.7 million in the year, compared to a tax credit of US\$0.2 million in the prior year. This result has no impact on cash outflow, as the income tax is fully offset by withholding taxes previously collected.

Net Income/(Loss)

As a result, Foresea reported a net loss of US\$94.0 million in 2025, compared to net income of US\$17.9 million in the prior year, a decrease of US\$111.9 million. This outcome is directly attributable to the non-cash impairment recognized in 4Q25.

Adjusted net income was US\$119.5 million in 2025, compared to US\$ 45.4 million in the prior year. Adjusted net income is calculated by excluding impairment losses recognized in both periods.

Liquidity and Capital Resources**CONSOLIDATED STATEMENT OF CASH FLOWS**

(in thousands of U.S. dollars)

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
Cash flows from operating activities		
<i>Profit/(loss) before income tax</i>	(92,249)	17,682
<i>Non-cash items</i>	340,344	163,271
<i>Changes in working capital</i>	18,827	(50,577)
Net cash flow generated from operating activities	266,922	130,376
Cash flows from investments activities		
<i>Acquisition of equipment</i>	(87,519)	(67,979)
Net cash used in investing activities	(87,519)	(67,979)
Cash flows from financings activities		
<i>Interest payments</i>	(22,500)	(22,500)
<i>Distribution payments</i>	(195,678)	(69,942)
Net cash used in financings activities	(218,178)	(92,442)
<i>Effect of exchange rate variation on cash and cash equivalents</i>	1,496	(4,005)
<i>Increase (decrease) in cash and cash equivalents</i>	(37,279)	(34,050)
Cash and cash equivalents at the beginning of the year	106,886	140,936
Cash and cash equivalents at the end of the year	69,607	106,886

Net cash flow from operating activities totaled US\$266.9 million in 2025, an increase of US\$136.6 million, or nearly double that in 2024. In addition to stronger operational performance throughout the year, this improvement primarily reflects: (i) the transition of Norbe VIII from a legacy contract to a more competitive agreement, which commenced in December 2024, as well as the related mobilization fee received in 1Q25, and (ii) the partial receipt of the mobilization fee associated with the Norbe VIII contract amendment signed in January 2025.

During 2025, Foresea invested US\$87.5 million in asset integrity and upgrade initiatives, representing a 28.7% increase compared to the previous year. This growth is mainly explained by: (i) carry-over payments from 2024, (ii) mobilization of suppliers and preparatory activities for the scheduled SPS of Norbe IX and ODN II, originally planned for 4Q25; and (iii) investments related to the Norbe VIII contract amendment, including the installation of systems and equipment enabling operations in shallow water.

With a predictable and stable annual interest expense of US\$22.5 million, Net cash used in financing activities mainly reflects Foresea's distributions of US\$195.7 million to its shareholders in 2025. This amount represents an increase of 2.8x, or US\$125.7 million more than in the prior year, a consequence of the Company's outstanding operational and financial performance, further strengthened by the additional backlog secured during the year, its solid balance sheet and consistent cash generation.

Lastly, Foresea closed the year with US\$69.6 million in cash and cash equivalents, representing a US\$37.3 million decrease compared to the balance at the end of 2024. Considering the undrawn US\$40 million Revolving Credit Facility, Foresea's total liquidity at year-end amounted to US\$109.6 million.

MARKET RISK

Interest Rate

Foresea has fixed-rate notes outstanding that are subject to interest rate risk in the context of voluntary refinancing or early repayment, as well as in the measurement of their fair value. The Company's undrawn revolving credit facility is also exposed to interest rate risk, as it bears interest based on the Secured Overnight Financing Rate (SOFR).

In addition, the Company holds cash and cash equivalents in bank accounts that earn floating interest rates. As a result, Foresea's interest income is subject to fluctuations in market interest rates.

Foreign Currency Risk

The Company's functional currency is the U.S. dollar, which is customary in the oil and gas industry. Foresea generates a portion of its revenues and incurs certain operating expenses in other currencies, primarily Brazilian reais. These exposures may be subjected to foreign-currency fluctuations; however, revenues denominated in Brazilian reais are largely utilized to fund costs and expenses incurred in the same currency, thereby reducing net exposure. Transactions in currencies other than the U.S. dollar or Brazilian reais are limited. The Company also holds certain assets and liabilities denominated in Brazilian reais; however, the net exposure arising from related exchange-rate movements is not material.

OTHER ITEMS

Research and development activities

Foresea acknowledges the significant role of technological advancement in the offshore drilling industry and recognizes the importance of adopting new solutions to enhance innovation and operational efficiency. The Company is actively evaluating and pursuing investment opportunities in technologies designed to improve the safety, reliability, and efficiency of its drilling rigs.

As at the reporting date and in the prior year, the Group has not capitalized any costs related to research and development activities.

Repurchase of own shares

There were no repurchases of Company's shares during the years ended December 31, 2025 and December 31, 2024.



**To the Shareholders of
Foresea Holding S.A.
8-10, avenue de la Gare
L-1610 Luxembourg**

Grant Thornton Luxembourg

Grant Thornton Audit &
Assurance
Société anonyme
13, rue de Bitbourg
L-1273 Luxembourg
T +352 40 12 99 1
F +352 40 05 98

REPORT OF THE REVISEUR D'ENTREPRISES AGREE**Report on the Audit of the consolidated financial statements****Opinion**

We have audited the consolidated financial statements of Foresea Holding S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2025, and the consolidated income statement, consolidated statement of comprehensive income/ (loss), consolidated statements of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (the "CSSF"). Our responsibilities under the Law of 23 July 2016 and the ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Chartered Accountants & Réviseurs d'Entreprises Agréés

Grant Thornton Audit & Assurance

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one another's acts or omissions.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management's report but does not include the consolidated financial statements and our report of the "*Réviseur d'Entreprises Agréé*" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "*Réviseur d'Entreprises Agréé*" for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "*Réviseur d'Entreprises Agréé*" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*Réviseur d'Entreprises Agréé*" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*Réviseur d'Entreprises Agréé*". However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The consolidated management's report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Luxembourg, 26 March 2026

Signed by:

03EF2269EC20496...

Christophe CRYNS
Réviseur d'Entreprises Agréé
Grant Thornton Audit & Assurance

Consolidated statement of financial position

As of December 31, 2025

In thousands of U.S. dollars

	<u>Note</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	6	69,607	106,886
Account receivables	7	94,174	101,527
Taxes receivables	8 a/b	15,519	15,217
Prepaid expenses	9	19,214	18,236
Advances to suppliers		4,158	6,051
Other assets		3,648	415
Total current assets		<u>206,320</u>	<u>248,332</u>
Non-current assets			
Prepaid expenses	9	4,373	11,699
Right-of-use assets		2,221	2,734
Other assets		657	585
Intangible assets	11	4,802	6,164
Property and equipment	12	942,602	1,167,601
Total non-current assets		<u>954,655</u>	<u>1,188,783</u>
TOTAL ASSETS		<u>1,160,975</u>	<u>1,437,115</u>
<u>LIABILITIES AND EQUITY</u>			
Current liabilities			
Financings	13	937	937
Lease liability		1,022	678
Accounts payable	15	28,614	22,976
Insurance payables	24	8,545	10,273
Taxes payables	8 c	4,460	5,077
Labor obligations and social charges	16	25,190	20,448
Related parties		-	392
Advances from customers	17	30,250	22,850
Other liabilities		605	391
Total current liabilities		<u>99,623</u>	<u>84,022</u>
Non-current liabilities			
Financings	13	280,215	276,764
Lease liability		1,608	2,330
Provisions and contingencies	14 a	2,849	2,751
Advances from customers	17	17,520	27,385
Total non-current liabilities		<u>302,192</u>	<u>309,230</u>
Equity			
Capital	18 a	30,066	30,034
Share premium	18 b	844,139	1,039,358
Legal reserve	18 c	3,003	3,000
Share-based payments		717	-
Other comprehensive loss		(74,009)	(76,928)
Retained earnings (Accumulated losses)		(44,756)	48,399
Total equity		<u>759,160</u>	<u>1,043,863</u>
TOTAL LIABILITIES AND EQUITY		<u>1,160,975</u>	<u>1,437,115</u>

The notes are an integral part of these consolidated financial statements.

Consolidated income statement
For the year ended December 31, 2025
In thousands of U.S. dollars

	<u>Note</u>	<u>01 January 2025 - 31 December 2025</u>	<u>01 January 2024 - 31 December 2024</u>
Revenues	20	583,050	487,595
Costs	21	(309,059)	(275,040)
General and administrative expenses	22	(25,619)	(30,143)
Other operating revenue, net		<u>57</u>	<u>232</u>
Operating result		248,429	182,644
Other expenses		-	(6,124)
Disposal of fixed assets		-	(8,786)
Depreciation and amortization expenses	11 / 12	(102,270)	(103,814)
Impairment of assets	12	(213,478)	(27,542)
Finance results, net	23	<u>(24,930)</u>	<u>(18,696)</u>
Profit/ (Loss) before income tax		<u>(92,249)</u>	<u>17,682</u>
Income tax	24	(1,744)	198
Profit/ (Loss) for the year		<u>(93,993)</u>	<u>17,880</u>

The notes are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income/ (loss)

For the year ended December 31, 2025

In thousands of U.S. dollars

	<u>01 January 2025 - 31 December 2025</u>	<u>01 January 2024 - 31 December 2024</u>
Profit/ (Loss) for the year	<u>(93,993)</u>	<u>17,880</u>
Exchange rate variation on foreign subsidiary	<u>2,919</u>	<u>(8,647)</u>
Total comprehensive profit/ (loss) for the year	<u><u>(91,074)</u></u>	<u><u>9,233</u></u>

The notes are an integral part of these consolidated financial statements.

Consolidated statements of changes in shareholders' equity

For the year ended December 31, 2025

In thousands of U.S. dollars

	<u>Note</u>	<u>Capital</u>	<u>Additional paid-in capital</u>	<u>Legal reserve</u>	<u>Share-based payments</u>	<u>Other comprehensive loss</u>	<u>Retained earnings/ (Accumulated losses)</u>	<u>Total</u>
At January 1, 2024		29,999	1,111,792	-	-	(68,281)	29,523	1,103,033
Share-based payments	18 (a/b)/19	35	508	-	-	-	996	1,539
Legal reserve	18 c	-	(3,000)	3,000	-	-	-	-
Distribution	18 d	-	(69,942)	-	-	-	-	(69,942)
Exchange rate variation on foreign subsidiary		-	-	-	-	(8,647)	-	(8,647)
Profit for the year		-	-	-	-	-	17,880	17,880
At December 31, 2024		<u>30,034</u>	<u>1,039,358</u>	<u>3,000</u>	<u>-</u>	<u>(76,928)</u>	<u>48,399</u>	<u>1,043,863</u>
Share-based payments	18 (a/b)/19	32	462	-	717	-	838	2,049
Legal reserve	18 c	-	(3)	3	-	-	-	-
Distribution	18 d	-	(195,678)	-	-	-	-	(195,678)
Exchange rate variation on foreign subsidiary		-	-	-	-	2,919	-	2,919
Loss for the year		-	-	-	-	-	(93,993)	(93,993)
At December 31, 2025		<u>30,066</u>	<u>844,139</u>	<u>3,003</u>	<u>717</u>	<u>(74,009)</u>	<u>(44,756)</u>	<u>759,160</u>

The notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For year ended December 31, 2025

In thousands of U.S. dollars

	Note	01 January 2025 - 31 December 2025	01 January 2024 - 31 December 2024
Profit/ (Loss) before income tax		(92,249)	17,682
Cash flows from operating activities			
Adjustments			
Depreciation and amortization	11 and 12	102,270	103,814
Disposals of fixed assets		-	8,786
Impairment of assets		213,478	27,542
Amortization of insurance	21	10,390	10,585
Amortization of mobilization cost		10,902	9,078
Amortization of mobilization fee		(22,742)	(17,099)
Shared-based payments	22	1,362	1,377
Provision		(246)	492
Finance result, net		24,930	18,696
		<u>248,095</u>	<u>180,953</u>
Changes in working capital			
Accounts receivables		5,840	(40,659)
Related parties		(1,661)	(3,297)
Prepaid expenses		(4,225)	(9,689)
Other assets ¹		(1,039)	(4,295)
Accounts payable		5,638	(13,247)
Insurance payables		(12,425)	(8,676)
Advances from customers		20,277	27,090
Other liabilities ²		6,422	2,196
		<u>266,922</u>	<u>130,376</u>
Net cash flow generated from operating activities		266,922	130,376
Cash flows from investments activities			
Acquisition of equipment	11	(87,519)	(67,979)
		<u>(87,519)</u>	<u>(67,979)</u>
Net cash used in investing activities		(87,519)	(67,979)
Cash flows from financings activities			
Interest payments	13	(22,500)	(22,500)
Distribution payments	18b	(195,678)	(69,942)
		<u>(218,178)</u>	<u>(92,442)</u>
Net cash used in financings activities		(218,178)	(92,442)
Effect of exchange rate variation on cash and cash equivalents		1,496	(4,005)
Decrease in cash and cash equivalents		(37,279)	(34,050)
Cash and cash equivalents at the beginning of the year		106,886	140,936
Cash and cash equivalents at the end of the year		<u>69,607</u>	<u>106,886</u>

Non-cash transactions in 2025:

(i) Right-of-use with lease liability in the amount US\$ 76.

Non-cash transactions in 2024:

(i) Right-of-use with lease liability in the amount US\$ 280.

¹ Includes: Advances to suppliers and other assets

² Includes: Taxes payables, labor obligations and social charges and other liabilities

The notes are an integral part of these consolidated financial statements.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

1 Corporate information

1.1 Company details

Foresea Holding S.A. ("Foresea" or "Company") was established on March 3, 2023, as a public company limited by shares (*Société Anonyme*) governed by the Luxembourg laws, has its registered address at 8-10, avenue de la Gare L-1610 in Luxembourg (Luxembourg City).

The Company and its subsidiaries ("Foresea Group" or the "Group") are leading offshore drilling companies, focusing on offering solutions in offshore drilling, with expertise and excellence in chartering and operating rigs for ultra-deep waters. With experience, state-of-the-art technology and a commitment to safety and sustainability, always innovating when chartering and operating platforms and ships on a global scale. The Group charter and operate offshore drilling rigs for exploration and production in Brazilian companies, all currently operating in Brazil, such as *Petróleo Brasileiro S.A.* ("Petrobras") and three different legal entities within the PRIO Group ("PRIO Group").

1.2 Drilling fleet

The Group owns 4 ultra-deepwater drillships and 1 semisubmersible drilling rig:

Drilling rigs	Type	Construction year	Capable of operation water depths	Well drilling capacity
(i) ODN I	Drilling vessel	2012	3,048 meters (10,000 ft)	Up to 12,195 meters
(ii) ODN II	Drilling vessel	2012	3,048 meters (10,000 ft)	Up to 12,195 meters
(iii) Norbe Six	Semisubmersible drilling rig	2010	2,400 meters (7,874 ft)	Up to 9,140 meters
(iv) Norbe Eight	Drilling vessel	2011	3,048 meters (10,000 ft)	Up to 12,195 meters
(v) Norbe Nine	Drilling vessel	2011	3,048 meters (10,000 ft)	Up to 12,195 meters

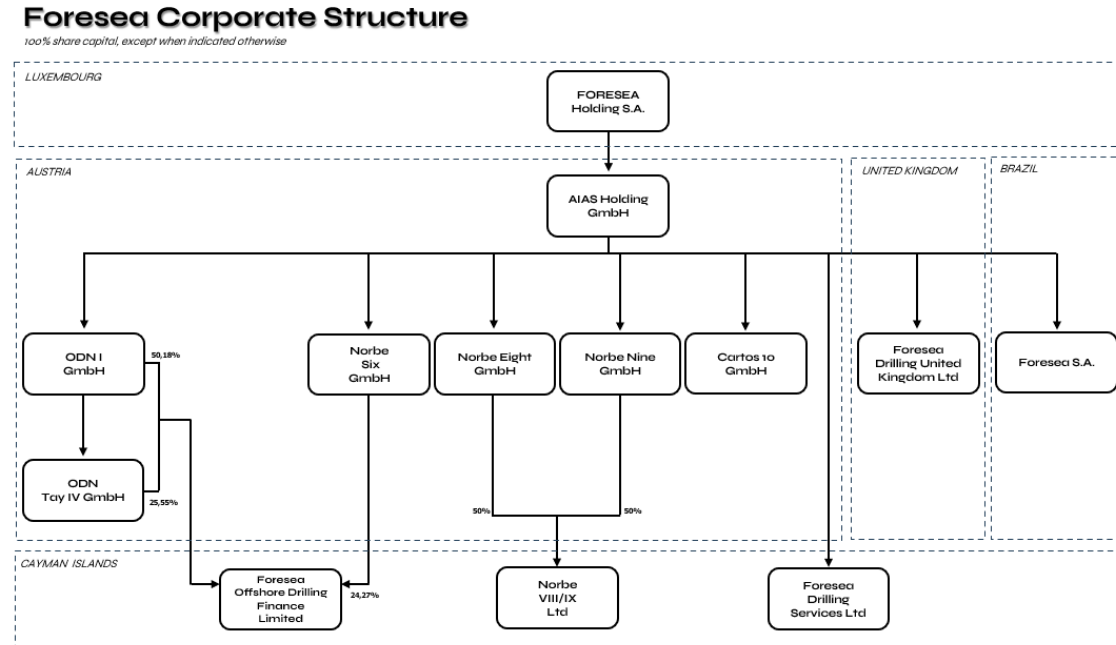
Drillships are self-propelled ships equipped for drilling offshore in water depths up to 12,000 feet ('ft') and are positioned over the well without anchors using a computer-controlled thruster system. Drillships are suitable for drilling in remote locations because of their superior mobility and large load-carrying capacity.

Semisubmersibles are drilling rigs with pontoons and columns that are partially submerged at the drilling location to provide added stability during drilling operations. Semisubmersibles are held in a fixed location over the ocean floor either by being anchored to the sea bottom with mooring chains or dynamically positioned by computer-controlled propellers or thrusters similar to that used by drillships.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**
In thousands of U.S. dollars

1.3 Corporate Structure and subsidiaries details

The Corporate Structure of the Foresea Group is presented below:



The Group is represented by the following subsidiary entities:

- (i) AIAS Holding GmbH ("AIAS") – acquired on November 23, 2015, and headquartered in Vienna (Austria). Its main purpose is to be a holding company. The Company's sole shareholder is Foresea Holding established in Luxembourg.
- (ii) ODN I GmbH ("ODN I GmbH") - acquired on March 12, 2010, and headquartered in Vienna (Austria). The Company's sole shareholder is AIAS, established in accordance with the laws of Vienna (Austria). It's the parent company of ODN Tay IV GmbH. Its purpose is the chartering of two drilling rigs, named ODN I and ODN II, for exploration of oil in deep waters under an agreement signed with Petrobras. ODN I signed a chartering agreement with Petrobras, with initial operating in October 2023 for a period of 1,095 days, until the end of 2026. ODN II had a contract in effect since 2022, which was originally set to end in March 2024. However, the contract went through several extensions, remaining valid until March 2026, with the possibility of an additional extension until June 2026. From that point onward, a shutdown may be carried out to allow for the transition to the new contract, which was signed in December 2022, has a duration of 1,095 days (through 2029).
- (iii) ODN Tay IV GmbH ("ODN Tay IV") - acquired on March 31, 2011, and established in Vienna (Austria). Its main activity was the chartering of a semi-submersible rig for exploration of oil in ultra-deep waters, denominated ODN Tay IV. However, on September 22, 2015, Petrobras announced the termination of the contract with ODN Tay IV and in August 2017 the asset was sold. The company is non-operating. It's controlled by ODN I GmbH.
- (iv) Norbe Six GmbH ("Norbe Six") - acquired on September 17, 2010, and headquartered in Vienna (Austria). The Company's sole shareholder is AIAS, established in accordance with the laws of Vienna (Austria). Its purpose is the chartering of a drilling rig for exploration of oil in ultra-deep waters, denominated

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

- Norbe Six. The company signed a chartering agreement with Petrobras for a period of 1,095 days, from November 2023 to the end 2026.
- (v) Foresea Offshore Drilling Finance Limited ("FODFL") - established on July 26, 2013, and headquartered in the Cayman Islands. The subsidiary is controlled by Norbe Six, ODN I GmbH and ODN Tay IV. Its purpose was to obtain financial resources to finance the semi-submersible units Norbe Six, and the drilling rigs ODN I and ODN II. The company is non-operating.
 - (vi) Norbe Eight GmbH ("Norbe Eight") - acquired on September 17, 2010, and headquartered in Vienna (Austria). The Company's sole shareholder is AIAS, established in accordance with the laws of Vienna (Austria). Its purpose is the chartering of a drilling rig for exploration of oil in ultra-deep waters, denominated Norbe Eight. The company signed a chartering agreement with Petrobras for a period of 1,095 days, from December 2024 to the end 2027.
 - (vii) Norbe Nine GmbH ("Norbe Nine") - established on September 17, 2010, and headquartered in Vienna (Austria). The Company's sole shareholder is AIAS, established in accordance with the laws of Vienna (Austria). Its purpose is the chartering of a drilling rig for exploration of oil in ultra-deep waters, denominated Norbe Nine. The company concluded a contract with Petrobras with a duration of 1,095 days, from January 2022 to January 2025. This contract was later extended until January 2026, when a SPS ("Special Periodic Survey") scheduled before the start of a new contract with the same client. The new contract, signed in December 2024, will also have a duration of 1,095 days and is expected to begin in March 2026, with the possibility of being extended until the end of 2029.
 - (viii) Norbe VIII/IX Ltd. ("Norbe VIII/IX") - acquired on September 28, 2010, and headquartered in the Cayman Islands. The subsidiary is controlled by Norbe Eight and Norbe Nine. Its purpose was to obtain financing for the construction of the drilling rigs of the entities Norbe Eight and Norbe Nine. The company is non-operating.
 - (ix) Cartos 10 GmbH ("Cartos 10") - acquired on November 23, 2022, and headquartered in Vienna (Austria). This company is controlled by AIAS, and its main activity comprises foreign services related to oil and gas. The company is non-operating.
 - (x) Foresea Drilling United Kingdom Ltd ("FDUK") - acquired on March 04, 2022 and headquartered in United Kingdom. The Company is controlled by AIAS and its main activity is the render services related to the oil and gas sector abroad.
 - (xi) Foresea S.A. ("Foresea S.A.") - established on June 29, 2020, with name was Ocyan Drilling S.A., headquartered in Rio de Janeiro (Brazil), and changed its name to Foresea S.A. on March 26, 2024. The company is controlled by AIAS. Its activities include providing operational services for own units or third-party units dedicated to the exploration, development, and production of oil and gas wells, as well as the leasing of equipment used in these activities. For its own units, the company maintains five actives contracts with Petrobras, related to operation of the Group's drilling rigs: Norbe VI, Norbe VIII, Norbe IX, ODN I, and ODN II. Regarding operations of third-party units for the client PRIO Group, the following contracts are currently in effect: Hunter Queen - operation of the semisubmersible unit from June 2023 to June 2026; Polvo-A - operation of the fixed platform from December 2024 to November 2030; and Peregrino A, B, and C - operation of the three fixed platforms, all with contract terms from November 2025 to November 2030.
 - (xii) Foresea Drilling Services Ltd. ("FDSL") - established on November 19, 2020 and headquartered in Cayman Islands. The company is controlled by AIAS and its

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024***In thousands of U.S. dollars*

activity comprises rendering services related to the extraction of oil and gas and investment in companies that directly or indirectly operate in this segment.

1.4 Changes in Corporate StructureCorporate movements occurred in 2025

- On August 29, 2025, Foresea S.A. assigned, transferred and sold the shares of the FDSL in its entirety to AIAS, which becomes the parent company of FDSL. The changes have no impact on the consolidated financial statements.

Corporate changes occurred in 2024

- On April 30, 2024, former the company ODN Holding GmbH was merged by absorption into AIAS. After the date, all assets and liabilities between the companies were liquidated and succession to all its rights and obligations by AIAS;
- On November 7, 2024, Foresea S.A. assigned, transferred and sold the shares of the FDUK in its entirety to AIAS, which becomes the parent company of FDUK.

2 Summary of material accounting policies

The material information accounting policies applied in the preparation of these financial statements are set out below. These policies were consistently applied in the periods presented, unless otherwise stated.

2.1 Statement of compliance

The consolidated financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, except for financial instrument that are measured fair value.

Historical cost is generally based on the fair value of the consideration paid in exchange for goods and services.

Fair value is the price that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date, whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group considers the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on this basis, except for share-based payment transactions that fall within the scope of IFRS 2 – Share-based Payment, lease transactions that fall within the scope of IFRS 16 – Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use under IAS 36 – Impairment of Assets.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. Those areas that require a higher degree of judgment or which are more complex, as well as other areas requiring significant estimates and assumptions for the financial statements, are disclosed in Note 3.

2.3 Consolidation and comparatives

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The proportion of ownership interests held by the Group at year end are:

Company	Country	December 31, 2025	December 31, 2024
AIAS	Austria	100	100
ODN I GmbH	Austria	100	100
ODN Tay IV GmbH	Austria	100	100
Norbe Six	Austria	100	100
Norbe Eight	Austria	100	100
Norbe Nine	Austria	100	100
FODFL	Cayman Islands	100	100
Norbe VIII/IX	Cayman Islands	100	100
Cartos 10	Austria	100	100
Foresea S.A.	Brazil	100	100
FDSL	Cayman Islands	100	100
FDUK	United Kingdom	100	100

They are fully consolidated from the date on which control is transferred to the Company and deconsolidated from the date that control ceases. Specifically, the revenues and expenses of a subsidiary acquired or disposed of during the year are included in profit or loss from the date on which the Group obtains control until the date on which the Group ceases to control the subsidiary.

Intercompany transactions, balances, and unrealized gains on transactions between the Companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are changed, where necessary, to ensure consistency with the policies adopted by the Group.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

2.4 Conversion of foreign currency

(a) Functional currency and presentation currency

Items included in the financial statements of the Company and its subsidiaries are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in U.S. dollars (US\$), which is the Company functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the dates of valuation where items are remeasured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of operations.

Foreign exchange variations on assets and liabilities are classified in "Finance results, net".

(c) Entities with a different functional currency

The results and financial position of the entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency, as follows:

- (i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet, maintaining the initial equity accounts at the same converted values on the final balance sheet of the previous year.
- (ii) Income and expenses of each statement of operations are translated at average exchange rates.
- (iii) All resulting exchange rate differences are recognized as a separate component of "Other comprehensive income" in equity. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to equity.

The functional currencies of the entities included in the consolidated financial statements are as follows:

<u>Company</u>	<u>Functional currency</u>
Foresea S.A.	Brazilian Reais
Foresea Holding	US dollar
AIAS	US dollar
ODN I GmbH	US dollar
ODN Tay IV	US dollar
Norbe Six	US dollar
Norbe Eight	US dollar
Norbe Nine	US dollar
Norbe VIII/IX	US dollar
FODFL	US dollar
FDSL	US dollar
Cartos 10	US dollar
FDUK	US dollar

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024***In thousands of U.S. dollars*

2.5 Cash and cash equivalents

In the balance sheet, cash and cash equivalents comprise cash on hand (i.e., cash available and demand deposits) and cash equivalents. Cash equivalents correspond to short-term financial investments (generally with original maturities of three months or less), with immediate liquidity, readily convertible into a known amount of cash, and subject to an insignificant risk of changes in value. Cash equivalents are held to meet short-term cash commitments and not for investment or other purposes.

2.6 Accounts receivables

Accounts receivables are amounts due from customers for services rendered in the normal course of the Group's business.

Accounts receivables without a significant component of financing is initially measured at the price of the transaction. Provisions for losses on accounts receivable are measured at an amount equal to the expected credit loss for the lifetime of the instrument. See note 4.1 (a) regarding the credit risk assessment.

2.7 Prepaid expenses

Refers to financial resources applied in prepaid expenses, such as insurance premiums, whose right of benefits or services will occur in future periods.

2.8 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.8.1 Group as lessee

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes the right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

In certain cases, if the ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are also subject to impairment.

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Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivables, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees.

After commencement date, the amount of the lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term and a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.9 Intangible assets

Computer software licenses and investments are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful life of five years or the start of operation of the systems implemented. Costs associated with maintaining computer software programs are recognized as an expense when incurred.

2.10 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and loss on impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items and includes finance costs related to the acquisition of qualifying assets during the year necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these costs will flow to the Companies and they can be measured reliably. The carrying amount of the replaced items or parts is derecognized. All other repairs and maintenance are charged to the statement of income during the financial year in which they are incurred.

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Depreciation is calculated using the straight-line method to reduce an asset's net book value to its residual value over its estimated useful life, as follows:

	Useful life
Furniture and fixtures	10 years
IT equipment	5 years
Drilling rigs	
Drilling equipment and systems	6-35 years
Hull and structure	6-35 years
Inventory and maintenance systems	12 years
Equipment	12-18 years
Equipment - crew	12-24 years
Equipment - platform	18-35 years
Common systems of platform	18-35 years
Systems / main components of the equipment	18-35 years

The assets begin to be depreciated when they are available for use, in the place and conditions intended by management.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale, are added to the cost of that asset.

2.11 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount, which represents the greater amount of the fair value of the asset less your alienation costs and your value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units - CGU). Each drilling rig represents a CGU.

Value in use is estimated based on the present value of the risk-adjusted (for specific risks) future cash flows expected to arise from the continuing use of an asset or cash-generating unit (based on assumptions that represent the Company's best estimates), discounted at a pre-tax discount rate. This rate is obtained from the after-tax Weighted Average Cost of Capital (WACC). The main assumptions of cash flows are macroeconomic assumptions, prices and utilization of the assets based on the Companies' latest strategic plan and the market, costs and assumptions for operating and maintenance of the assets as well as investments required for continuity of the assets over their useful lives.

The assumptions used involve uncertainties regarding future events, and Management's expectations may not be indicative of future outcomes. The use of different assumptions may produce different results. Due to the inherent uncertainties associated with such estimates, we conduct sensitivity analyses of the main assumptions as part of our recoverability test. The highly cyclical nature of our industry cannot be reasonably anticipated with a high level of accuracy and, therefore, there will be differences between our historical judgments and assumptions and the actual results.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the

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increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognized for the asset in prior years.

2.12 Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired from suppliers in the normal course of business. Accounts payable are classified as current liabilities if settlement is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

They are classified as financial liabilities measured at amortized cost and are initially recognized at fair value and subsequently remeasured at amortized cost.

2.13 Financing

The recording of the initial amount of financing must correspond to its fair value net of transaction costs directly attributable to the issuance of financial liabilities, except for items classified in the fair value category through profit or loss. In the case of financial liabilities at fair value through profit or loss, initial recognition is carried out at fair value, and transaction costs are recognized as an expense directly in profit or loss.

The financial charges incurred in raising financing must be appropriate to the profit or loss as a function of the term flow, at amortized cost using the effective interest method. This method considers the internal rate of return ("IRR") of the transaction for the appropriation of financial charges during the term of the transaction. The use of the amortized cost causes the financial charges to reflect the effective cost of the financial instrument and not only the contractual interest rate of the instrument, in other words, the interest and transaction costs of the raising are included, as well as the premiums received, goodwill, discount, deductions, inflation adjustment and others. Thus, the internal rate of return must consider all cash flows, from the net value received from the transaction to all payments made or to be made until the settlement of the transaction.

The transaction costs incurred in raising funds by entering a debt instrument must be accounted for as a reduction of the initially recognized fair value of the financial instrument issued to evidence the net value received, except for items classified as fair value through profit or loss.

2.14 Provisions and contingencies

Provisions are recognized when: (i) the Group has a present obligation or a constructive obligation as a result of past events; (ii) it is probable that a disbursement of resources will be necessary to settle the obligation; and (iii) the amounts can be measured reliably. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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A contingent liability represents a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably. It is not recorded in the statement of financial position and is subject to a disclosure in the notes.

A contingent asset represents a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. According to IAS 37, the Group does not recognize a contingent asset and is subject to a disclosure in the note when an inflow of economic benefits is probable.

2.15 Revenue recognition

Charter and service revenues are recognized upon the completion of the services, in accordance with the contracted daily rates and the number of days the services are operational during the period.

Additionally, the Group may generate revenues from the preparation and mobilization of equipment (drilling units) and personnel.

For performance obligations satisfied over time, the Group recognizes revenue over time by selecting an appropriate method for measuring the progress towards complete satisfaction of that performance obligation, considering the following conditions:

- The customer simultaneously receives and consumes the benefits provided by the Group performance as the Group performs;
- The Group performance creates or enhances an asset (for example, work in process) that the customer controls as the asset is created or enhanced; and
- The Group performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenues and costs associated with mobilization are deferred and recognized in a straight-line manner over the duration of the corresponding charter and drilling services contracts. This approach is consistent with the prevailing pace of activity, the level of services rendered, and the day rates earned throughout the agreement's term.

Revenue is presented net of taxes, rebates and discounts, as well as, in the consolidated statement, net of eliminations of sales between the Companies. Refer to Note 20 – "Revenue".

2.15.1 Management contract revenues

The Group provides management and operational support services to Prio Group, which are recognized as service rendering revenues related to third-party units. Further information on the composition of revenues is presented in Note 20 – "Revenue".

2.16 Recognition of costs and expenses

Costs and expenses are recognized on an accrual basis, aligning with the revenues earned. Prepaid expenses attributable to future periods are deferred in accordance with their respective terms.

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2.17 Financial income and expenses

Financial income and expenses are mainly represented by interest in cash and cash equivalent and short-term investments and interest in financing and are recorded on an accrual basis of accounting (Note 23).

2.18 Current and deferred income tax and social contribution

The provision for income tax is determined based on the taxable profit for the year and in accordance with guidelines of IAS 12. Taxable profit differs from the profit before taxes reported in the consolidated income statement as it excludes revenues or expenses that are taxable or deductible in subsequent periods and excludes items that are non-taxable or non-deductible.

The current income tax and social contribution are calculated based on enacted tax laws, or substantively enacted, at the balance sheet date in the countries where the Group companies operate and generate taxable income.

Management periodically evaluates positions taken by the Foresea in income tax returns with respect to situations in which applicable tax regulation is subject to interpretation; and it establishes provisions, whenever appropriate, based on amounts expected to be paid to the tax authorities.

The current income tax and social contribution presented arises mainly from Foresea S.A., the Brazilian subsidiary, as detailed in Note 24.

Deferred taxes also are determined in accordance with IAS 12. These represent accounting entries based on temporary additions and exclusions as of the balance sheet date. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets are recognized for all deductible temporary differences, provided there is sufficient evidence of future taxable profits to support their realization.

It is important to note that the Company does not account for deferred tax asset since the Group cannot reliably demonstrate that sufficient future taxable profits will be available against which such losses can be utilized. Refer to Note 24 for details.

2.19 Financial assets**2.19.1 Initial recognition and measurement**

On initial recognition, a financial asset is classified at amortized cost, at fair value through other comprehensive income - debt instrument, at fair value through other comprehensive income - equity instrument or fair value through profit or loss.

The classification of financial assets in the initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the Companies' business model for the management of these financial assets. Except for trade accounts receivable that does not contain a significant financing component or to which the Companies have applied the practical procedure, the Companies initially measures a financial asset at its fair value plus transaction costs in the case of an asset not measured at fair value through profit or loss. Trade accounts receivable that do not contain a significant financing component or to which the Companies has applied the practical procedure are measured at the transaction price.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, it must generate cash flows that are "solely

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payments of principal and interest" (also referred to as the "SPPI" test) on the principal amount outstanding. This evaluation is made at instrument level.

2.19.2 Subsequent measurement

For subsequent measurement purposes, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income, with reclassification of accrued gains and losses (debt instruments);
- Financial assets designated at fair value through other comprehensive income, without reclassification of accrued gains and losses at the time of derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

(a) Financial assets at amortized cost (debt instruments)

Financial assets are classified at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is written off, modified or is subject to impairment.

The financial assets at amortized cost include cash and cash equivalents, accounts receivables, receivables with related parties and other assets.

(b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss or financial assets to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the short term.

Derivatives, including separate embedded derivatives, are also classified as held for trading, unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model. Notwithstanding the criteria for debt instruments being classified at amortized cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if this eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are presented in the balance sheet at fair value, with the net changes in fair value recognized in the income statement.

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(c) Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host contract. Embedded derivative in a hybrid contract with host contract that is not a financial asset is accounted for as separate derivative when it meets the definition of a derivative, its risks and characteristics are not closely related to those of the host contract and the host contract is not remeasured at fair value through profit or loss. The “closely related” feature requires judgement in interpreting the features of the related agreements.

2.19.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the assets have expired.
- The Group transferred its rights to receive cash flows from the asset or assumed an obligation to pay in full the cash flows received without significant delay to a third party under a transfer agreement and (a) the Companies transferred substantially all the risks and benefits (b) the Companies neither transferred nor substantially retained all the risks and benefits of the asset but transferred control of the asset.

When the Group transfers its rights to receive cash flows from an asset or enters into a transfer agreement, it assesses whether and to what extent it has retained the risks and benefits of ownership. When it has not transferred or retained substantially all the risks and benefits of the asset, nor has it transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continued involvement. In this case, the Group also recognizes associated liabilities. The transferred assets and the associated liabilities are measured on a basis reflecting the rights and obligations retained by the Group.

The continuous involvement in the form of collateral on the transferred asset is measured at the lower of (i) the value of the asset and (ii) the maximum amount of the consideration received that the entity may be required to repay (collateral value).

2.19.4 Impairment of financial assets

The Group assesses the need to recognize the provision for expected credit losses for all debt instruments not held at fair value through profit or loss. The expected credit losses are based on the difference between the contractual cash flows due under the contract and all the cash flows that the Group expects to receive, discounted at an effective interest rate that approximates the original rate of the transaction. Expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are part of the contractual terms.

Expected credit losses are recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since the initial recognition, the expected credit losses are recorded as provision for credit losses resulting from possible default events in the next 12 months (expected 12-month credit loss). For credit exposures for which there has been a significant increase in credit risk since the initial recognition, a provision is required for expected credit losses over the remaining life of the exposure, irrespective of the timing of the default (an expected lifetime credit loss).

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For accounts receivable and contract assets, the Group applies a simplified approach to the calculation of expected credit losses. Therefore, the Group does not monitor changes in credit risk, but assesses the need to recognize a provision for losses based on expected life losses on each base date.

2.20 Derivative financial instruments and hedging activities

The Company may enter into derivative financial instruments with the objective of managing its exposure to financial risks, mainly foreign exchange rate risk.

Derivative financial instruments are initially recognized at fair value on the date the contracts are entered into and are subsequently remeasured at fair value at the end of each reporting period. Changes in the fair value of these instruments are recognized in the financial result for the year, except when they are designated and qualify as hedging instruments for hedge accounting purposes, in accordance with the applicable accounting standards.

The Company may designate derivatives as hedging instruments in cash flow hedge relationships, provided that the formal documentation and effectiveness requirements set out in the applicable accounting standards are met. In the year ended 2025, however, the derivative financial instruments contracted were not designated as hedging instruments for hedge accounting purposes and, therefore, the gains and losses arising from these transactions were recognized directly in profit or loss for the year.

During 2025, the Company entered into derivative financial instruments in the form of Non-Deliverable Forward (NDF) contracts, with monthly maturities, in order to mitigate exposure to foreign exchange variations related to certain financial cash flows, as described in Note 4.b.2 – Foreign exchange rate risk. All such contracts were settled during the year.

As of December 31, 2025 and 2024, the Company did not hold any outstanding derivative financial instruments.

2.21 Employee benefits**(a) Profit sharing**

The Group recognizes liability and an expense for employee profit sharing based on a methodology that considers the profit attributable to the Group, beyond qualitative and financial performance metrics, as well as the individual objectives of employees, which are determined annually. This provision is set on a monthly basis and is remeasured at the year-end based on the best estimate of the achieved objectives as set forth in the annual budget process.

(b) Pension obligations

Foresea Holding and its subsidiaries maintain a contract with Vexty, a private pension entity, which constitutes one of its sponsorship agreements.

Vexty offers its participants a defined contribution plan, where an individual fund is opened for retirement savings which are accumulated and managed monthly and sporadic contributions of participants, and monthly and annual contributions from sponsors.

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Concerning the payment of benefits under the plan, Vexty obligations are limited to the current value of the shares of the participants. Under the rules of defined contribution plans, the fund may not require any contribution from the sponsoring companies to ensure minimum levels of benefits to participants who will retire. The contributions for the years ended December 31, 2025 and 2024 were approximately US\$ 3,805 and US\$ 2,182, respectively.

Management concluded that this is a defined contribution plan in which the risk of receiving benefits is entirely the responsibility of the participants, for the purpose of application of IAS 19 - Employee Benefits.

2.22 Share-based payments

Foresea Holding S.A. has a compensation agreement with some members of the Board of Directors which establishes that they will receive 50% of their remuneration in cash and 50% paid in the form of conditional award of shares, based on the time each member remains in service, with a total duration of three years. The share-based remuneration is registered at fair value related to the services provided and is recognized in the statement of operations under "General and administrative expenses" over the period the services are provided until the vesting date (vesting period) when the shares are issued. In the event a director is not re-elected or no longer serves as a director during the three-year period following the date forementioned, their rights to be remunerated with additional shares will be irrevocably forfeited without any right of compensation, provided that, if a director serves for a portion of a year before their mandate is terminated without cause or is not re-elected, then it shall be entitled to the relevant remuneration in cash equivalent to the amount needed to pay the nominal value of the pro rata portion of the shares corresponding to the portion of the year served, which shall be calculated on the basis of the actual number of days elapsed in the portion of year and assuming a year of 365 days. In the event of a Change of Control of the Company, all unissued shares authorized under the compensation agreement shall be issued immediately.

2.23 New accounting standards issued and with applicable effectiveness as from 2025:

There are the following new and amended standards which entered into force on January 1st, 2025:

- Amendments to IAS 21: Lack of Exchangeability: The Group has evaluated the requirements of IAS 21 – The Effects of Changes in Foreign Exchange Rates. The functional currency and the presentation currency of these consolidated financial statements is the U.S. dollars. One of the Group's subsidiaries has the Brazilian real as its functional currency; accordingly, its assets, liabilities and results are translated into U.S. dollars during the consolidation process, in accordance with IAS 21. The effects arising from such translation, as well as the related foreign exchange risk exposure, are disclosed in Note 4.1(b2). Based on this evaluation, the Group concludes that the impacts resulting from the application of IAS 21 are appropriately reflected in these financial statements and do not significantly affect the Group's financial position or performance.

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2.24 New and revised IFRS Accounting Standards in issue but not yet effective:

At the date of authorization of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- IFRS 18: Presentation and Disclosures in Financial Statements - As the successor to IAS 1, IFRS 18 will introduce new requirements for: (i) presenting specific categories and defined subtotals within the statement of profit or loss; (ii) providing disclosures in the notes regarding management-defined performance measures; and (iii) enhancements related to the requirements for aggregation and disaggregation of information. The Group will be required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027, with retrospective application subject to specific transition provisions. Accordingly, the Group expects that the adoption of the new standard will result in future impacts on the presentation of consolidated financial statements, which will be assessed as part of the implementation process.

- Annual Improvements to IFRS Accounting Standards, Volume 11 - These annual improvements introduce clarifications, simplifications, and minor corrections across several standards including IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7 to enhance internal consistency and resolve unintended wording issues. The amendments address topics such as hedge accounting for first-time adopters, derecognition guidance, deferred transaction price disclosures, credit risk disclosures, considerations for derecognition of lease liabilities, and clarifications on transaction price references. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The Group expects the impact of adopting these improvements to be limited, as the changes are largely editorial or clarificatory.

- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments - These amendments enhance the clarity and consistency of classification and measurement requirements under IFRS 9. Key changes include: (i) clarifying the classification of financial assets with ESG-linked and other contingent features; (ii) defining the derecognition date for financial assets and liabilities and introducing an accounting policy option for early derecognition of liabilities settled via electronic payment systems; (iii) refining guidance on assessing contractual cash flow characteristics, including non-recourse features and contractually linked instruments; and (iv) adding new disclosure requirements for equity instruments designated at Fair Value Through Other Comprehensive Income and financial instruments with contingent features. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Group does not expect these amendments to be applied for purposes of the Group's consolidated financial statements.

3 Critical accounting estimates and judgments

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

Based on assumptions, the Companies make estimates concerning the future. By definition the

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resulting accounting estimates will rarely be equal to the actual results. The estimates and assumptions that represent a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Useful life of equipment

The carrying amounts of the equipment are based on estimates, assumptions and judgments based on their useful lives. These estimates, assumptions and judgments reflect management expectations regarding the use of the equipment. The equipment is depreciated using the straight-line method.

(b) Impairment of equipment

Annually, the Group test equipment for impairment in accordance with the accounting policies described in Note 2.11.

Value in use is estimated based on the present value of the risk-adjusted (for specific risks) future cash flows expected to arise from the continuing use of an asset or cash-generating unit (based on assumptions that represent the Group's best estimates), discounted at a pre-tax discount rate. The discount rate considered is the Weighted Average Cost of Capital, where the cost of equity is estimated using the Capital Asset Pricing Model ("CAPM"). The main assumptions of cash flows are macroeconomic assumptions, prices and utilization of the assets based on the Companies' latest strategic plan and the market, costs and assumptions of for operating and maintenance of the assets as well as investments required for continuity of the assets over their useful lives.

The assumptions used involve uncertainties regarding future events, and Management's expectations may not be indicative of future outcomes. The use of different assumptions may produce different results. Due to the inherent uncertainties associated to such estimates, we conduct sensitivity analyses of the main assumptions as part of our recoverability test. The highly cyclical nature of our industry cannot be reasonably anticipated with a high level of accuracy and, therefore, there will be differences between our historical judgments and assumptions and the actual results.

3.2 Critical accounting judgements

(a) Embedded derivatives

The Group analyzed agreements in place to identify the existence of any embedded derivatives linked to its financing. Based on this analysis, management has deeply considered all the contractual, economic and financial features of these embedded derivatives in the light of the guidance provided by IFRS 9. Management concludes that all embedded derivatives, namely related to early redemption clauses, are closely related to the host contracts.

4 Financial risk management

4.1 Financial risk management policy

The Group's financial instruments are comprised of: cash and cash equivalents, short-term investments, accounts receivable, related parties, financings, accounts payable and insurance payable.

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The Group's risk management is coordinated at its headquarters, following the Financial Policy approved by the Board of Directors that sets forth the guidelines for the management of risks and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

In accordance with this Policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. Credit limits and for counterparties are also periodically reviewed. Under the policy, market risks are hedged when the Companies believe it is necessary to support corporate strategy.

The Group does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The most significant financial risks to which the Group is exposed are described below.

According to the Financial Policy, derivative instruments for speculative trading purposes are not allowed.

(a) Credit risk

Credit risk is managed on a centralized basis. Credit risk arises from cash and cash equivalents, short-term investments, as well as credit exposure to customer. For banks and financial institutions, only securities from independently rated entities with rating equal or above Brazil's sovereign rating or at the lower of "BB", defined by Standard & Poor's rating agency, are accepted.

ODN I GmbH, Norbe Six, Norbe Eight, and Norbe Nine have each signed a contract with Petrobras, which has a "BB" rating by Standard & Poor's, for chartering drilling rigs.

(b) Market risk

(b.1) Interest rate risk

This risk arises from the possibility of the Companies incurring losses due to fluctuations in interest rates that increase financial expenses related to financing obtained. Foresea Holding has fixed rate notes outstanding that are subject to interest rate risk in the context of voluntary refinancing or early repayment, as well as in the measurement of the fair value of the debt. Refer to sensitivity analysis in the Note 13.

The cash and cash equivalents are held in bank accounts that are earning floating interest rates and as such the Company's interest income is subject to fluctuations in market interest rates.

(b.2) Foreign exchange rate risk

Customer contracts are structured to provide payments in both US Dollars and Brazilian Real. Revenue received in Brazilian Real is primarily used to pay for costs, goods, and employees in Brazil. Transactions denominated in currencies other than the US Dollar or the Brazilian Real are limited. Therefore, the Group has no material exposure to foreign exchange rate risk related to other currencies.

The Group holds certain assets and liabilities denominated in Brazilian Real in the amounts described below (presented in equivalent US Dollars, converted by closing rate), on a consolidated basis:

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	December 31, 2025	December 31, 2024
	Brazilian real	Brazilian real
Financial assets		
Cash and cash equivalents	3,215	2,833
Accounts receivables	36,513	23,872
Other assets	4,290	983
	<u>44,018</u>	<u>27,688</u>
Financial liabilities		
Accounts payables	15,643	13,398
Leasing liability	2,239	2,360
Related parties	-	392
Other liabilities	268	270
	<u>18,150</u>	<u>16,420</u>
Net financial exposure	<u>25,868</u>	<u>11,268</u>

Foreign currency sensitivity analysis

The table below demonstrates the sensitivity to possible changes in the dollar, keeping all other variables constant. The impact on the Group's profit before taxes is due to changes in the conversion of monetary assets and liabilities. There is no impact on the Group's equity except for the result of the conversion.

Year	Change in the dollar rate			
	-5%	-2.5%	+2.5%	+5%
2025 – in US\$	1,361	663	(631)	(1,232)
2024 – in US\$	593	289	(275)	(537)

Foreign exchange risk management

As part of its foreign exchange risk management strategy, the Group may use derivative financial instruments, mainly foreign exchange forward contracts (Non-Deliverable Forwards – NDFs), with short-term maturities, in order to mitigate exposure associated with certain financial cash flows.

In the year ended 2025, such instruments were used exclusively for risk management purposes and were not designated as hedging instruments for hedge accounting purposes, with their effects recognized directly in profit or loss for the year, as described in Note 2.20. As of December 31, 2025 and 2024, the Company did not hold any outstanding derivative financial instruments.

(c) Liquidity risk

Foresea Holding's balance of cash and cash equivalents is maintained with a view to ensuring an adequate level of liquidity for the operation, monetizing cash balances through financial investments ensuring consistent risk and liquidity and reduce other party risk. Cash and cash equivalents are invested with the aim of maximizing short-term liquidity.

The following guidelines are observed in asset operations:

- Full knowledge of all risks involved in the operations;

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- Diversification among financial institutions, avoiding excessive concentrations; and
- Not making financial investments that could result in loss of principal in the respective currency of the investment, such as investments in banknotes, securities, crypto assets and funds containing assets with variable income.

Furthermore, the Credit Risk Rating of the entities which are eligible for financial investments is checked by a specialized agency (local long-term rating for Brazilian institutions, and global rating for international institutions) and the concentration of exposure with these entities.

The table below presents the Foresea Holding's financial liabilities by maturity range, corresponding to the period remaining at the balance sheet date until the contractual maturity. The amounts reported in the table are undiscounted contractual cash flows:

	December 31, 2025			
	Less than 1 year	From January 1st, 2027 to December 31, 2028	From January 1st, 2029 to December 31, 2030	January 1st, 2031 onwards
Financings - Principal	-	-	300,000	-
Financings - Interest	22,500	45,000	33,188	-
Accounts payables	28,614	-	-	-
Insurance payables	8,545	-	-	-
Lease liability	1,022	1,608	-	-
Other liabilities	605	-	-	-

	December 31, 2024			
	Less than 1 year	From January 1st, 2026 to December 31, 2027	From January 1st, 2028 to December 31, 2029	January 1st, 2030 onwards
Financings - Principal	-	-	-	300,000
Financings - Interest	22,500	45,000	45,000	10,688
Accounts payables	22,976	-	-	-
Insurance payables	10,273	-	-	-
Lease liability	678	2,330	-	-
Related parties	392	-	-	-
Other liabilities	391	-	-	-

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5 Financial instruments by category

(a) Financial assets are classified as follows:

Assets	December 31, 2025	December 31, 2024
Amortized cost		
Cash and cash equivalents (Note 6)	69,607	106,886
Accounts receivables (Note 7)	94,174	101,527
Other assets (*)	4,290	993
	<u>168,071</u>	<u>209,406</u>

(*) Prepayments are excluded from "Other assets".

(b) Financial liabilities are classified as follows:

Liabilities	December 31, 2025	December 31, 2024
Amortized cost		
Financings (Note 13)	281,152	277,701
Lease liabilities	2,630	3,008
Related parties	-	392
Accounts payables (Note 15)	28,614	22,976
Insurance payables (Note 25)	8,545	10,273
Other liabilities	605	391
	<u>321,546</u>	<u>314,741</u>

6 Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash and bank deposits	54,034	86,780
Short-time deposits (*)	15,573	20,106
	<u>69,607</u>	<u>106,886</u>

As of December 31, 2025, deposits with banks mainly represent short-term time deposits earning fixed and floating rates, denominated in US dollars, Reais and Euro, having immaterial risk of change in value, with the financial institution as follows:

Bank	Long-term rating in the international scale	Rating agency
BNY Mellon	A	Standard & Poor's
BTG Pactual	BB	Standard & Poor's
BTG Europe	BB	Standard & Poor's
Citibank	BBB+	Standard & Poor's
Itau BBA Nassau	BB+	Fitch Ratings
JP Morgan	A	Standard & Poor's
Santander Luxembourg	A+	Standard & Poor's

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(*) Short-time deposits are comprised as follow:

Financial institution	Currency	Average interest rate (per annum)	December 31, 2025	December 31, 2024
Itau	Brazilian real	82.5% of CDI ⁽ⁱ⁾	1,003	-
BTG Pactual	Brazilian real	90.0% of CDI ⁽ⁱ⁾	1,590	-
BTG Pactual	U.S. dollar	4.25%	1,011	2,122
Citibank	U.S. dollar	3.44%	4,546	10,801
BTG Europe	U.S. dollar	4.17%	5,293	5,144
Santander	U.S. dollar	4.23%	2,130	2,039
			<u>15,573</u>	<u>20,106</u>

(i) Brazilian Interbank Deposit Certificate (*Certificado de Depósito Interbancário – CDI*) average remuneration during the year ended December 31, 2025 and December 31, 2024 was 14.90% p.a. and 12.15% p.a. respectively.

Revolving Credit Facility

On April 28, 2025, Foresea Holding S.A. together with other subsidiaries as guarantors, entered into a Super Priority First Lien Senior Secured Revolving Credit Facility Agreement with multiple lenders in the amount of up to US\$ 40 million (which amount may be increased up to US\$ 100 million), subject to the fulfillment of certain conditions established in the agreement.

The grantors are structured with TMF Group New York, LLC and other affiliated entities, acting as Collateral Agent and the Bank of New York Mellon as Administrative Agent. The Revolving Credit Facility is scheduled to mature on May 19, 2028.

Under the terms of the agreement, the obligations of the Company and its guarantor subsidiaries are secured by a perfected super priority lien over 100% of the equity interests in restricted subsidiaries, as well as substantially all operational and contractual assets including drilling units, receivables, equipment, and key services agreements.

The outstanding Loan under the facility is subject to variable interest based on the Secured Overnight Financing Rate (SOFR) for the applicable Interest Period, plus an applicable margin of 4.00% per annum, with quarterly interest payments. In addition, a commitment fee is payable quarterly on the undrawn portion of the facility, calculated by applying 40% to the applicable margin over the unused amount.

As of December 31, 2025, no amounts had been drawn under the credit facility.

7 Account receivables

Trade receivables are related to receivables for charter and service-rendering agreements relating to the drilling units used in the oil and gas exploration in Brazil. Historically, there have been no defaults on receivables or delays in collections.

Our major customers are large multinational companies that operate in the oil and gas industry and the major customer, Petrobras, has a rating assigned by the main rating agencies and was rated: Fitch "BB", Standard & Poor's "BB" and Moody's "Ba1". Refer to Note 4.1 (a) – "Credit Risk".

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8 Taxes receivables and payables

	December 31, 2025	December 31, 2024
a) CIT receivables		
IRPJ/CSLL (i)	10,921	9,259
	<u>10,921</u>	<u>9,259</u>
b) Other taxes receivables		
PIS and COFINS (ii)	4,234	5,817
Others	364	141
	<u>4,598</u>	<u>5,958</u>
	<u>15,519</u>	<u>15,217</u>

(i) The amounts of recovery Brazilian (IRPJ) CIT and Contribution over Net Profit (CSLL) are recoverable are mainly associated with withholdings on invoices made by customers.

(ii) As of December 31, 2025, and December 31, 2024, the total of Social contributions over Revenue - Program of Social Integration (PIS) and Contribution for the Financing of Social Security (COFINS) recoverable refers to a tax credit realizable upon recovery to be carried out through compensation and refund process with the Brazilian Federal Revenue Service.

c) Taxes payables

	December 31, 2025	December 31, 2024
Service Tax (ISS)	885	979
Income and Contributions – Third Parties	2,445	2,934
Social Contribution over Revenue (PIS/COFINS)	668	720
Other	462	444
	<u>4,460</u>	<u>5,077</u>

9 Prepaid expenses

	December 31, 2025	December 31, 2024
Insurance (Note 25)	8,019	7,690
Mobilization costs (i)	12,135	22,245
Others	3,433	-
Total	<u>23,587</u>	<u>29,935</u>
Current	19,214	18,236
Non-current	4,373	11,699
Total	<u>23,587</u>	<u>29,935</u>

(i) Mobilization costs represent expenditures incurred to initiate a new contract and render an asset ready for operation at its intended location. Such costs are amortized on a straight-line basis over the contract term after initialization and are recorded under the heading "Mobilization Cost." – See Note 21.

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10 Payables with related parties

(a) Management remuneration

The key management includes the Officers and the Board of Directors. As of December 31, 2025 the remuneration paid or payable to the key management for services rendered amounts to US\$ 3,208 (US\$ 3,675 as of December 31, 2024) and is presented in the statement of operations under "General and administrative expenses". Of the amount presented, US\$ 1,362 (Note 22 – Share-based payments) refers to the provision of the share-based remuneration of the Board of Director and Board Advisor (see Note 19), which can be subscribed on June 7, 2025 and US\$ 1,846 refers short-term employee benefits recognized and paid to the Officers during the year. No payments in the form of advances or loans were made to the members of the Board of Directors.

(b) Management Incentive Plan (MIP)

According with the terms and conditions of the ER Proceeding, 1.5% of the outstanding shares of the Company were reserved to some members of the Executive Committee. The Board of Directors adopted the Management Incentive Plan and allocated 1.5% of restricted voting and non-voting Company's shares to some members of the Executive Committee of Company.

11 Intangible assets

Implementation of systems	2025	2024
At January 1st		
Opening balance	6,164	10,310
Amortization	(2,104)	(2,189)
Effect of Exchange rate variation	742	(1,957)
Net balance	4,802	6,164
At December 31		
Cost	10,885	10,143
Accumulated amortization	(6,083)	(3,979)
Net balance	4,802	6,164

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12 Property and Equipment

Equipment relates to expenditures incurred in the construction of the assets, including finance costs capitalized during the construction phase, net of accumulated depreciation and impairment.

	<u>Drilling rigs</u>	<u>Other</u>	<u>Total</u>
At January 1, 2024			
Opening balance	1,234,225	3,161	1,237,386
Effect of exchange rate variation	-	(624)	(624)
Acquisitions	67,696	283	67,979
Depreciation	(100,100)	(712)	(100,812)
Disposals	(8,786)	-	(8,786)
Impairment	(27,542)	-	(27,542)
Net balance	<u>1,165,493</u>	<u>2,108</u>	<u>1,167,601</u>
At December 31, 2024			
Cost	4,440,037	3,408	4,443,445
Impairment	(1,307,735)	-	(1,307,735)
Accumulated depreciation	(1,966,809)	(1,300)	(1,968,109)
Net balance	<u>1,165,493</u>	<u>2,108</u>	<u>1,167,601</u>
At January 1, 2025			
Opening balance	1,165,493	2,108	1,167,601
Effect of exchange rate variation	-	271	271
Acquisitions	86,650	869	87,519
Depreciation	(98,509)	(802)	(99,311)
Impairment	(213,478)	-	(213,478)
Net balance	<u>940,156</u>	<u>2,446</u>	<u>942,602</u>
At December 31, 2025			
Cost	4,526,687	4,548	4,531,235
Impairment	(1,521,213)	-	(1,521,213)
Accumulated depreciation	(2,065,318)	(2,102)	(2,067,420)
Net balance	<u>940,156</u>	<u>2,446</u>	<u>942,602</u>

Impairment

As of December 31, 2025, and December 31, 2024, the Group performed an impairment test for its assets, considering updated market and macroeconomic scenarios at the time, concluding by recording an impairment loss as follows:

Company	<u>December 31, 2025</u>			<u>December 31, 2024</u>		
	Carrying amount	Recoverable amount - Value in use	Loss on impairment	Carrying amount	Recoverable amount - Value in use	Loss on impairment
ODN I	267,379	170,994	(96,385)	260,661	283,236	22,575
ODN II	230,945	192,844	(38,101)	262,532	235,702	(26,830)
Norbe Six	140,210	80,403	(59,807)	176,498	149,199	(27,299)
Norbe Eight	294,307	267,022	(27,285)	252,893	286,891	33,998
Norbe Nine	220,793	228,893	8,100	240,451	210,465	(29,986)
Total	<u>1,153,634</u>	<u>940,156</u>	<u>(213,478)</u>	<u>1,193,035</u>	<u>1,165,493</u>	<u>(27,542)</u>

As of December 31, 2025 and December 31, 2024, the Group estimated the recoverable amount of each one of its drilling rigs based on a value in use calculation, which uses a discounted projected net cash flow analysis over the remaining economic useful life of each drilling unit, considering a discount rate of 12,42% (13,22% - 2024) of Weighted Average Cost of Capital (WACC).

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The projections considered significant unobservable inputs including assumptions related to the future performance of our contract drilling services, such as projected demand for our services, rig efficiency and day rates. These assumptions considered the information provided in the Business Plan (BP), which is the budget prepared by the Group Management and approved by the Board of Directors at the end of 2025.

As of December 31, 2025, changes in key assumptions used in the impairment test, mainly related to adverse market conditions, lower expected utilization levels and revised day rate forecasts, negatively impacted the projected cash flows of certain drilling rigs. As a result, the recoverable amount was reduced, leading to the recognition of an impairment loss corresponding to an 18.5% reduction in the carrying amount.

Sensitivity analysis

The sensitivity analysis considered the impact of variations in the daily rate and discount rate.

The Group performed a sensitivity analysis considering changes of US\$ 5 in the daily rate level, for the year 2025. In 2025, an incremental increase of US\$ 5 in the daily rate resulted in an increase of US\$ 39,956 in the value in use of the consolidated fixed assets, while a decrease of US\$ 5 led to a reduction of US\$ 40,188 in the consolidated value in use.

The Group assessed the effects of a 0.25 p.p. increase or decrease in the discount rate, for the year 2025. In 2025, an incremental increase of 0.25 p.p. in the discount rate generated a decrease of US\$ 9,518 in the value in use, whereas a 0.25 p.p. decrease resulted in an increase of US\$ 9,717 in the consolidated value in use.

13 Financings

Financing comprises New Notes that were issued on June 7, 2023 in an aggregate principal amount of US\$ 300 million, which will mature on June 30, 2030. They bear interest at 7.5% per annum, payable quarterly in cash. The New Notes are secured by a first-priority lien on substantially all of the material assets of the Group. See Note 26.2 – Subsequent Events related to the Reopening of Senior Secured Notes.

The New Notes are subject to financial covenants (such as minimum liquidity and leverage ratios) and non-financial covenants. Non-financial covenants include, but are not limited to, liens on all our drilling units (such as insurance obligations), certain restrictions on additional indebtedness and investments or acquisitions, and certain restrictions on the payment of dividends. The Indenture also provides for certain customary events of default, including, among other things, non-payment of principal or interest or breach of covenants. As of December 31, 2025, and December 31, 2024, the Group was in compliance with all covenants.

The New Notes are redeemable, at the Issuer's option, in whole or in part, at the following redemption prices (expressed as percentages of the principal amount), plus accrued and unpaid interest, if any, to, but excluding, the redemption date: (i) 103.75% if redeemed on or prior to June 14, 2026; (ii) 101.875% if redeemed from June 15, 2026 to June 14, 2027; and (iii) 100% if redeemed on or after June 15, 2027.

Notwithstanding the foregoing, if a Change of Control (as defined in the Indenture, with certain exclusions as provided therein) occurs, the Group will be required to make an offer to repurchase all or any part of each holder's notes at a purchase price equal to

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101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest to, but excluding, the applicable date. This early redemption option is an embedded derivative closely related to its host contract (refer to Note 3.1 (c)).

The movements of the New Notes and transaction cost the period were as follows:

	<u>New Notes</u>	<u>Transaction Cost</u>	<u>Total</u>
At January 1, 2024	300,938	(26,383)	274,555
Accrual of interest of the period	22,500	-	22,500
Repayment of interest	(22,500)	-	(22,500)
Amortization of transaction costs	-	3,146	3,146
Total as of December 31, 2024	<u>300,938</u>	<u>(23,237)</u>	<u>277,701</u>

Current	937
Non-current	<u>276,764</u>
	<u>277,701</u>

	<u>New Notes</u>	<u>Transaction Cost</u>	<u>Total</u>
At January 1, 2025	300,938	(23,237)	277,701
Accrual of interest of the period	22,500	-	22,500
Repayment of interest	(22,500)	-	(22,500)
Amortization of transaction costs	-	3,451	3,451
Total as of December 31, 2025	<u>300,938</u>	<u>(19,786)</u>	<u>281,152</u>

Current	937
Non-current	<u>280,215</u>
Total	<u>281,152</u>

As of December 31, 2025, the bond issued by Foresea Holding SA [CUSIPs 262051 AA3 (144A) and L26915 AA3 (Reg-S)] was trading at 98.8% (96.3% - 2024) of face value, representing a yield to maturity of 7.82% (8.35% - 2024). This implies a market fair value of the debt of US\$ 296,400 (US\$ 288,900 – 2024), as showed below:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Face value	300,000	300,000
Notes quote	98.8%	96.3%
Fair value (FMV)	<u>296,400</u>	<u>288,900</u>
Yield to maturity	7.82%	8.35%

Carrying amounts are stated at amortized cost as per Note 2.13. The fair values of New Notes , are based on their quotation in their active market.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the end of the reporting period and considers the effects of a variation on the FMV for every 0.50% yield variation:

December 31, 2025

Yield	8%	8,50%	9%	9,50%	10%
% Face Value	98,1%	96,3%	94,5%	92,7%	91,0%
FMV (US\$)	294.378	288.879	283.499	278.236	273.087

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December 31, 2024

Yield	8.0%	8.5%	9.0%	9.5%	10.0%
% Face Value	97.8%	95.6%	95.5%	91.5%	89.5%
FMV (US\$)	293,378	286,929	280,646	274,526	268,565

(a) Compliance with the loan agreement

The finance is subject to restrictive clauses and is monitored periodically.

The restrictive clause assesses:

- (a.1) coupon payment - transfer to Trustee – required quarterly;
- (a.2) liquidity–y - Minimum Cash in the amount US\$ 50,000 – required monthly;
- (a.3) posting Unaudited Financials – required posting 60 days after closing accounting;
- (a.4) posting Audit Financials – required posting 120 days after closing year; and
- (a.5) leverage ratio – required (<) 3.5 monthly.

The Group complied with the above clauses as of December 31, 2025 and December 31, 2024.

14 Provision and Contingencies

a) Provision

The changes in the provision in the years ended December 31, 2025 and December 31, 2024 were as follows:

	December 31, 2025	December 31, 2024
At the beginning of the year	2,751	2,890
Increase (i)	1,788	888
Payment	(2,034)	(396)
Exchange rate variation	344	(631)
At the end of the year	<u>2,849</u>	<u>2,751</u>

(i) refers to change of prognosis from possible to probable causes and update of provision amounts.

b) Contingencies

The Group has labor, civil and tax lawsuits, involving risks of loss classified as possible by Management, based on the assessment of its legal advisors, for which there is no provision accounted in the estimated amount of US\$ 9,243 as of December 31, 2025 (US\$ 5,855 – December 31, 2024).

The Company also has tax lawsuits, in which it appears as the plaintiff, in an amount of approximately US\$ 6,606 as of December 31, 2025 (US\$ 5,870 – December 31, 2024), also classified by Management, based on the assessment of its legal advisors, as probable successes.

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15 Accounts payable

	December 31, 2025	December 31, 2024
Accounts payable in U.S dollar	12,971	9,578
Accounts payable in Brazilian real	15,643	13,398
	<u>28,614</u>	<u>22,976</u>

The balance of accounts payable refers to obligations to pay for goods and services acquired in the normal course of the Group's business.

16 Labor obligation and social charges

	December 31, 2025	December 31, 2024
Provisions for vacation pay and social charges	11,932	9,713
Social security (INSS)	956	345
Employee's Severance Guarantee Fund (FGTS)	782	680
Provision for profit sharing (Note 2.21 a)	10,581	8,320
Other	939	1,390
	<u>25,190</u>	<u>20,448</u>

Employee Information

The average number of employees by the Group during the years ended December 31, 2025 and 2024 is as follows:

	2025	2024
Brazil	1,735	1,654
Other countries	5	5
	<u>1,740</u>	<u>1,659</u>

17 Advances from customers

Advances from customers comprise mobilization fees received in advance in connection with the contracts related to the rigs ODN II, Norbe Six and Norbe Eight. These amounts are recognized as revenue on a straight-line basis over the term of the related charter and drilling services, in accordance with the Group's revenue recognition policy (Note 2.15).

As of December 31, 2025, the balance of mobilization advances amounted to US\$ 47,770 (December 31, 2024 – US\$ 50,235).

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18 Equity

(a) Capital

On June 10, 2025, it was decided to increase the share capital of the Company by an amount of US\$ 32 by the issuance of 32,189 new shares with a nominal value of US\$ 1.00 by part allocation of the share premium account and remaining part in cash.

As of December 31, 2025, Equity Capital was US\$ 30,066 (US\$ 30,034 – December 31, 2024) with each class of shares having a par value of US\$ 1:

Classes of Shares	December 31, 2025		December 31, 2024	
	Number of shares	Share Capital US\$	Number of shares	Share Capital US\$
Class A Shares (Voting)	195,000	195	195,000	195
Class B Shares (Voting)	2,804,593	2,804	2,804,593	2,804
Class C Shares (Non-Voting)	27,066,680	27,067	27,034,491	27,035
Total Shares	30,066,273	30,066	30,034,084	30,034

All Shares, irrespective of their class, shall have the same economic rights. The Class C Shares do not confer voting rights.

(b) Share premium

The share premium as of December 31, 2025 and 2024 was as follows:

Classes	Share Premium US\$ As of December 31, 2025	Share Premium US\$ As of December 31 2024
Class A	5,484	6,753
Class B	78,876	97,130
Class C	759,779	935,475
Total	844,139	1,039,358

Refer to the following (c) and (d) for details of significant movement for the year.

(c) Legal reserve

According to Luxembourg law on commercial companies as well as to the articles of association of the Company, of the net profits, five per cent (5%) shall be appropriated for the legal reserve. This allocation shall cease to be compulsory when the reserve amounts to ten per cent (10%) of the capital of the Company.

(d) Distribution

On June 10, 2024 and November 5, 2024, the Board of Directors of the Company approved the distribution paid in cash through the share premium account in the amount of US\$ 33,000 and US\$ 36,942, respectively. The distributions were fully paid until year end December 31, 2024.

On April 28, 2025, July 23, 2025 and October 28, 2025 the Board of Directors of the Company approved the distribution paid in cash through the share premium account in the amount of US\$ 50,157, US\$ 80,277 and US\$ 65,244, respectively. The distributions were fully paid until the year ended December 31, 2025.

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19 Share-based payments

Foresea Holding S.A. has a compensation agreement with some members of the Board of Directors and the Board Advisor which will grant, as part of their remuneration, a total amount of 104,608 Class C Shares during a total vesting period of three years starting from June 7, 2023. The distribution of the amount of shares that will be vested in each anniversary is as follow:

Class of Shares	2024	2025	2026
Number of Class C Shares (Non-voting)	34,871	34,871	34,866

Details regarding the vesting conditions, forfeitures and acceleration of vesting conditions are disclosed within Note 2.22.

(a) Fair value of shares

Management hired third party consultants to estimate the fair value of the equity share-based payments at grant date using option pricing methodologies. For the year ended December 31, 2025, the fair value of each vested share was estimated to be US\$ 41.38 (US\$ 44.13 for 2024).

(b) Share remuneration movement in the period

	<u>Number of shares</u>	<u>Weighted average value per unit (in US\$)</u>
Unvested at January 1, 2024	104,608	44,13
Vested	(34,871)	44,13
Forfeited	(2,682)	44.29
Unvested at December 31, 2024	<u>67,055</u>	<u>44,17</u>
Vested	(32,189)	41.38
Unvested at December 31, 2025	<u>34,866</u>	<u>39.06</u>

(c) Share-based remuneration amount vested in the period

	<u>Number of vested shares</u>	<u>Fair value of vested shares</u>	<u>Nominal value of vested shares</u>	<u>Share premium of vested shares</u>	<u>Weighted-average call option value of vested shares</u>
At January 1, 2024	-	-	-	-	-
Vested	34,871	1,539	35	508	996
At December 31, 2024	<u>34,871</u>	<u>1,539</u>	<u>35</u>	<u>508</u>	<u>996</u>
Vested	32,189	1,332	32	462	838
At December 31, 2025	<u>67,060</u>	<u>2,871</u>	<u>67</u>	<u>970</u>	<u>1,834</u>

In the year ended December 31, 2024, share-based remuneration vested in the total amount of 34,871 shares at the weighted-average fair value of US\$ 44.13 per share, for

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which the Company issued the corresponding shares represented by capital US\$ 35 and for share premium of US\$ 508. The excess fair value from grant date to settlement date of US\$ 996 was credited to retained earnings.

In the year ended December 31, 2025, share-based remuneration vested in the total amount of 32,189 shares at the weighted-average fair value of US\$ 41.38 per share, for which the Company issued the corresponding shares represented by capital US\$ 32 and for share premium of US\$ 462. The excess fair value from grant date to settlement date of US\$ 838 was credited to retained earnings.

20 Revenues

	December 31, 2025	December 31, 2024
<i>Own units</i>		
Charter income	346,862	292,595
Mobilization fee	22,742	17,099
Service rendering	204,281	173,034
	<u>573,885</u>	<u>482,728</u>
<i>Third party units</i>		
Service rendering	36,225	27,440
	<u>610,110</u>	<u>510,168</u>
Gross operating revenue		
	610,110	510,168
Social Integration Program (PIS)	(3,969)	(3,310)
Social Investment Program (COFINS)	(18,281)	(15,245)
Services Tax (ISS) and others	(4,810)	(4,018)
Taxes levied on revenue (i)	(27,060)	(22,573)
	<u>(53,120)</u>	<u>(45,146)</u>
Net operating revenue	<u>583,050</u>	<u>487,595</u>

(i) Taxes levied revenues are applicable only to the revenues generated by Services rendering.

21 Costs

	December 31, 2025	December 31, 2024
Insurance	(10,390)	(10,585)
Mobilization costs	(10,902)	(9,078)
Materials, energy and other	(41,517)	(36,586)
Personnel costs	(140,555)	(127,157)
Outsourced services	(75,680)	(62,141)
Other costs	(30,015)	(29,493)
	<u>(309,059)</u>	<u>(275,040)</u>

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

22 General and administrative expenses

	December 31, 2025	December 31, 2024
Personnel expenses	(16,905)	(18,873)
Outsourced services	(4,579)	(6,590)
Management remuneration (Note 10.a)	(1,846)	(1,845)
Share-based payments (Note 10.a)	(1,362)	(1,920)
Other administrative expenses	(927)	(915)
	<u>(25,619)</u>	<u>(30,143)</u>

23 Finance results, net

	December 31, 2025	December 31, 2024
Finance expenses		
Interest on New Notes (Note 13)	(22,500)	(22,500)
Amortization of transaction cost (Note 13)	(3,451)	(3,146)
Foreign exchange rate variation	(7,976)	(2,671)
Other	(3,310)	(1,466)
	<u>(37,237)</u>	<u>(29,783)</u>
Finance income		
Foreign exchange rate variation	5,347	4,341
Interest income on cash and cash equivalents	5,943	5,789
Other	1,017	957
	<u>12,307</u>	<u>11,087</u>
Finance result, net	<u>(24,930)</u>	<u>(18,696)</u>

24 Income Tax

Foresea Holding S.A. is a tax resident in Luxembourg and it is a beneficiary of the Luxembourg participation exemption regime, to exempt any dividend payment from its subsidiary can be is the only revenue this entity has. The current income tax presented arises from the income tax of subsidiaries in Austria and Brazil, as demonstrated below:

	December 31, 2025	December 31, 2024
Income tax		
<u>Countries</u>		
Brazil (i)	(1,731)	-
Austria (ii)	(13)	198
	<u>(1,744)</u>	<u>198</u>

(i) As of December 31, 2025 in Brazil, Foresea S.A. registered tax profit for the current year and as of December 31, 2024, registered loss for the year.

(ii) In Austria, corporations are generally subject to a minimum corporate income tax, which is payable even in loss-making years or where taxable income is nil. The minimum tax can be credited against future corporate income tax liabilities once the company becomes profitable.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

a) Effect of income tax results

The tax rate used for the reconciliations is based on the combined corporate nominal tax rates as per the respective tax legislations.

	December 31, 2025	December 31, 2024
Profit/ (Loss) before taxes	(92,249)	17,682
Income tax expense /(Credit)and social contribution at nominal rate (a)	(22,020)	4,420
Adjustments to derive effective tax rate:		
(+)Non-deductible expenses	52,576	20,679
(-) Non-taxable income	(7,570)	(28,237)
(-) Utilization of losses for which no deferred tax assets were recognized	(22,046)	(8,602)
Adjustment for tax rate differences in foreign jurisdictions	(479)	(3,682)
(+) Losses carried forward for which no deferred tax assets were recognized	1,283	15,224
Income tax expense / (credit) recognized in profit or loss	1,744	(198)
Current taxes	1,744	(198)
Deferred taxes (b)	-	-

(a) Nominal tax rate of 23.87 % (2024: 24.94%) for Luxembourg applied on profits before taxes.

(b) The Group does not recognize deferred tax assets on its Austrian subsidiaries, mainly linked to their unused tax losses, for a total amount of US\$ 454,944 (2024: US\$ 332.123). Although the Austrian entities are operationally profitable, the Group cannot reliably demonstrate that sufficient future taxable profits in Austria will be available against which such losses can be utilized, given (i) the current tax structuring and expected continuation of the matching credit mechanism and (ii) the Austrian tax group consolidation. In addition, the carried-forward tax losses have not been formally assessed and remain subject to potential challenge by the tax authorities.

25 Insurance

Foresea contracts an insurance program consistent with its operations and global performance in accordance with standards of the oil and gas industries. Foresea has a risk management program with the purpose of delimiting the risks and contracting in the market coverages compatible with its size and operations. The amounts insured are considered to be sufficient by management to cover eventual losses, considering the nature of its activities and the risks involved in its operations.

As of December 31, 2025, the balance of prepaid insurance in the amount of US\$ 8,019 (US\$ 7,690 – December 31, 2024) (Note 9). The premium insurance liabilities in the amount of US\$ 8,545 (US\$ 10,273 – December 31, 2024) are related to the expenses with the insurance policies of the assets ODN I, ODN II, Norbe VI, Norbe VIII and Norbe IX, and others contracted with third parties.

As of December 31, 2025, Foresea had the following insurance policies contracted with first-class insurance companies:

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

In thousands of U.S. dollars

<u>Covered items</u>	<u>Covered risk</u>	Amount of coverage <i>In thousands of U.S.dollars</i>
Drilling rigs (Package)	Hull and Machinery, Increased Value, Loss of Hire, Total Loss, Accelerated Cost of Construction, Risk of War, Well Recovery Cost	2,400,684
Civil liability (P&I)	Damages to third parties, Crew members and other persons on board/personal injury, Pollution Wreck Removal, General Liability, Collision with other vessels and objects	2,550,000
Directors and officers liability	Judicial support to Directors and Executives	30,000
Transport	National and Import Cargo Transportation Insurance	3,909
Property	Property coverage for the offices	2,653
Cyber	Provides financial protection in the event of a cyber-attack or data breach	3,635
Yard	Property coverage for the Yard	2,800
DPEM	Mandatory insurance for personal injuries caused by vessels	27

Is not part of the scope of the independent auditor to evaluate the adequacy of the insurance coverage contracted by the Management of the Company and its subsidiaries.

26 Subsequent events

Events and transactions that occurred after the reporting date and up to the authorization date of these financial statements have been assessed by management, resulting in the following items requiring disclosure:

26.1 ODN II downtime

Operations associated with the ODN II rig were temporarily paused on January 4, 2026, after a loss of biodegradable drilling fluid originated from auxiliary lines, which was immediately contained. The necessary inspections and repairs were performed, and operations were successfully resumed on March 13, 2026.

26.2 Reopening of Senior Secured Notes

On February 11, 2026, the Company completed a reopening of its existing 7.50% senior secured notes due June 15, 2030, issuing an additional US\$ 150 million aggregate principal amount. Following the reopening, the total aggregate principal amount outstanding of the 7.50% senior secured notes due 2030 increased to US\$ 450 million.

The additional notes were issued at a price of 97.753% of their principal amount, plus accrued interest, and have the same terms in all material respects as the previously issued notes, including ranking, security package, interest rate and maturity. The additional notes are fully fungible with the existing notes and form a single series under the indenture.

**Notes to the consolidated financial statements
at December 31, 2025 and December 31, 2024**

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26.3 Approval of Interim Distribution to Shareholders

On February 25, 2026, the Board of Directors approved an interim distribution of US\$ 150,331 to be distributed to the Company's Class A, B and C shareholders. The payment will be made on March 25, 2026.

26.4 Geopolitical Risks and Developments

Management has assessed current geopolitical developments in the Middle East and, based on information available to date, does not expect a material adverse effect on the Group's financial position and results of operations in the short term.

27 Approval of the Consolidated financial statements

The Consolidated financial statements were approved by the Company's Board of Directors and authorized for issuance on March 26, 2026.

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