



# Shelf Drilling to Acquire 100% of Shelf Drilling North Sea

September 16, 2024

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# Fully Consolidating Shelf Drilling North Sea into Shelf Drilling

## Transaction Overview

- Shelf Drilling, Ltd. (“SHLF”) offering to acquire the remaining 40% outstanding shares of Shelf Drilling (North Sea), Ltd. (“SDNS”) by way of merger
- SHLF have presented an offer for all of the issued shares of SDNS not already owned by SHLF
- The offer is unanimously supported by both boards and has strong support from the shareholder base, where approximately 83% of SDNS shareholders (including SHLF) have irrevocably undertaken to vote in favor of the necessary resolutions to approve the proposed merger
- Consideration to be made up of:
  - 1.05 SHLF shares for each SDNS share (42m total); and
  - NOK 8.00 cash consideration for each SDNS share (\$30m total)
- Expected completion date is around the second half of October, 2024

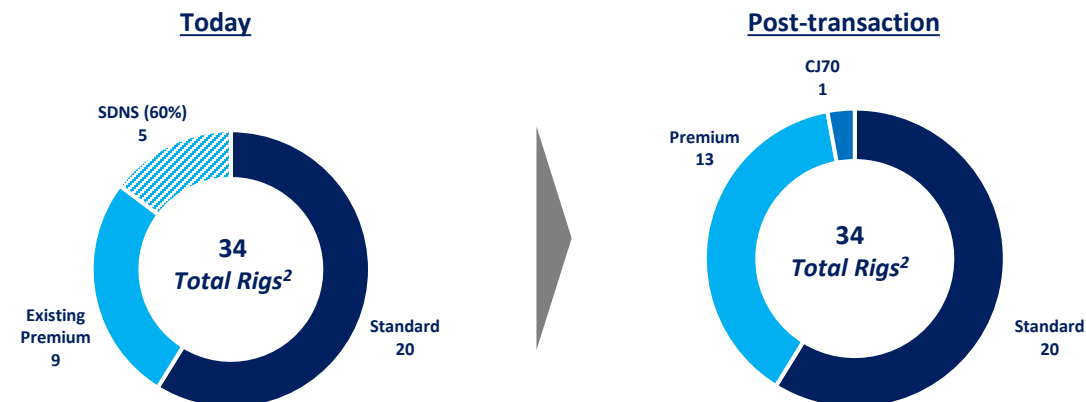
## Consideration summary (NOK/share)

SHLF shares	17.90 <sup>1</sup>
Cash	8.00
<b>Total</b>	<b>25.90</b>
SDNS as of 13.09.24	23.00
<i>Premium to last close</i>	13%

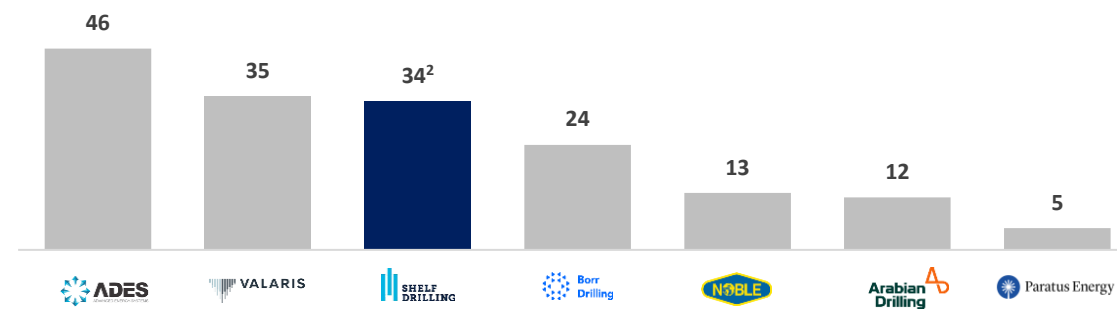
1. Based on a 1.05 share exchange ratio and SHLF price as of 13.09.24

2. Illustrative pro-forma for the sale of the Baltic jack-up for gross proceeds of \$60mm scheduled to close in Sep-24 and the potential retirement of the Trident VIII following a leg damage incident in Apr-24 (rig has an insured value of \$50mm and a resolution is expected by YE’24)  
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## Fleet Composition



## Solidifying Position as a Top Jack-up Operator Globally



## Indicative Timeline

<b>16 Sep'24</b>	<b>Announcement of the contemplated combination of SHLF and SDNS</b>
<b>19 Sep'24</b>	<b>SDNS general meeting notice</b>
<b>10 Oct'24</b>	<b>General meeting in SDNS</b>
<b>Second half of October</b>	<b>Closing and settlement</b>



## Rationale for a Merger



**High-grading the consolidated fleet with 4x premium JUs and 1x CJ70**

**Further solidifies unique operating platform**

**Simplified capital structure, increased share liquidity and better access to capital markets**

**Resolve the current cash need at SDNS in an efficient manner and allows SDNS to be fully supported by SHLF going forward**

