



Shelf Drilling Preliminary Q2 2025 Results Highlights

August 05, 2025

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The Company uses certain financial information calculated on a basis other than in accordance with accounting principles generally accepted in the United States ("GAAP"), including Adjusted Revenues, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Capital expenditures and deferred costs and Net Debt, as supplemental financial measures in this Presentation. These non-GAAP financial measures are provided as additional insight into the Company's ongoing financial performance and to enhance the user's overall understanding of the Company's financial results and the potential impact of any corporate development activities.

"Adjusted Revenues" is defined as the Revenues less the amortization of intangible liability. Adjusted Revenues provide investors with a financial measure used in our industry to better evaluate our results without regard to non-cash amortization of intangible liability. "EBITDA" as used herein represents revenue less: operating & maintenance expenses, selling, general & administrative expenses, provision for / (reversal of provision for) credit losses, net, share-based compensation expense, net of forfeitures, and other, net, and excludes amortization of intangible liability, interest expense and financing charges, interest income, income tax expense, depreciation, amortization of deferred costs, impairment loss and loss / (gain) on disposal of assets. "Adjusted EBITDA" as used herein represents EBITDA as adjusted for the exclusion of one-time corporate transaction costs and gain on insurance recovery. These terms, as we define them, may not be comparable to similarly titled measures employed by other companies and are not a measure of performance calculated in accordance with U.S. GAAP. "Adjusted EBITDA margin" as used herein represents Adjusted EBITDA divided by the total revenues excluding the amortization of intangible liability. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, net income or other income or cash flow statement data prepared in accordance with U.S. GAAP. We believe that Adjusted Revenues, EBITDA and Adjusted EBITDA are useful because they are widely used by investors in our industry to measure a company's operating performance without regard to items such as interest, income tax expense, depreciation and amortization and other non-recurring expenses (benefits), which can vary substantially from company to company. EBITDA and Adjusted EBITDA have significant limitations, such as not reflecting our cash requirements for capital expenditures and deferred costs, contractual commitments, working capital, taxes or debt service. Our management uses EBITDA and Adjusted EBITDA for the reasons stated above. In addition, our management uses Adjusted EBITDA in presentations to our Board of Directors to provide a consistent basis to measure operating performance of management; as a measure for planning and forecasting overall expectations; for evaluation of actual results against such expectations; and in communications with equity holders, lenders, note holders, rating agencies and others concerning our financial performance.

Due to the forward-looking nature of Adjusted EBITDA, management cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measure. Accordingly, the company is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measure to the most directly comparable forward-looking GAAP financial measure without unreasonable effort.

"Capital expenditures and deferred costs" as used herein include rig acquisition and other fixed asset purchases, construction expenditures on newbuild rigs and certain expenditures associated with regulatory inspections, major equipment overhauls, contract preparation (including rig upgrades), mobilization and stacked rig reactivations. Capital expenditures are included in property and equipment. Deferred costs are included in other current assets and other long-term assets. This term, as we define it, may not be comparable to similarly titled measures employed by other companies and is not calculated in accordance with U.S. GAAP. Capital expenditures and deferred costs should not be considered in isolation or as a substitute for capital expenditures prepared in accordance with U.S. GAAP. We believe that Capital expenditures and deferred costs is a useful measure as it better represents the overall level of the Company's capital investments. Capital expenditures and deferred costs as used herein is a non-U.S. GAAP measure defined and periodically reported in the Company's financial statements on a consistent basis.

"Net Debt" as used herein represents Total Debt less Cash and Cash Equivalents. This term, as we define it, may not be comparable to similarly titled measures employed by other companies and is not a measure of performance calculated in accordance with U.S. GAAP. Net Debt should not be considered in isolation or as a substitute for total debt prepared in accordance with U.S. GAAP. We believe that Net Debt is useful because it is widely used by investors in our industry to measure a company's financial position.

The quarterly financial information included in this Presentation has not been audited and may be subject to modifications.

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Q2 2025 Preliminary Results Highlights¹

	SDL Consol.		SDNS		SDL Excl. SDNS	
	Actual	Actual	Actual	Actual	Actual	Actual
	Q1 25	Q2 25	Q1 25	Q2 25	Q1 25	Q2 25
Adj. Revenue ²	\$243	\$240	\$63	\$61	\$180	\$179
Adj. EBITDA ²	\$96	\$94	\$28	\$21	\$68	\$73
Net Income/(Loss)	\$14	\$11	\$12	\$4	\$2	\$7
Capex/Deferred	\$16	\$18	\$4	\$4	\$12	\$14
Cash	\$207	\$171	\$35	\$33	\$172	\$138

All figures in USD millions.

Note 1: Contract backlog of ~\$1.5 billion as of 30 June 2025. Final Q2 2025 Results to be published on Thursday, 7 August 2025.

Note 2: Excludes amortization of drilling contract intangibles.

FY 2025 Adjusted EBITDA

\$320 – \$360 million

- \$10 million increase in low end of guidance range, reflecting strong financial performance delivered in H1 2025 mainly due to higher revenue efficiency and lower operating expenses
 - Recent contract awards support revenue visibility in H2 2025
- Revenues in Q3 2025 expected to be down 5% to 10% sequentially, primarily due to completion of three contracts in North Sea and Southeast Asia
- Revenues in Q4 2025 expected to be higher than earlier in 2025 primarily due to expected contribution from rigs commencing new contracts in North Sea and West Africa

FY 2025 Capital Expenditures & Deferred Costs

\$85 – \$115 million

- Unchanged from prior guidance communicated in May 2025
 - Contract preparations anticipated in H2 2025 for one rig in North Sea and one rig in Southeast Asia
 - Lower planned out-of-service project spending in Saudi Arabia for one rig
 - Reflects targeted savings and reduction in spending across fleet

