

SHLF: Update on recommended offer by ADES International Holding, Ltd. to acquire all outstanding shares of Shelf Drilling, Ltd. by way of a cash merger. Cash consideration revised to NOK 18.50 per share and supported by 53.4% voting commitments in favor of the merger.

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16 September 2025

Reference is made to the stock exchange announcement as of August 5, 2025, regarding the merger agreement entered into between Shelf Drilling, Ltd. ("**Shelf Drilling**" or the "**Company**"), ADES International Holding, Ltd. ("**ADES**") and ADES International Cayman ("**BidCo**") (the "**Proposed Merger**").

The Company, ADES and BidCo have agreed on revised terms of the Proposed Merger whereby the cash consideration is increased to NOK 18.50 (the "**Revised Cash Consideration**") per share. This Revised Cash Consideration has received irrevocable pre-commitments which, when including ADES' stake, represents 53.4% votes in favor of the Proposed Merger compared to 15.0% pre-commitments received prior to the Proposed Merger announcement on August 5, 2025.

The Proposed Merger with the Revised Cash Consideration is unanimously recommended by the board of directors of Shelf Drilling.

Following discussions with senior management of the Company and after careful consideration of Shelf Drilling's current trading, jack-up market fundamentals as well as USD 10 million upwards revised cost synergies estimate to USD 50-60 million on an annual basis (from previously announced USD 40-50 million), ADES has increased its offer to the Revised Cash Consideration. The impact on the overall Enterprise Value of the Company, payable by ADES, represents an increase of approx. 6%.

All other terms of the Proposed Merger remain unchanged.

In addition to previous irrevocable commitments to vote in favor of the Proposed Merger from Castle Harlan, Perestroika, the Company's CEO, CFO and board members which continue to apply, irrevocable commitments have now been provided by additional shareholders, including China Merchants, Anchorage Capital Group and Magallanes Value Investors, which combined with ADES' 17.9% stake in the Company, in total represents 53.4% of the outstanding shares in the Company.

In light of the revised merger consideration, the Company will convene and indefinitely adjourn the extraordinary general meeting scheduled for today at 17:00 CET / 10:00am Cayman Islands time effectively cancelling this meeting. As such, there will not be any separate announcement on the results of today's extraordinary general meeting.

The Company will invite shareholders to a new extraordinary general meeting to seek necessary shareholder approval of the Proposed Merger with the Revised Cash Consideration. The meeting is expected to be held on or about October 6, 2025, and a notice of the meeting is expected to be distributed as soon as practicable.

The transaction timetable remains unchanged as per the Company and ADES joint announcement on August 5, 2025, with closing expected to occur in Q4 2025.

Advisors

SpareBank 1 Markets is acting as sole financial advisor and Schjødt and Maples Group are acting as legal advisors to ADES. Evercore is acting as sole financial advisor and Advokatfirmaet Thommessen AS, Conyers and Latham & Watkins LLP are acting as legal advisors to Shelf Drilling.

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About ADES:

ADES Holding Company, headquartered in Al Khobar in the Kingdom of Saudi Arabia, is a global drilling services provider. The Company has over 8,000 employees and a fleet of 90 rigs across 13 countries, including 40 onshore drilling rigs, 48 jack-up offshore drilling rigs, one jack-up barge, and one mobile offshore production unit ("MOPU").

For more information, visit <https://investors.adesgroup.com/>

For investor relation inquiries, please contact: investor.relations@adesgroup.com

About Shelf Drilling:

Shelf Drilling is an international shallow water offshore drilling contractor with rig operations across the Middle East, Southeast Asia, India, West Africa, the Mediterranean and the North Sea. Shelf Drilling was founded in 2012 and has established a strong reputation within its industry for its fit-for-purpose strategy and close working relationship with industry leading clients. The Company is incorporated under the laws of the Cayman Islands with corporate headquarters in Dubai, United Arab Emirates. The Company is listed on the Oslo Stock Exchange under the ticker "SHLF".

Additional information about Shelf Drilling can be found at www.shelfdrilling.com.

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Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as

"believe", "expect", "anticipate", "strategy", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company and ADES believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Actual events may differ significantly from any anticipated development due to a number of factors.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. The Company and ADES do not undertake any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

This announcement is for information purposes only and is not to be relied upon in substitution for the exercise of independent judgment. It is not intended as investment advice and under no circumstances is it to be used or considered as an offer to sell, or a solicitation of an offer to buy any securities or a recommendation to buy or sell any securities.

The announcement has not been reviewed or approved by any regulatory or supervisory authority.

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This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by Kate Weir, Associate General Counsel & Corporate Secretary at Shelf Drilling, on 16 September 2025 at 07:10 CEST.