Shelf Drilling Q2 2025 Results Highlights

August 07, 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.

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Q2 2025 Key Performance Indicators

SHELF DRILLING

TRIR[1] of 0.16 vs. IADC average of 0.44
1 recordable incident in Q2 2025

Adj. EBITDA held stable at $94 MM in Q2 2025, reflecting only a modest decline from $ 96 MM in Q1 2025

Disciplined capital spending, with capex spend of $18 MM in Q2 2025, contributing to sustained liquidity strength

7 new contracts / extensions secured since Q1 2025
Contributing to long-term backlog growth and reinforcing presence in core and new markets

0.16 TRIR[1]	**99.5%** Uptime
$94 MM Adjusted EBITDA	**39%** Adjusted EBITDA Margin
$11 MM Net Income	**$297 MM** Liquidity[2]

Note (1): Total Recordable Incident Rate: recordable incidents per 200,000 manhours as per IADC guidelines, as of 30 June 2025.
Note (2):Includes $172 MM of cash and equivalents and $125 MM of undrawn revolving credit facility, as of 30 June 2025.

Macro Overview

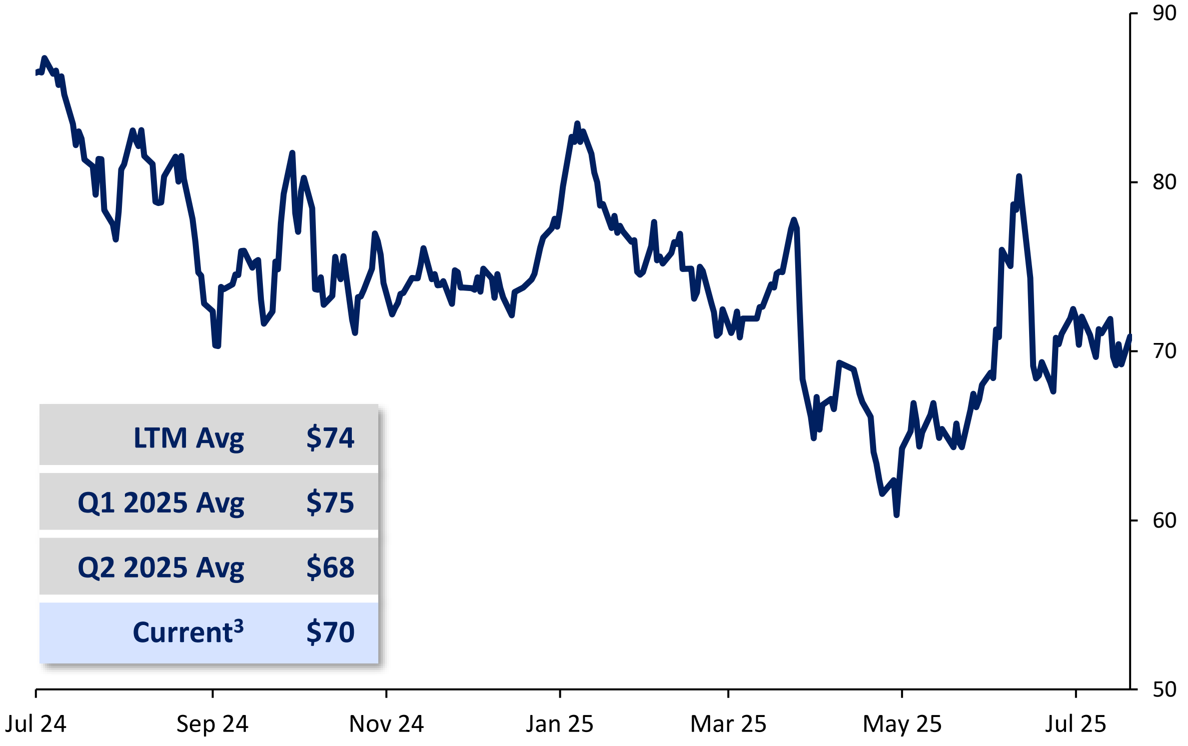
Short-term oil price volatility persists amid evolving OPEC+ production strategy, geopolitical and tariff developments

Global oil demand projected to continue to grow in 2025-26, although moderately, driven by non-OECD countries[1]

Offshore sanctioning remains steady (~$56B projected in 2025); expected to increase in 2026-2027[2]

Energy security and affordability priorities continue to support investment in conventional oil and gas

Brent Oil Price LTM ($/bbl)



LTM Avg	$74
Q1 2025 Avg	$75
Q2 2025 Avg	$68
Current[3]	$70

With a strong track record of performance through price cycles, offshore drilling expected to continue playing a vital, cost-efficient role in the long-term global energy mix

Note (1): Source: U.S. Energy Information Administration's (EIA) Short-Term Energy Outlook (STEO) July 2025, global oil demand is projected to grow by approximately 0.8 million barrels per day (b/d) in 2025 and 1.1 million b/d in 2026.
Note (2): Rystad Energy ServiceCube – Oil and Gas; Rystad Energy research and analysis.
Note (3): Current based on 28 July 2025

Jack-up Market Overview

Resilient utilization despite regional imbalances

~86% adjusted[2] for Saudi suspensions

Jack-up dayrates under further pressure

Competition has intensified across regions and asset classes as near-term oversupply persists

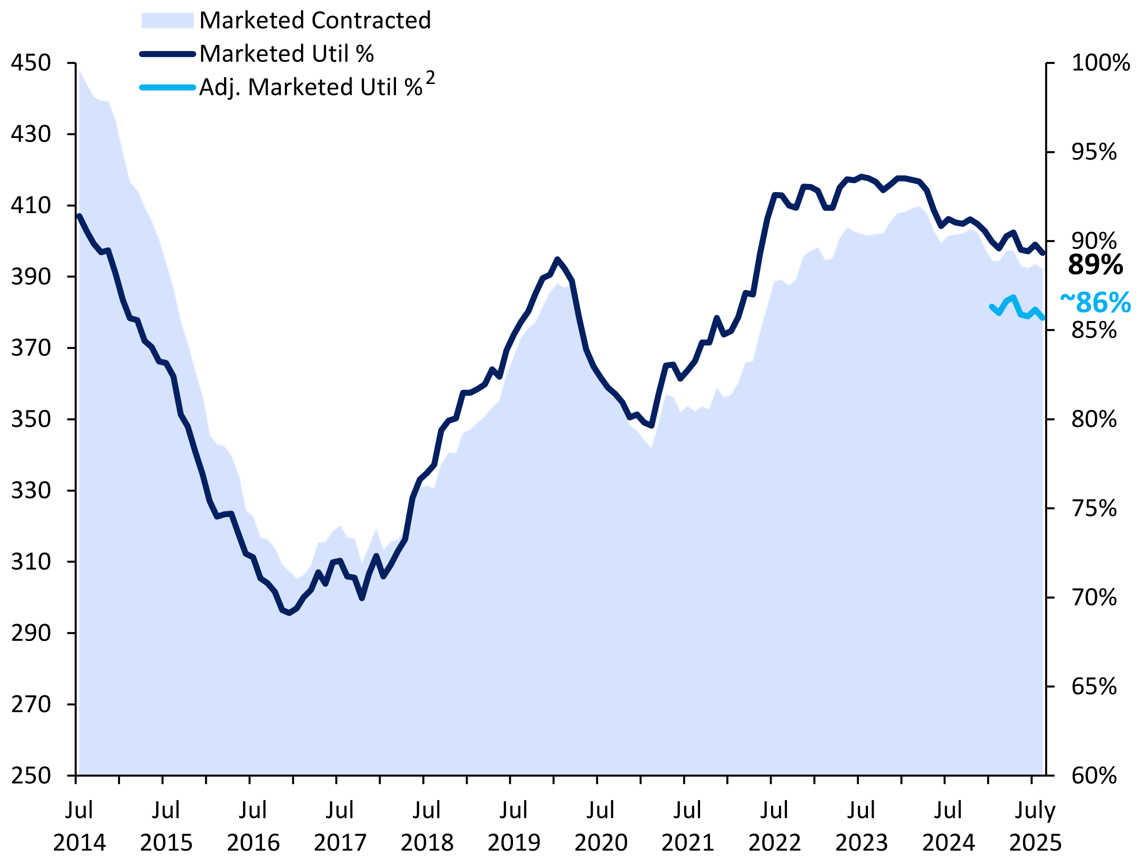
Demand largely driven by brownfield activity

Limited exposure to exploration-dependent projects, therefore less sensitive to weaker commodity price

Significant reduction in jack-up supply over last decade

Further attrition expected and limited risk of incremental newbuilds

Number of Contracted Jack-ups[1]



Near-term uncertainty but strong long-term fundamentals in the jack-up market

Note (1): Independent legs and cantilever units only, excludes mat-supported rigs. Source: IHS Petrodata, as of 6 August 2025.
Note (2): Adjusted for 16 rigs which are suspended but still under contract with Saudi Aramco.

Shelf Drilling Operating Platform & Strong Global Presence

Deep Relationships with Blue-Chip Customers Anchor Long-Term Backlog

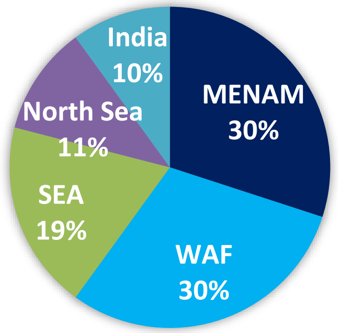
Concentrated Presence in High-Activity, Production-Led Regions

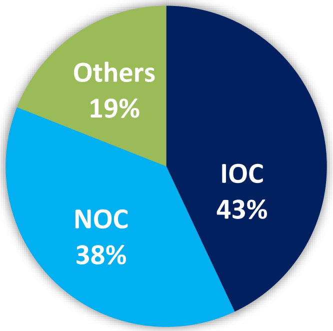
Customer Base Dominated by IOCs and NOCs with Longstanding Relationships Held Since Company Inception[1]

Selected Key Customers with Credit Ratings[2] and Length of Relationship

Chevron	eni	aramco	TotalEnergies	QatarEnergy LNG	equinor	ONGC
(Aa2/AA-/NR)	(Baa1/A-/A-)	(A1/NR/A+)	(A1/A+/AA-)	(Aa3/AA/AA-)[3]	(Aa2/AA-/NR)	(Baa3/BBB-/BBB-)

$1.3 Billion Illustrative Pro Forma Backlog[4]





Fleet Status Summary (As of 7 Aug 2025)

	Contracted	Available	Total	% Contracted
MENAM[5]	9	0	9	100%
India	7	1	8	88%
West Africa	6	2	8	75%
SE Asia	4	0	4	100%
North Sea	3	0	3	100%
Total	**29**	**3**	**32**	**91%**

Key Contract Awards Summary

- **High Island V: 5-year** contract extension with **Saudi Aramco**
- **J.T. Angel: 3-year** contract with **ONGC India**
- **Key Manhattan: 1-year** contract extension with **Eni, Italy**
- **Rig 141: 1-year** contract extension with **Gempetco, Egypt**
- **Shelf Drilling Enterprise:** contract for **1 firm** well in **Vietnam**
- **Shelf Drilling Fortress:** contract for **1 firm well** in the **UK North Sea**
- **Trident 16: 3-month** extension with **Petrobel Egypt**

Source: Shelf Drilling public company filings, Moody's, S&P, Fitch. Note (1): Except Equinor and QatarEnergy which have been held since Q4 2022 under SDNS. Note (2): Including credit ratings from Moody's / S&P / Fitch. Data as of 31 August 2023.
Note (3): Credit ratings for the State of Qatar, which owns 100% of Qatar Energy. Data as of 31 August 2023.
Note (4): Actual backlog as of 30 June 2025 of $1.5 billion includes backlog associated with suspended rigs (i.e. Harvey H. Ward and High Island IV) still under contract.
Note (5): 2 suspended rigs in Saudi Arabia are still under contract.

Financial Highlights

Shelf Drilling Q2 2025 Results Highlights

2025 Financial Guidance – Revised

FY 2025 Adjusted EBITDA	FY 2025 Capital Expenditures & Deferred Costs
$320 – $360 million	**$85 – $115 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

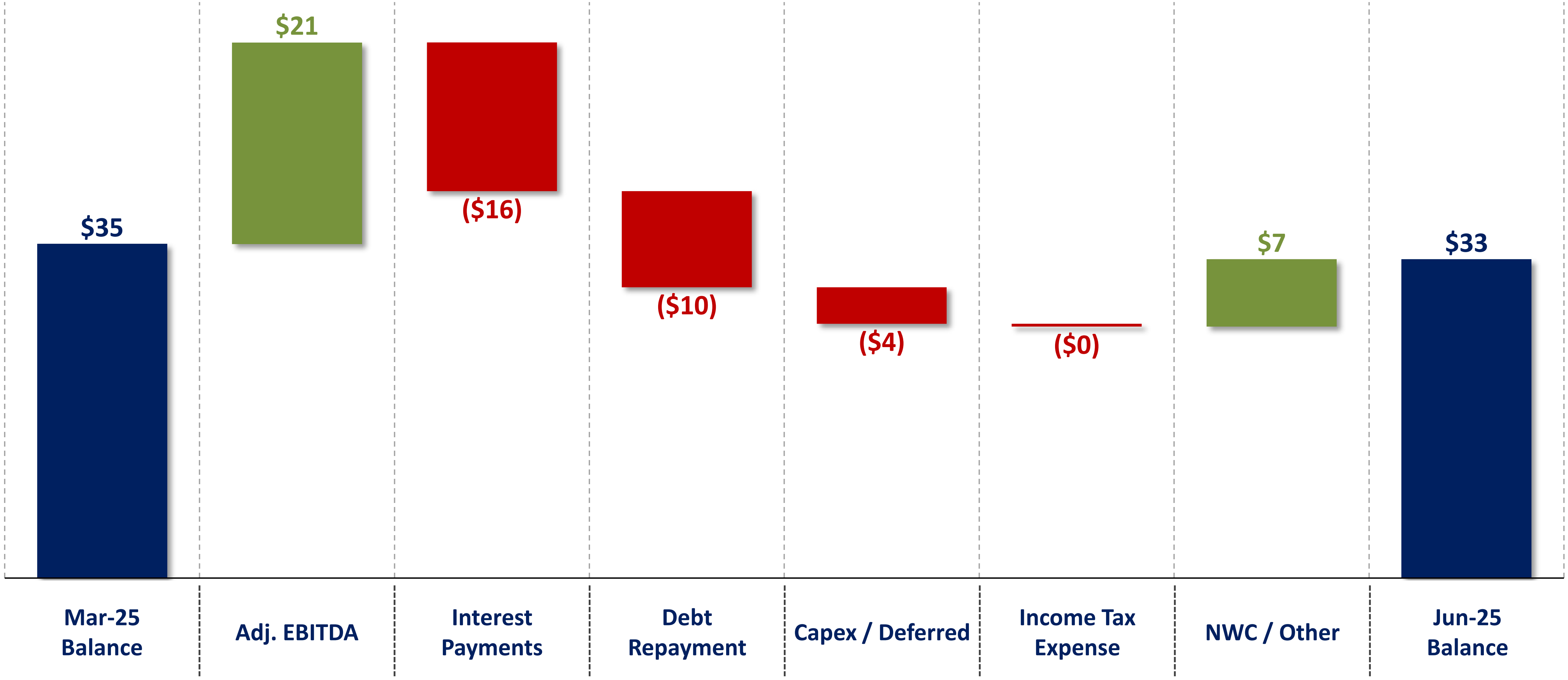
- Unchanged from prior guidance communicated in May 2025
  - Contract preparations anticipated in H2 2025 for one rig in North Sea and one rig in Southeast Asia
  - Lower planned out-of-service project spending in Saudi Arabia for one rig
  - Reflects targeted savings and reduction in spending across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

Q2 2025 Results Highlights

	SDL Consol.		SDNS		SDL Excl. SDNS	
	Actual Q1 25	Actual Q2 25	*Actual Q1 25*	*Actual Q2 25*	*Actual Q1 25*	*Actual Q2 25*
Adj. Revenue[1]	$243	$240	$63	$61	$180	$179
Adj. EBITDA[1]	$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: Excludes amortization of drilling contract intangibles.

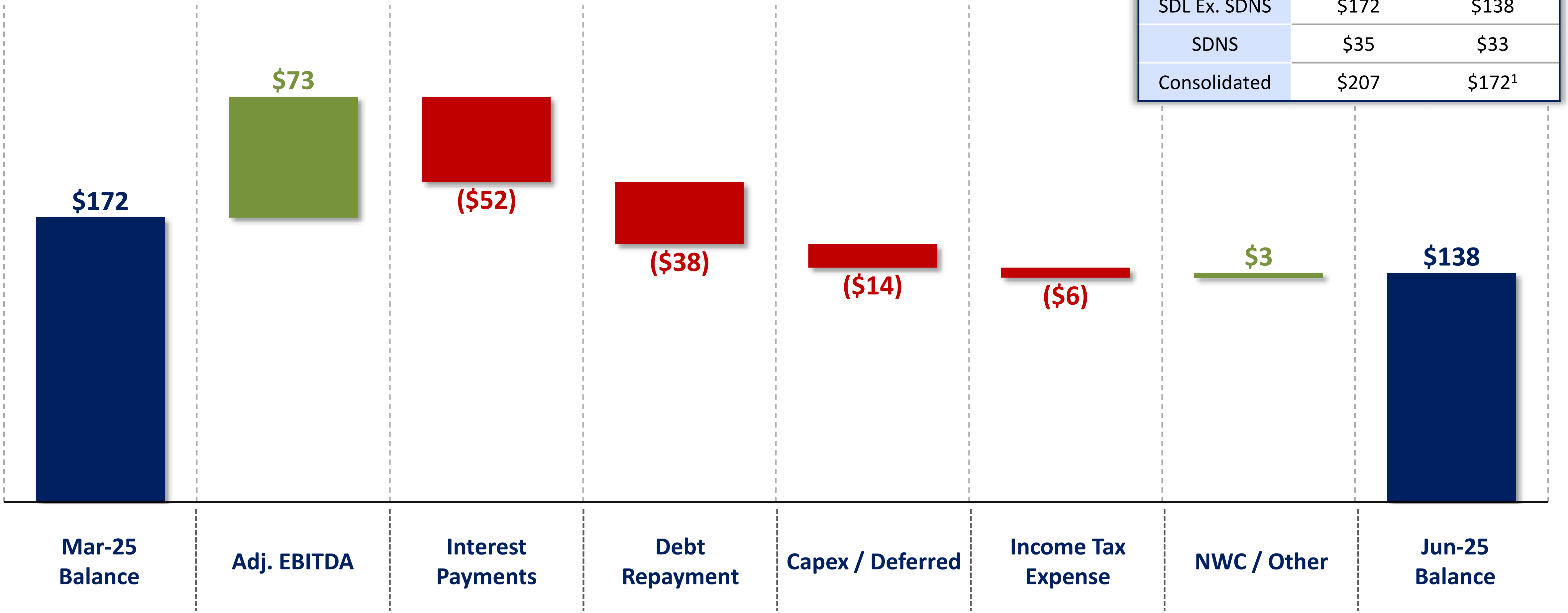
Shelf Drilling North Sea: Q2 2025 Change in Cash



All figures in USD millions

Shelf Drilling (excl. SDNS): Q2 2025 Change in Cash

Cash Balance ($MM)		
	Mar-25	Jun-25
SDL Ex. SDNS	$172	$138
SDNS	$35	$33
Consolidated	$207	$172[1]



All figures in USD millions
Note (1): Total cash is rounded up to the nearest value

Supplemental Financial Information

Shelf Drilling Q2 2025 Results Highlights

Results of Operations

(In millions USD)	Q1 2025	Q2 2025
Adjusted revenues	**$ 242.7**	**$ 239.7**
Amortization of intangible liability	3.0	1.5
Revenues	**245.7**	**241.2**
Operating costs & expenses		
Operating and maintenance	129.4	129.6
Depreciation	21.2	21.4
Amortization of deferred costs	20.2	19.4
General and administrative	16.8	14.4
Impairment loss	—	3.0
Gain on disposal of assets	(3.1)	(0.9)
Operating income	**61.2**	**54.3**
Other expense / (income), net		
Interest expense and financing charges, net of interest income	35.7	35.0
Other, net	0.3	1.7
Income before income taxes	**25.2**	**17.6**
Income tax expense	11.5	6.4
Net income	**$ 13.7**	**$ 11.2**

Revenue Summary

- Average marketable rigs marginally decreased in Q2 2025 compared to Q1 2025 primarily due to one stacked rig in India (Trident XII)
- Average dayrate increased to $96.7 thousand in Q2 2025 from $94.2 thousand in Q1 2025 primarily due to a higher dayrate for one rig in Denmark (Shelf Drilling Winner)
- Effective utilization marginally decreased to 78% in Q2 2025 from 79% in Q1 2025, mainly due to:
  - Two rigs in India (Trident XII) and United Kingdom (Shelf Drilling Fortress) that completed contracts in late Q1 2025 and Q2 2025, respectively
  - Partially offset by full quarter of operations in Q2 2025 for one rig in Egypt (Trident 16)
- Sequential decrease in revenue mainly in United Kingdom and India partially offset by an increase in Denmark and Egypt

	Q1 2025	Q2 2025
Operating Data		
Average marketable rigs [1]	33.0	32.3
Average dayrate (in thousands USD) [2]	$ 94.2	$ 96.7
Effective utilization [3]	79 %	78 %
Revenues *(in millions USD)*		
Operating revenues - dayrate	$ 220.7	$ 221.4
Operating revenues - others	12.3	11.3
Other revenues	9.7	7.0
Adjusted Revenues	**242.7**	**239.7**
Amortization of intangible liability	3.0	1.5
Total Revenues	**$ 245.7**	**$ 241.2**

Note (1): ''Marketable rigs'' are defined as the total number of rigs that are operating or are available to operate, excluding: rigs under third party bareboat charter agreements, stacked rigs and rigs under contract for activities other than drilling or plug and abandonment services, as applicable.
Note (2): ''Average dayrate'' is defined as the average contract dayrate earned by marketable rigs over the reporting period excluding mobilization fees, contract preparation, capital expenditure reimbursements, demobilization, recharges, bonuses and other revenues.
Note (3): ''Effective utilization'' is defined as the number of calendar days during which marketable rigs generate dayrate revenues divided by the maximum number of calendar days during which those rigs could have generated dayrate revenues.

Operating Expenses Summary

- Operating & maintenance expenses were relatively unchanged at $129.6 million in Q2 2025:
  - Higher operating costs for one rig in Norway (Shelf Drilling Barsk) that commenced drilling operations in May 2025
  - Higher expenses for fleet spares
  - Partially offset by lower costs for two rigs that were redeployed to West Africa (High Island II and Shelf Drilling Victory) in Q1 2025
  - Lower operating costs for two rigs in India (Parameswara and Trident XII) that completed their contracts in Q1 2025
- General and administrative expenses of $14.4 million in Q2 2025 decreased by $2.4 million from Q1 2025 primarily due to a decrease in provision for credit losses and lower compensation and benefit expenses in Q2 2025

(in millions USD)	Q1 2025	Q2 2025
Rig operating expenses	$ 116.4	$ 117.5
Shore-based expenses	13.0	12.1
Operating and maintenance	**$ 129.4**	**$ 129.6**
Corporate G&A	$ 14.9	$ 13.7
Provision for / (reversal of provision for) credit losses, net	0.6	(0.5)
Share-based compensation	1.3	1.2
General and administrative	**$ 16.8**	**$ 14.4**

Adjusted EBITDA Reconciliation

(In millions USD)	Q1 2025	Q2 2025
Net income	**$ 13.7**	**$ 11.2**
Add back		
Interest expense and financing charges, net of interest income [1]	35.7	35.0
Income tax expense	11.5	6.4
Depreciation	21.2	21.4
Amortization of deferred costs	20.2	19.4
Impairment loss	—	3.0
Gain on disposal of assets	(3.1)	(0.9)
Amortization of intangible liability	(3.0)	(1.5)
EBITDA and Adjusted EBITDA	**96.2**	**94.0**
Allocated as:		
Shelf Drilling excluding SDNS	68.2	73.0
Shelf Drilling North Sea	28.0	21.0
	$ 96.2	**$ 94.0**
Adjusted EBITDA margin	**40%**	**39%**

Note (1): "Interest expense and financing charges, net of interest income" is defined as interest expense and amortization of debt issuance costs, partially offset by interest income.

Capital Expenditures and Deferred Costs Summary

- Capital Expenditures and Deferred Costs of $18.0 million in Q2 2025 increased by $2.5 million from Q1 2025 primarily as a result of:
  - Higher spending on fleet spares
  - Partially offset by lower regulatory and capital maintenance expenditures for three rigs in West Africa (Main Pass IV), Denmark (Shelf Drilling Winner) and Qatar (Shelf Drilling Odyssey), and for two rigs that were redeployed to West Africa (High Island II and Shelf Drilling Victory) in Q1 2025

(In millions USD)	Q1 2025	Q2 2025
Regulatory and capital maintenance [1]	$ 16.2	$ 10.4
Contract preparation [2]	2.1	2.9
Fleet spares and others [3]	(2.8)	4.7
Total Capital Expenditures and Deferred Costs	**$ 15.5**	**$ 18.0**
Allocated as:		
Shelf Drilling excluding SDNS	$ 11.3	$ 14.2
Shelf Drilling North Sea	4.2	3.8
Total Capital Expenditures and Deferred Costs	**$ 15.5**	**$ 18.0**
Reconciliation to Statements of Cash Flow		
Cash payments for additions to PP&E	$ 9.6	$ 6.9
Net change in advances and accrued but unpaid additions to PP&E	(1.8)	(0.4)
Total capital expenditures	7.8	6.5
Changes in deferred costs, net	(12.5)	(7.9)
Add: Amortization of deferred costs	20.2	19.4
Total deferred costs	7.7	11.5
Total Capital Expenditures and Deferred Costs	**$ 15.5**	**$ 18.0**

Note: (1): "Regulatory and capital maintenance" includes major overhauls, regulatory costs, general upgrades and sustaining capital expenditures.
Note: (2): "Contract preparation" includes specific upgrade, mobilization and preparation costs associated with a customer contract.
Note: (3): "Fleet spares and others" includes: (i) acquisition and certification costs for the rig fleet spares pool which is allocated to specific rig expenditures as and when required by that rig, which will result in an expenditure charge to that rig and a credit to fleet spares and (ii) office and infrastructure expenditures.

Balance Sheet Summary

(In millions USD)	SDL		SDNS		SDHL Credit Group [1]	
	Q1 2025	Q2 2025	Q1 2025	Q2 2025	Q1 2025	Q2 2025
Cash and cash equivalents	$ 206.6	$ 171.5	$ 34.8	$ 33.2	$ 171.7	$ 138.2
Restricted cash	8.6	9.2	4.6	4.6	4.0	4.6
Accounts and other receivables, net	218.0	199.7	47.8	45.2	170.2	154.5
Property and equipment, net	1,410.6	1,395.2	400.0	396.5	1,010.6	998.7
Deferred costs	174.3	163.3	24.1	21.5	150.2	141.8
Other assets	71.9	72.4	13.3	16.8	277.9	280.0
Total assets	**$ 2,090.0**	**$ 2,011.3**	**$ 524.6**	**$ 517.8**	**$ 1,784.6**	**$ 1,717.8**
Accounts payable	$ 90.5	$ 88.3	$ 17.1	$ 22.0	$ 72.9	$ 66.1
Interest payable	58.1	24.0	11.5	4.0	46.6	20.0
Deferred revenue	40.3	31.5	12.3	13.0	28.0	18.5
Total debt	1,359.0	1,313.9	316.4	307.0	1,052.6	1,016.9
Other liabilities	98.8	97.9	23.1	23.7	89.0	91.9
Total liabilities	**1,646.7**	**1,555.6**	**380.4**	**369.7**	**1,289.1**	**1,213.4**
Total equity	**443.3**	**455.7**	**144.2**	**148.1**	**495.5**	**504.4**
Total equity and liabilities	**$ 2,090.0**	**$ 2,011.3**	**$ 524.6**	**$ 517.8**	**$ 1,784.6**	**$ 1,717.8**

Note: (1): This represents SDHL excluding unrestricted subsidiaries (including SDNS) in relation to the 9.625% Senior Secured Notes, Term Loan and the Credit Facility.

Capital Structure Summary

(In millions USD)	YE 2023	YE 2024	Q1 2025	Q2 2025
Cash and cash equivalents	$ 98.2	$ 152.3	$ 206.6	$ 171.5
Restricted cash	8.8	9.4	8.6	9.2
Total long-lived assets [1]	1,698.0	1,623.8	1,596.6	1,570.3
Total assets	**$ 2,098.7**	**$ 2,077.2**	**$ 2,090.0**	**$ 2,011.3**
9.625% senior secured notes, due April 2029 [2]	$ 1,056.4	$ 1,025.9	$ 1,027.9	$ 992.1
Term loan, due March 2027 [3]	32.7	24.9	24.7	24.8
	1,089.1	**1,050.8**	**1,052.6**	**1,016.9**
9.875% senior secured bonds, due November 2028 [4]	—	305.9	306.4	297.0
10.25% senior secured notes due 2025	236.3	—	—	—
Total debt	**1,325.4**	**1,356.7**	**1,359.0**	**1,313.9**
Net debt	$ 1,227.2	$ 1,204.4	$ 1,152.4	$ 1,142.4
Total equity attributable to controlling interest	**$ 332.0**	**$ 428.3**	**$ 443.3**	**$ 455.7**
Non-controlling interest	70.3	—	—	—
Total equity	**$ 402.3**	**$ 428.3**	**$ 443.3**	**$ 455.7**

- LTM Adjusted EBITDA of $389.4 million and Net Leverage ratio of 2.9x for SDL ($328.6 million and 2.7x for Shelf Drilling excluding SDNS)
- Cash and cash equivalents balance at SDL excluding SDNS of $138.3 million and $33.2 million at SDNS, as of June 30, 2025
  - $150.0 million revolving credit facility; $19.4 million utilized for surety bonds and guarantees as of June 30, 2025
- Total shares outstanding of 256.4 million as of June 30, 2025
  - Primary insiders: 67.1 million (26.2%), consisting primarily of China Merchants: 26.9 million (10.5%), Castle Harlan: 20.0 million (7.8%) and Perestroika AS: 16.0 million (6.2%)

Note (1): "Total long lived assets" are defined as property plant and equipment, right-of-use assets and short term and long term deferred costs. This excludes assets held for sale.
Note (2): Reflects carrying value. Principal value is $1,020 million.
Note (3): Reflects carrying value. Principal value is $25.0 million.
Note (4): Reflects carrying value. Principal value is $305.0 million.

Free Cash Flow Summary

- Q2 2025 Adjusted EBITDA marginally decreased to $94.0 million (adjusted EBITDA margin of 39%)
- Cash and cash equivalents decreased by $35.1 million to $171.5 million during Q2 2025, mainly due to:
  - Higher debt service payments in Q2 2025 ($47.5 million of principal payments and $67.0 million of interest payments)
  - Partially offset by a decrease in working capital in Q2 2025
- Cash and cash equivalents increased by $19.2 million during the first six months of 2025

Quarterly Cash Flow Summary ($MM)	Q1 2025	Q2 2025
Adjusted EBITDA	**$ 96.2**	**$ 94.0**
Interest expense, net of interest income	(35.7)	(35.0)
Income tax expense	(11.5)	(6.4)
Capital expenditures and deferred costs	(15.5)	(18.0)
Sub-total	**33.5**	**34.6**
Rig sale net proceeds	8.3	0.5
Insurance gross proceeds	4.5	1.2
Working Capital Impact		
Interest [1]	35.0	(32.0)
Other	(26.6)	8.5
Sub-total	**8.4**	**(23.5)**
Payment of debt issuance costs	(0.3)	(0.2)
Payment of long-term debt	—	(47.5)
Payment for equity issuance costs	(0.1)	(0.2)
Sub-total	**(0.4)**	**(47.9)**
Net change in cash and cash equivalents	**54.3**	**(35.1)**
Beginning Cash	152.3	206.6
Ending cash and cash equivalents	**$ 206.6**	**$ 171.5**

Note (1): Represents the difference between interest expense, net of interest income and cash interest payments during the period.

Free Cash Flow Summary

Quarterly Cash Flow Summary ($MM) - Q2 2025	Shelf Drilling excluding SDNS	Shelf Drilling North Sea	Total
Adjusted EBITDA	**$ 73.0**	**$ 21.0**	**$ 94.0**
Interest expense, net of interest income	(26.6)	(8.4)	(35.0)
Income tax expense	(6.1)	(0.3)	(6.4)
Capital expenditures and deferred costs	(14.2)	(3.8)	(18.0)
Sub-total	**26.1**	**8.5**	**34.6**
Rig sale net proceeds	0.5	—	0.5
Insurance gross proceeds	1.2	—	1.2
Working Capital Impact			
Interest [1]	(24.8)	(7.2)	(32.0)
Other	1.3	7.2	8.5
Sub-total	**(23.5)**	**—**	**(23.5)**
Payment of debt issuance costs	(0.1)	(0.1)	(0.2)
Payment of long-term debt	(37.5)	(10.0)	(47.5)
Payment of equity issuance costs	(0.2)	—	(0.2)
Sub-total	**(37.8)**	**(10.1)**	**(47.9)**
Net change in cash and cash equivalents	**(33.5)**	**(1.6)**	**(35.1)**
Beginning cash	171.8	34.8	206.6
Ending cash and cash equivalents	**$ 138.3**	**$ 33.2**	**$ 171.5**

Note (1): Represents the difference between interest expense, net of interest income and cash interest payments during the period.

SHELF
DRILLING