Shelf Drilling Q1 2025 Results Highlights

May 12, 2025

Disclaimer

This presentation (the "Presentation") has been prepared by Shelf Drilling, Ltd. ("Shelf Drilling", "SDL" or the "Company"), Shelf Drilling Holdings, Ltd. ("SDHL") and Shelf Drilling (North Sea), Ltd. ("Shelf Drilling North Sea" or "SDNS") exclusively for information purposes and may not be reproduced or redistributed, in whole or in part, to any other person. The numbers presented are consolidated unless otherwise stated. The Presentation is being made only to, and is only directed at, persons to whom such presentation may lawfully be communicated ('relevant persons'). Any person who is not a relevant person should not act or rely on the Presentation or any of its contents.

The Presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in the Company. The release, publication or distribution of the Presentation in certain jurisdictions may be restricted by law, and therefore persons in such jurisdictions into which this Presentation is released, published or distributed should inform themselves about, and observe, such restrictions.

The Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in the Presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or any of its shareholders or subsidiary undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in the Presentation or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to its actual results.

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.

The Presentation contains information obtained from third parties. You are advised that such third party information has not been prepared specifically for inclusion in the Presentation and the Company has not undertaken any independent investigation to confirm the accuracy or completeness of such information.

An investment in the Company involves risk, and several factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in the Presentation, including, among others, the risk factors described in the Company's Form 10-K equivalent for the year ended December 31, 2024. Should any risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the Presentation. An investment in the Company is only suitable for investors who understand the risk factors associated with this type of investment and who can afford to a loss of all or part of their investment.

No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, none of the Company or any of its shareholders or subsidiary undertakings or any such person's officers or employees accepts any liability whatsoever arising directly or indirectly from the use of the Presentation.

By attending or receiving the Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

The Presentation speaks as of May 12, 2025. Neither the delivery of this Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.

Q1 2025 Key Performance Indicators

TRIR[1] of 0.24 vs. IADC average of 0.41
No recordable incidents in March and April

Adj. EBITDA improved by 13% in Q1 2025 compared to Q4 2024

Significant reduction in capital expenditures to $16MM contributed to cash build in Q1 2025

Repositioned 2 rigs to West Africa
4 rigs in total since 2024, 3 of which are contracted

0.24 TRIR[1]	**99.4%** Uptime
$96 MM Adjusted EBITDA	**40%** Adjusted EBITDA Margin
$14 MM Net Income	**$332 MM** Liquidity[2]

Note (1): Total Recordable Incident Rate: recordable incidents per 200,000 manhours as per IADC guidelines, as of 31 March 2025.
Note (2):Includes $207 MM of cash and equivalents and $125 MM of undrawn revolving credit facility, as of 31 March 2025.

Macro Overview

Global tariffs and geopolitical developments have created short-term oil price volatility

Global oil demand projected to continue to grow in 2025-26, although moderately[1]

Offshore sanctioning remains healthy (~$67B projected in 2025), with ~70% of projects viable below $60/bbl[2]

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

Brent Oil Price LTM ($/bbl)

LTM Avg	$76
Q1 2025 Avg	$75
Q2 2025 Avg[3]	$65
Current[3]	$64

Offshore drilling inherently cyclical, with a proven track record of successfully navigating lower-price environments – demonstrating its importance and continued role in meeting global energy needs

Note (1): Source: U.S. Energy Information Administration's (EIA) Short-Term Energy Outlook (STEO) May 2025, global oil demand is projected to grow by approximately 1.0 million barrels per day (b/d) in 2025 and 0.9 million b/d in 2026.
Note (2): Rystad Energy ServiceCube – Oil and Gas; Rystad Energy research and analysis.
Note (3): YTD 2025 Average Brent oil price based on 1 January 2025 to 9 May 2025.

Jack-up Market Overview

Global utilization remains at historically elevated levels

~87% adjusted[2] for Saudi suspensions

Jack-up dayrates under pressure in recent months

Near-term bidding dynamics affected by rig suspensions and market discipline in certain regions

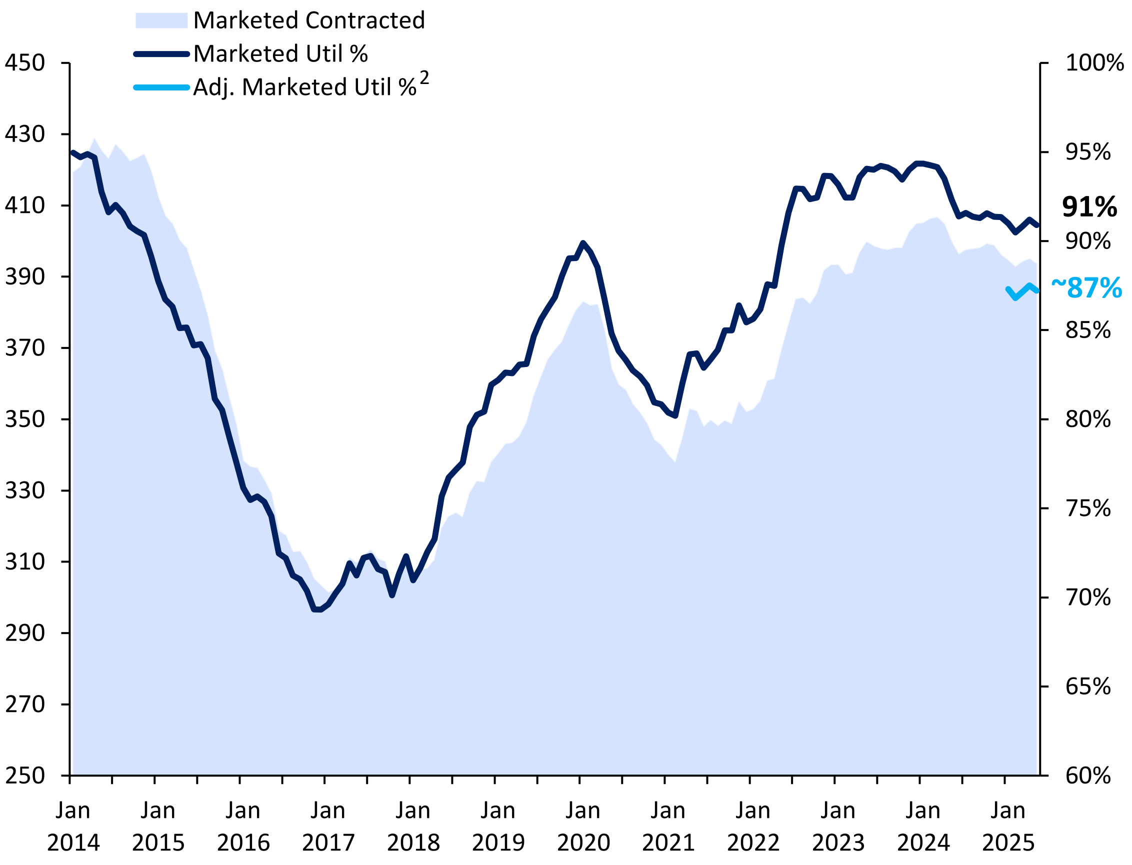
Demand largely driven by brownfield activity

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 9 May 2025.
Note (2): Adjusted for 16 rigs which are suspended but still under contract with Saudi Aramco.

Shelf Drilling Operating Platform & Geographic Footprint Create Differentiation

SHELF DRILLING

Strong Relationships and Backlog with Blue-chip Customers

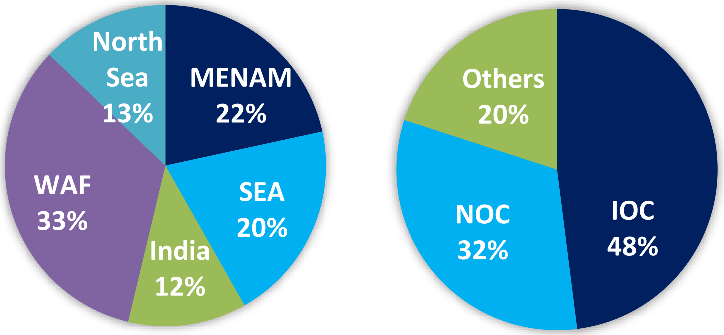
Critical Mass in the Largest Energy Producing Regions Globally

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 12 May 2025)

	Contracted	Available	Total	% Contracted
MENAM[5]	9	0	9	100%
India	6	3	9	67%
West Africa	7	1	8	88%
SE Asia	4	0	4	100%
North Sea	3	0	3	100%
Total	**29**	**4**	**33**	**88%**

Key Markets Remain Resilient Amid Macro Volatility

West Africa	Structurally tight with strong demand fundamentals and relatively higher dayrates
Southeast Asia	Stable activity and active tendering despite rate pressure
India	Short-term softness, but long-term outlook supported by government and operator commitments
Middle East	Global anchor region; modest rebound expected in 2026; NOC-led tenders ongoing
North Sea	Steady harsh-environment demand; long-term programs and policy support underpin activity in Norway

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 31 March 2025 of $1.6 billion includes ~$0.3 billi9on of 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.

Robust Liquidity Position

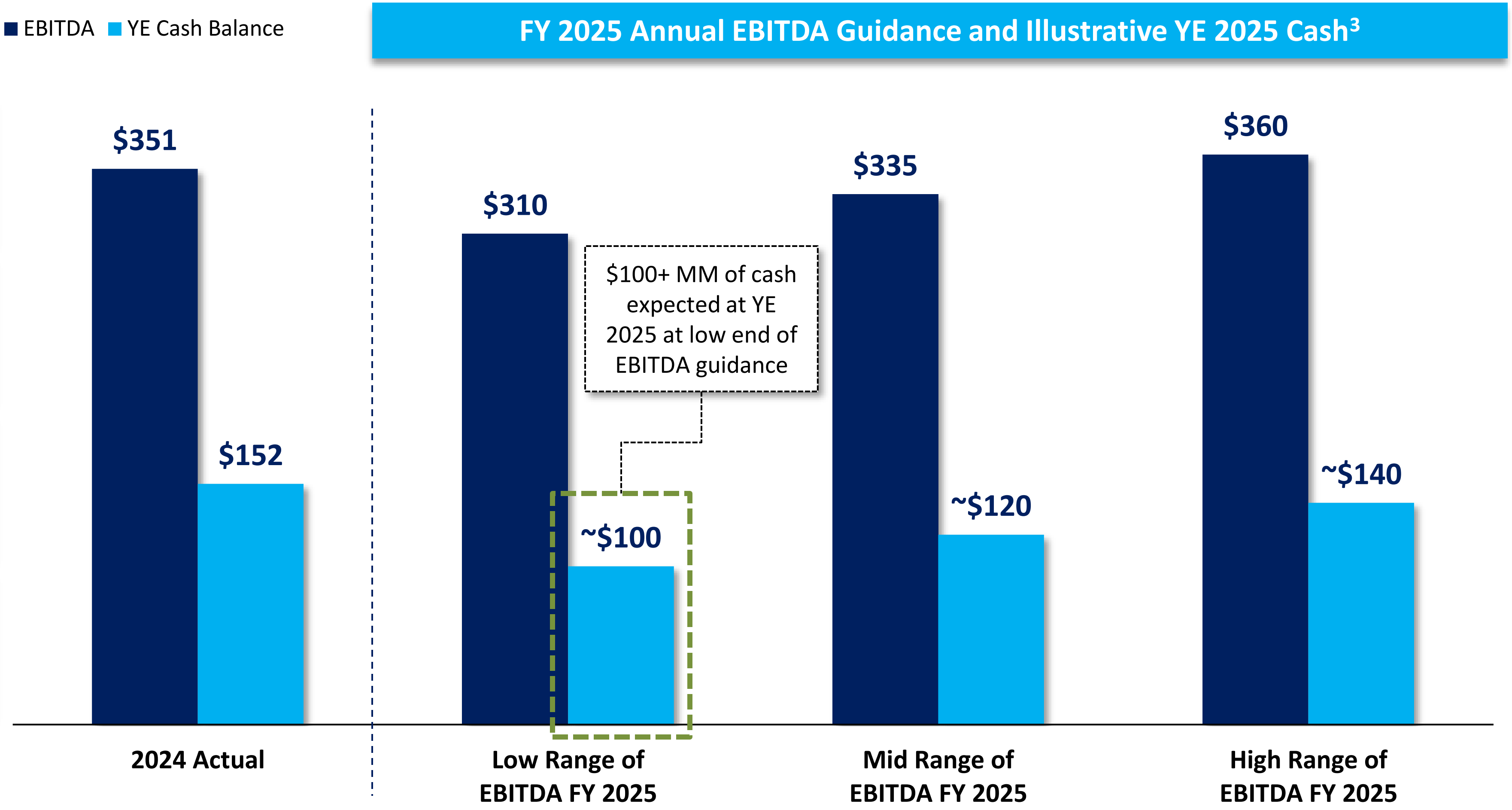
Strong Cash Position to be Maintained Despite Macro Environment

$25 million term loan extended to 2027 and financial maintenance covenants removed[1]

No drawdowns anticipated in 2025 and 2026 from the $150[2] million revolving credit facility

Significant cash headroom expected through 2026 after debt repayments ($95 million per year)

Continue to identify measures to optimize operating expenses and capital expenditures



Note (1): Quarterly total net leverage ratio covenant applies under RCF and TLA only if RCF cash drawn balance is $60 million or more.
Note (2): ~$22 million of LC's and bank guarantees outstanding as of 31 March 2025.
Note (3): Estimated cash balances are illustrative based on EBITDA guidance for FY2025.

Strong EBITDA and Cash Flow Potential

Dayrate sensitivity demonstrates potential for EBITDA growth in future years

Illustrative Annual EBITDA Potential[1]

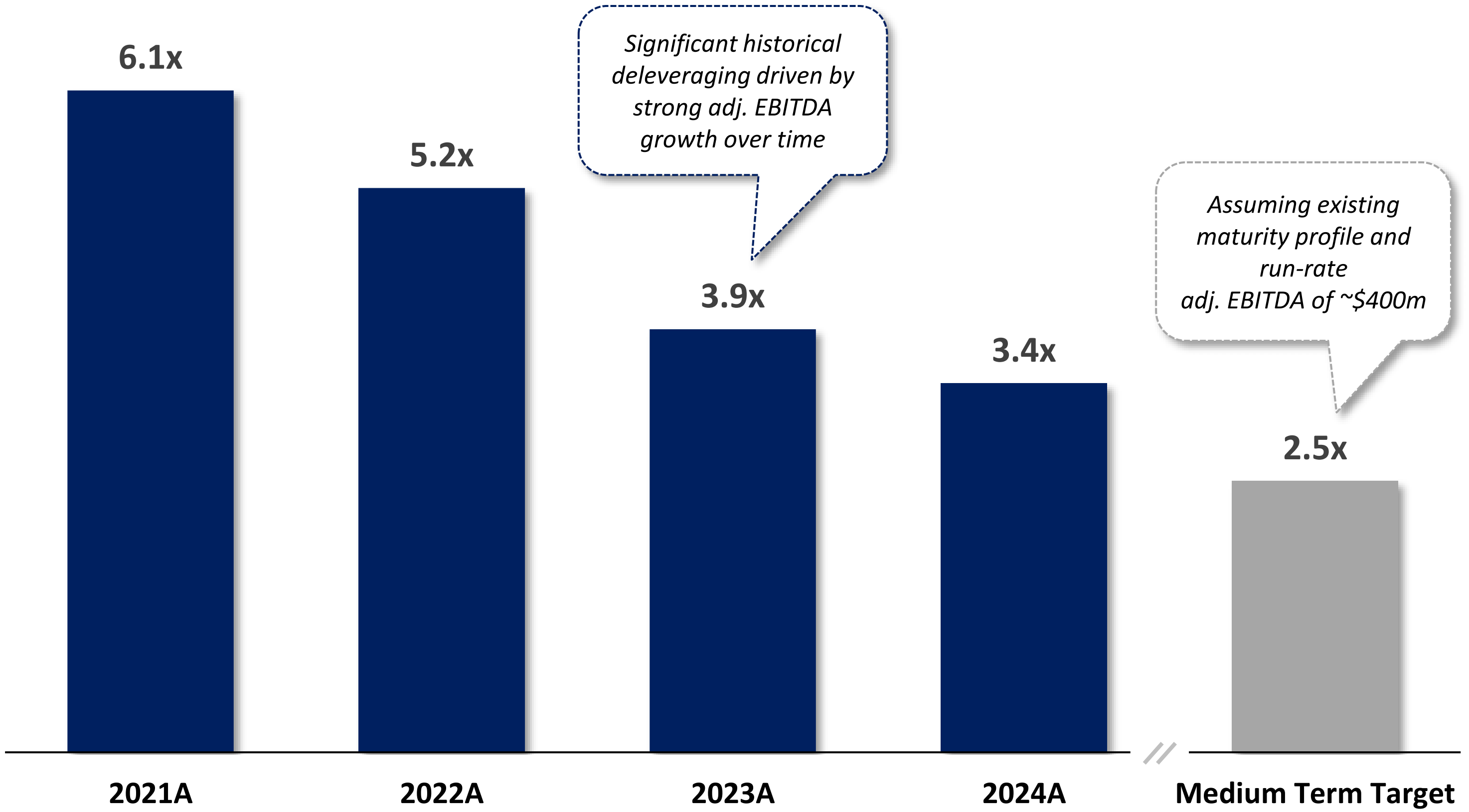
Illustrative Dayrate Scenarios[1]		2024 Actual		Medium-term Target	Upside Case
Marketable Rigs[2]		**35**		**28**	**28**
Effective Utilization[3]		**81%**		**85%**	**85%**
Average Dayrate ($k/day)[4]		**$83**		**$105**	**$120**
Approximate Rates ($k/d)	# of Rigs		# of Rigs		
CJ70	1	~$230[5]	1	~$250	~$275
Other Premium	13	~$100	13	~$120	~$140
Standard	21	~$70	14	~$80	~$90

Note (1): Scenarios are highly illustrative and based on assumed average dayrates, assumed approximate expenses and assumed effective utilization.
Note (2): Illustrative cases exclude potential EBITDA/cash flow contribution from 5 standard jack-ups currently suspended/idle in Saudi Arabia and India.
Note (3): 2024 figure is actual, illustrative cases assume on average 55 days per rig per calendar year downtime due to unplanned downtime, planned OOS, time in between contracts, rig moves, etc.
Note (4): Dayrate revenue was 87% of total revenue in 2024 (the remaining portion consists primarily of accelerated mob revenue in Q3 2024) and assumed to be 95% in illustrative scenarios, consistent with long-term historical averages.
Note (5): Shelf Drilling Barsk was out-of-service for much of 2024, and its contract commencement took place in November 2024.

Significant Deleveraging Achieved in Recent Years and Expected to Continue

Continuous Deleveraging Profile Supported by Leading Dayrates Outlook

Deleveraging Profile (Net Debt / Adj. EBITDA)[1]



- Operational outlook demonstrates **ability to deleverage further**
- Target leverage at **~2.5x in the medium term**
- **Solid liquidity** expected to fully meet capex requirements and debt service
- No expected financial covenant testing
- Focus on strengthening balance sheet as lever of **value creation to shareholders**

Note (1): Based on full year Adj. EBITDA and carrying values of debt outstanding as of year end.

Full Cycle Financial Resilience and Prudent Balance Sheet Management

Value-driven Approach to Capital Allocation

1 Flexible and Resilient Business Model	• Ensured profitability through the cycle and improved margins from **30% in 2021 to 35% in 2023** • **Responded timely and efficiently to challenges in 2024** and demonstrated the strength of our operating platform with 2024 margins at 36%
2 Maintain a Conservative Balance Sheet	• Shelf Drilling will make $95 million in annual amortization payments; Shelf Drilling targets a net leverage of **~2.5x in the medium term**
3 Pursue Accretive Investments in Our Fleet and/or Opportunistic Capex	• Shelf Drilling continues to target and deliver on **mid-double digit unlevered IRRs** for major capex (including rig acquisition and significant upgrades) • All major investments are done with a **disciplined focus on payback period**
4 Sustainable Shareholder Return Through Flexible Dividend Policy	• Future shareholder return policy expected to be flexible, linked to **performance and cash flow generation**

Key Investment Highlights

Operating Platform Creates Differentiation

Strategic Evolution and Transformation of Our Jack-up Rig Fleet

Full Cycle Financial Resilience and Prudent Balance Sheet

Well Positioned to Benefit from Strong Long-term Jack-up Market Outlook

Financial Highlights

Shelf Drilling Q1 2025 Results Highlights

2025 Financial Guidance

FY 2025 Adjusted EBITDA	FY 2025 Capital Expenditures & Deferred Costs
$310 – $360 million	**$85 – $115 million**

- SDNS FY 2025 contribution estimated in the $65 – $80 million range
  - $20 million lower than original guidance range due to idle time expected in H2 2025 on one rig in Denmark following contract termination
- Shelf Drilling excluding SDNS
  - Unchanged from original guidance
  - Q4 2025 Revenues expected to be higher than earlier in 2025 primarily due to expected contribution from both rigs mobilizing from Middle East to West Africa

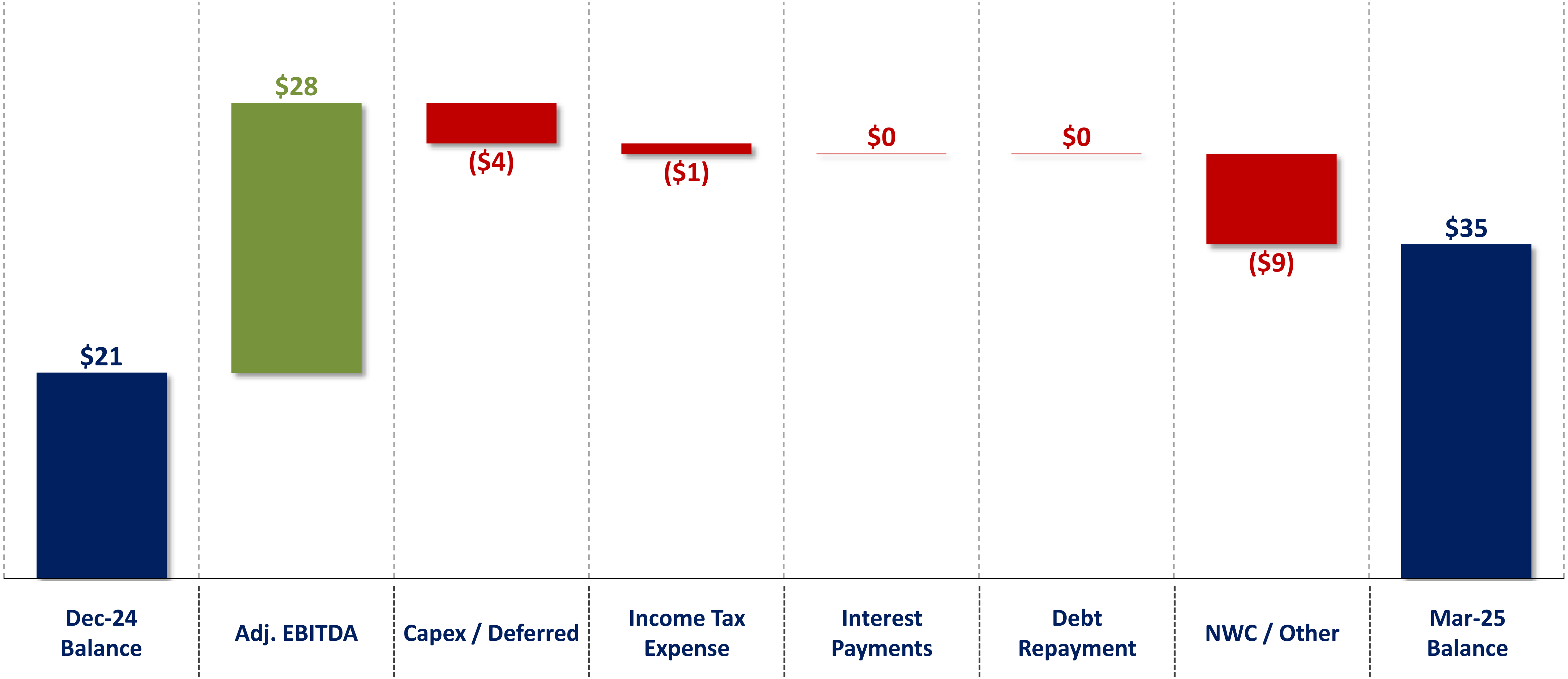
- $25 million reduction from original guidance range due to identified savings and reductions across the fleet
- SDNS spending expected in the $20 – $25 million range
  - No further mobilization of rigs to new locations contemplated for 2025
  - Reduced major project scope on several rigs
- Shelf Drilling excluding SDNS
  - Lower contract preparation costs for redeployment to West Africa of two suspended rigs from Saudi Arabia for new programs expected to start in Q2/Q3 2025
  - Delayed major out-of-service project in India on one rig

Q1 2025 Results Highlights

	SDL Consol.		SDNS		SDL Excl. SDNS	
	Actual Q4 24	Actual Q1 25	*Actual Q4 24*	*Actual Q1 25*	*Actual Q4 24*	*Actual Q1 25*
Adj. Revenue[1]	$225	$243	$47	$63	$178	$180
Adj. EBITDA[1]	$85	$96	$17	$28	$68	$68
Net Income/(Loss)	$24	$14	$2	$12	$22	$2
Capex/Deferred	$31	$16	$10	$4	$21	$12
Cash	$152	$207	$21	$35	$131	$172

All figures in USD millions.
Note 1: Excludes amortization of drilling contract intangibles.

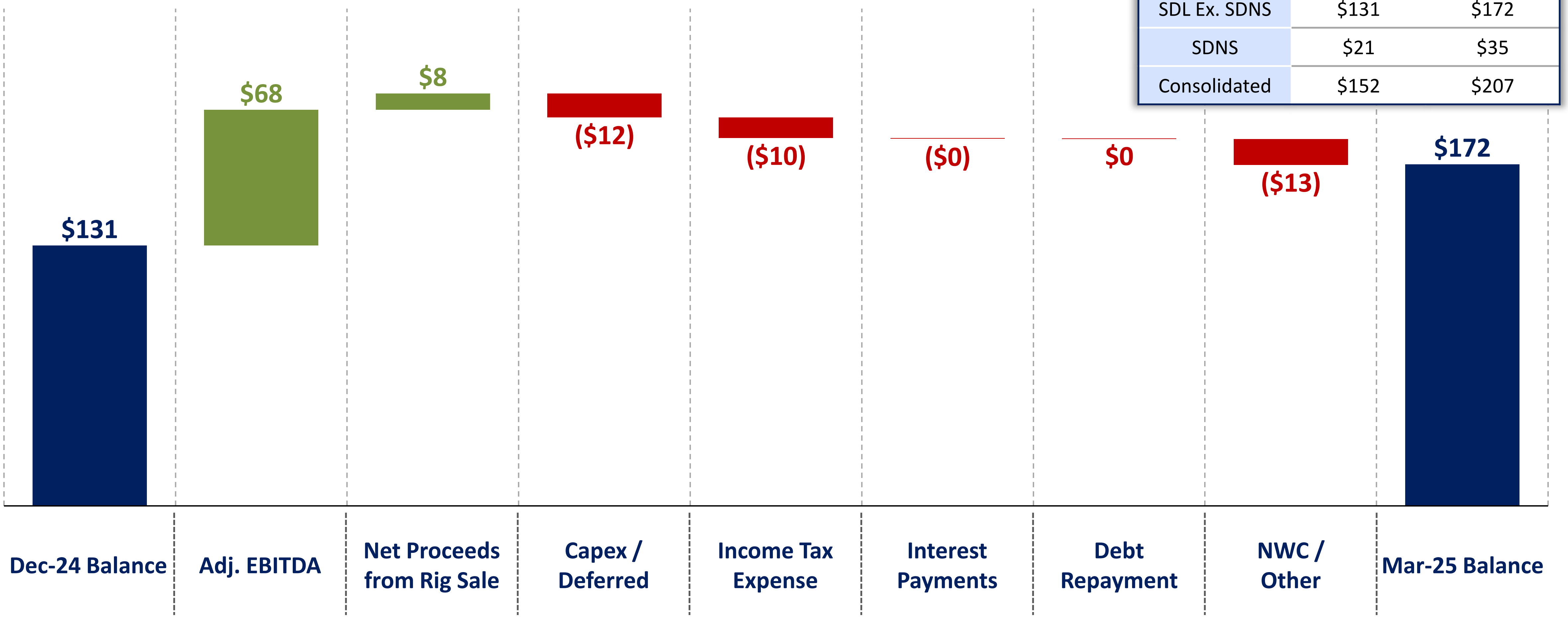
Shelf Drilling North Sea: Q1 2025 Change in Cash



All figures in USD millions

Shelf Drilling (excl. SDNS): Q1 2025 Change in Cash

Cash Balance ($MM)	Dec-24	Mar-25
SDL Ex. SDNS	$131	$172
SDNS	$21	$35
Consolidated	$152	$207



All figures in USD millions

Supplemental Financial Information

Shelf Drilling Q1 2025 Results Highlights

Results of Operations

SHELF DRILLING

(In millions USD)	Q4 2024	Q1 2025
Adjusted revenues	**$ 225.4**	**$ 242.7**
Amortization of intangible liability	3.2	3.0
Revenues	**228.6**	**245.7**
Operating costs & expenses		
Operating and maintenance	129.5	129.4
Depreciation	21.5	21.2
Amortization of deferred costs	26.4	20.2
General and administrative	15.8	16.8
Gain on insurance recovery	(30.9)	—
Impairment loss	3.9	—
(Gain) / loss on disposal of assets	0.7	(3.1)
Operating income	**61.7**	**61.2**
Other expense / (income), net		
Interest expense and financing charges, net of interest income	36.1	35.7
Other, net	(4.8)	0.3
Income before income taxes	**30.4**	**25.2**
Income tax expense	6.7	11.5
Net income	**23.7**	**13.7**
Net loss attributable to non-controlling interest	(0.4)	—
Net income attributable to controlling interest	**$ 24.1**	**$ 13.7**

Revenue Summary

- Average marketable rigs remained unchanged in Q1 2025 compared to Q4 2024
- Average dayrate increased to $94.2 thousand in Q1 2025 from $87.5 thousand in Q4 2024 primarily due to higher revenues for two rigs in Norway (Shelf Drilling Barsk) and Nigeria (Main Pass IV) which started operations in late Q4 2024
- Effective utilization marginally decreased to 79% in Q1 2025 from 80% in Q4 2024, mainly due to:
  - Suspension of operations for two rigs (High Island II and High Island IV) in Saudi Arabia in late Q4 2024, of which one was redeployed to Nigeria for expected contract commencement in Q2 2025
  - Two rigs in India (J.T. Angel and Parameswara) that completed contracts in late Q4 2024 and Q1 2025, respectively
  - Partially offset by three rigs that commenced new contracts in Nigeria (Main Pass IV), Norway (Shelf Drilling Barsk) and Egypt (Trident XVI) between late Q4 2024 and February 2025
- Significant sequential revenue increase mainly in West Africa and Norway partially offset by decrease in Saudi Arabia and India

	Q4 2024	Q1 2025
Operating Data		
Average marketable rigs[1]	33.0	33.0
Average dayrate (in thousands USD)[2]	$ 87.5	$ 94.2
Effective utilization[3]	80 %	79 %
Revenues *(in millions USD)*		
Operating revenues - dayrate	$ 212.4	$ 220.7
Operating revenues - others	4.6	12.3
Other revenues	8.4	9.7
Adjusted Revenues	**225.4**	**242.7**
Amortization of intangible liability	3.2	3.0
Total Revenues	**$ 228.6**	**$ 245.7**

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 $129.4 million in Q1 2025:
  - Lower operating costs for two suspended rigs in Saudi Arabia (Harvey H. Ward and High Island IV)
  - Partially offset by higher operating costs for one rig (Main Pass IV) that started a new long-term contract in December 2024
  - Higher mobilization cost for one suspended rig (Shelf Drilling Victory) which was redeployed to West Africa in Q1 2025
- General and administrative expenses of $16.8 million in Q1 2025 increased by $1.0 million from Q4 2024 primarily due to an increase in compensation and benefit expenses in Q1 2025, partially offset by a decrease in provision for credit losses in Q1 2025

(in millions USD)	Q4 2024	Q1 2025
Rig operating expenses	$ 117.7	$ 116.4
Shore-based expenses	11.8	13.0
Operating and maintenance	**$ 129.5**	**$ 129.4**
Corporate G&A	$ 13.1	$ 14.9
Provision for credit losses, net	1.3	0.6
Share-based compensation	1.3	1.3
One-time corporate transaction costs	0.1	—
General and administrative	**$ 15.8**	**$ 16.8**

Adjusted EBITDA Reconciliation

(In millions USD)	Q4 2024	Q1 2025
Net income	**$ 23.7**	**$ 13.7**
Add back		
Interest expense and financing charges, net of interest income [1]	36.1	35.7
Income tax expense	6.7	11.5
Depreciation	21.5	21.2
Amortization of deferred costs	26.4	20.2
Impairment loss	3.9	—
(Gain) / loss on disposal of assets	0.7	(3.1)
Amortization of intangible liability	(3.2)	(3.0)
EBITDA	**115.8**	**96.2**
One-time corporate transaction costs	0.1	—
Gain on insurance recovery	(30.9)	—
Adjusted EBITDA	**85.0**	**96.2**
Allocated as:		
Shelf Drilling excluding SDNS	68.3	68.2
Shelf Drilling North Sea	16.7	28.0
	$ 85.0	**$ 96.2**
Adjusted EBITDA margin	**38%**	**40%**

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 $15.5 million in Q1 2025 decreased by $15.5 million from Q4 2024 primarily as a result of:
  - Increased utilization of existing fleet spares across the fleet
  - Lower contract preparation expenditures for two rigs, one in Norway (Shelf Drilling Barsk) and one in Nigeria (Main Pass IV) that commenced new long-term contracts in Q4 2024

(In millions USD)	Q4 2024	Q1 2025
Regulatory and capital maintenance [1]	$ 6.8	$ 16.2
Contract preparation [2]	12.4	2.1
Fleet spares and others [3]	11.8	(2.8)
Total Capital Expenditures and Deferred Costs	**$ 31.0**	**$ 15.5**
Allocated as:		
Shelf Drilling excluding SDNS	$ 20.6	$ 11.3
Shelf Drilling North Sea	10.4	4.2
Total Capital Expenditures and Deferred Costs	**$ 31.0**	**$ 15.5**
Reconciliation to Statements of Cash Flow		
Cash payments for additions to PP&E	$ 4.7	$ 9.6
Net change in advances and accrued but unpaid additions to PP&E	4.4	(1.8)
Total capital expenditures	9.1	7.8
Changes in deferred costs, net	(4.5)	(12.5)
Add: Amortization of deferred costs	26.4	20.2
Total deferred costs	21.9	7.7
Total Capital Expenditures and Deferred Costs	**$ 31.0**	**$ 15.5**

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, (ii) costs related to rigs acquired in 2022 and (iii) office and infrastructure expenditures.

Balance Sheet Summary

(In millions USD)	SDL		SDNS		SDHL Credit Group [1]	
	Q4 2024	Q1 2025	Q4 2024	Q1 2025	Q4 2024	Q1 2025
Cash and cash equivalents	$ 152.3	$ 206.6	$ 21.4	$ 34.8	$ 130.8	$ 171.7
Restricted cash	9.4	8.6	4.6	4.6	4.8	4.0
Accounts and other receivables, net	224.2	218.0	40.2	47.8	184.0	170.2
Assets held for sale	6.6	—	—	—	6.6	—
Property and equipment, net	1,424.7	1,410.6	401.9	400.0	1,022.8	1,010.6
Deferred costs	186.6	174.3	27.4	24.1	159.2	150.2
Other assets	73.4	71.9	11.7	13.3	276.7	277.9
Total assets	**$ 2,077.2**	**$ 2,090.0**	**$ 507.2**	**$ 524.6**	**$ 1,784.9**	**$ 1,784.6**
Accounts payable	$ 94.4	$ 90.5	$ 18.8	$ 17.1	$ 74.9	$ 72.9
Interest payable	24.9	58.1	3.4	11.5	21.5	46.6
Deferred revenue	56.1	40.3	13.4	12.3	42.7	28.0
Total debt	1,356.7	1,359.0	315.9	316.4	1,050.8	1,052.6
Other liabilities	116.8	98.8	23.7	23.1	181.6	89.0
Total liabilities	**1,648.9**	**1,646.7**	**375.2**	**380.4**	**1,371.5**	**1,289.1**
Total equity	**428.3**	**443.3**	**132.0**	**144.2**	**413.4**	**495.5**
Total equity and liabilities	**$ 2,077.2**	**$ 2,090.0**	**$ 507.2**	**$ 524.6**	**$ 1,784.9**	**$ 1,784.6**

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
Cash and cash equivalents	$ 98.2	$ 152.3	$ 206.6
Restricted cash	8.8	9.4	8.6
Total long-lived assets [1]	1,698.0	1,623.8	1,596.6
Total assets	**$ 2,098.7**	**$ 2,077.2**	**$ 2,090.0**
9.625% senior secured notes, due April 2029 [2]	$ 1,056.4	$ 1,025.9	$ 1,027.9
Term loan, due March 2027 [3]	32.7	24.9	24.7
	1,089.1	**1,050.8**	**1,052.6**
9.875% senior secured bonds, due November 2028 [4]	—	305.9	306.4
10.25% senior secured notes due 2025	236.3	—	—
Total debt	**1,325.4**	**1,356.7**	**1,359.0**
Net debt	$ 1,227.2	$ 1,204.4	$ 1,152.4
Total equity attributable to controlling interest	**$ 332.0**	**$ 428.3**	**$ 443.3**
Non-controlling interest	70.3	—	—
Total equity	**$ 402.3**	**$ 428.3**	**$ 443.3**

- LTM Adjusted EBITDA of $366.9 million and Net Leverage ratio of 3.1x for SDL ($341.1 million and 2.6x for Shelf Drilling excluding SDNS)
- Cash and cash equivalents balance at SDL excluding SDNS of $171.8 million and $34.8 million at SDNS, as of March 31, 2025
  - $150.0 million revolving credit facility; $22.2 million utilized for surety bonds and guarantees as of March 31, 2025
- On March 28, 2025, the Company effected an amendment to the original term loan facility agreement, whereby the facility was transferred to new lenders and the maturity date was extended from March 31, 2025 to March 31, 2027
- Total shares outstanding of 256.4 million as of March 31, 2025
  - Primary insiders: 51.6 million (20.1%), consisting primarily of China Merchants: 26.9 million (10.5%) and Castle Harlan: 20.0 million (7.8%)

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 $1,057.5 million.
Note (3): Reflects carrying value. Principal value is $25.0 million.
Note (4): Reflects carrying value. Principal value is $315.0 million.

Free Cash Flow Summary

- Q1 2025 Adjusted EBITDA increased to $96.2 million (adjusted EBITDA margin of 40%) primarily due to an increase in average dayrate in Q1 2025
- Cash and cash equivalents increased by $54.3 million to $206.6 million during Q1 2025, mainly due to:
  - Lower debt service payments in Q1 2025
  - Sequential decrease in capital spending for two rigs in Norway and Nigeria that commenced new contracts in late Q4 2024
  - Sale of Main Pass I rig in Q1 2025
  - Partially offset by an increase in working capital in Q1 2025 mainly due to a decrease in accounts payable and deferred revenue

Quarterly Cash Flow Summary ($MM)	Q4 2024	Q1 2025
Adjusted EBITDA	**$ 85.0**	**$ 96.2**
Interest expense, net of interest income	(36.1)	(35.7)
Income tax expense	(6.7)	(11.5)
Capital expenditures and deferred costs	(31.0)	(15.5)
Sub-total	**11.2**	**33.5**
Rig sale net proceeds	1.9	8.3
Insurance gross proceeds	44.0	4.5
Working Capital Impact		
Interest [1]	(32.9)	35.0
Other	(22.6)	(26.6)
Sub-total	**(55.5)**	**8.4**
Payment of debt issuance costs	(0.8)	(0.3)
Payment of long-term debt	(37.5)	—
Payment for shares from non-controlling interest and equity issuance costs	(31.1)	(0.1)
Sub-total	**(69.4)**	**(0.4)**
Net change in cash and cash equivalents	**(67.8)**	**54.3**
Beginning Cash	220.1	152.3
Ending cash and cash equivalents	**$ 152.3**	**$ 206.6**

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 ($MM) - Q1 2025	Shelf Drilling excluding SDNS	Shelf Drilling North Sea	Total
Adjusted EBITDA	**$ 68.2**	**$ 28.0**	**$ 96.2**
Interest expense, net of interest income	(27.2)	(8.5)	(35.7)
Income tax expense	(10.4)	(1.1)	(11.5)
Capital expenditures and deferred costs	(11.3)	(4.2)	(15.5)
Sub-total	**19.3**	**14.2**	**33.5**
Rig sale net proceeds	8.3	—	8.3
Insurance gross proceeds	4.5	—	4.5
Working Capital Impact			
Interest [1]	26.5	8.5	35.0
Other	(17.3)	(9.3)	(26.6)
Sub-total	**9.2**	**(0.8)**	**8.4**
Payment of debt issuance costs	(0.3)	—	(0.3)
Payment of equity issuance costs	(0.1)	—	(0.1)
Sub-total	**(0.4)**	**—**	**(0.4)**
Net change in cash and cash equivalents	**40.9**	**13.4**	**54.3**
Beginning cash	130.9	21.4	152.3
Ending cash and cash equivalents	**$ 171.8**	**$ 34.8**	**$ 206.6**

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

SHELF DRILLING