Shelf Drilling Q2 2018 Results Highlights

August 2018

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Focused Execution of Growth Strategy

SHELF DRILLING

Jan 2017 – Debt Reduction and Initial Maturity Extension

Apr 2017 – Equity Raise on N-OTC and 3-Rig Purchase

Sep 2017 – Contracts Secured for 3 Acquired Jack-ups

Jan 2018 – Long-Term Refinancing of HY Notes

Jun 2018 – RCF Extension and Long-Term Refinancing of Remaining Debt

Jun 2018 – Listing on Oslo Børs and Redemption of Preferred Equity

Jul 2018 – Purchase of Shelf Drilling Scepter

Positioned the company for success ahead of market recovery

Simplification of our capital structure	*Further liquidity and credit profile improvement*	*Wider access to capital markets*	*Enhancing our fleet composition*

Strategic Evolution and Positioning of Jack-Up Fleet

9 x Premium Jack-ups

- Newbuilds: 2
- Acquired Rigs: 4
- Major Upgrades: 3

6 x Shallow Draft

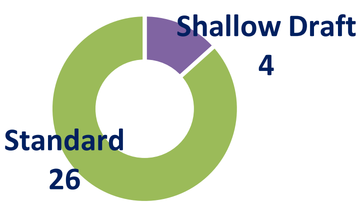
- Arabian Gulf: 5
- Nigeria: 1

21 x Standard

- India & Egypt: 11
- Other Areas: 10

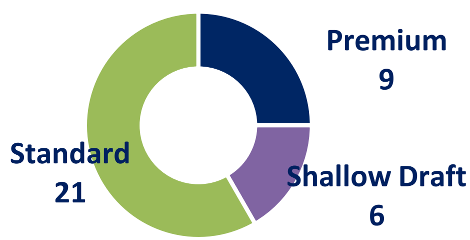
2012

Total Active = 30



2018

Total Active = 36

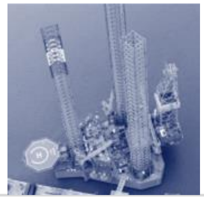


"Right Assets in Right Locations"

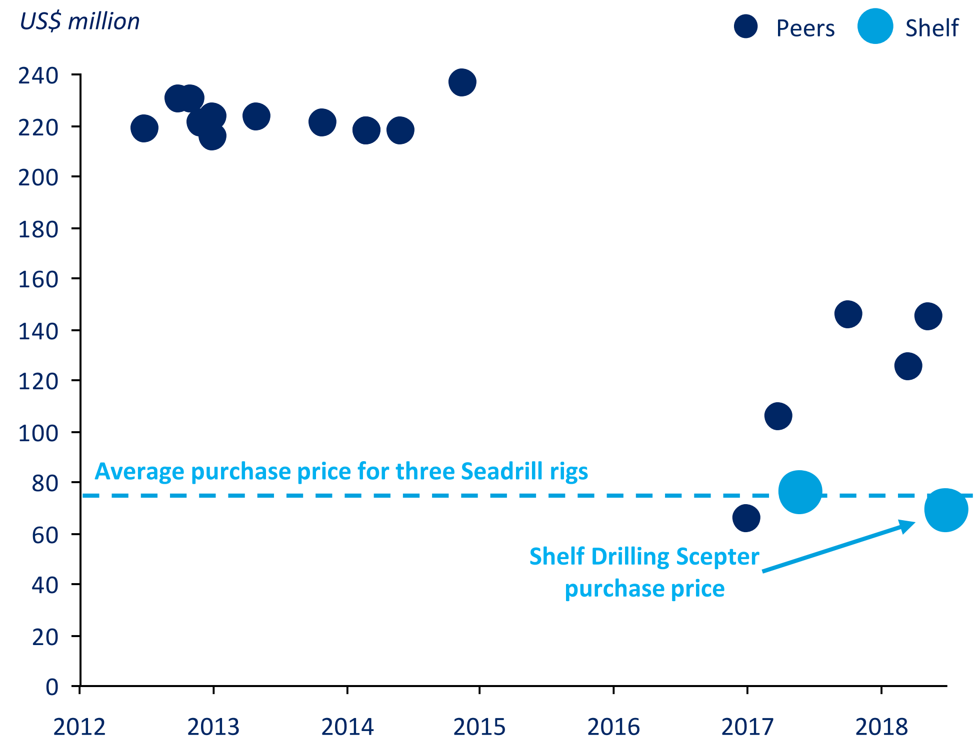
Blend of premium & standard jack-ups provides ideal match to customer requirements across our regions

Recent Acquisition of Shelf Drilling Scepter

Rig Acquisition

	Shelf Drilling Scepter	KFELs JU Newbuild[1]
		
Design	KFELS Mod Super B	KFELS super B Bigfoot
Original Delivery	2008	2016
Max water depth	350 ft	400 ft
Drilling depth	35,000 ft	35,000 ft
BOP stack	15,000 psi	15,000 psi
Hookload	2.0 million lbs.	2.0 million lbs.
Cantilever	70 ft. x 30 ft.	75 ft. x 30 ft.
Liquid mud volume	6,000 bbls.	4,200 bbls.
Accommodation (POB)	120 persons	150 persons
Purchase Price	**$68.5m**	**$149m**

Historical Acquisition Cost



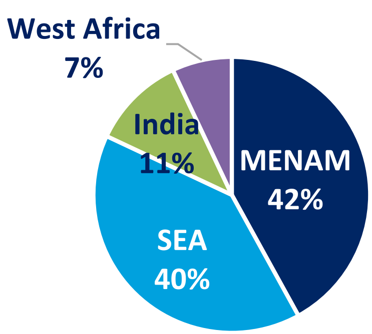
- Attractive purchase price
  - Represents nearly 70% discount to construction prices from last build cycle (2014 time frame), and
  - 54% discount to recent second-hand transactions for jack-ups purchased directly from shipyard with the same operating capabilities
- High-specification jack-up with reputable design and proven track record
- Shelf Drilling Scepter is well suited for several near term contract opportunities in our core markets

Source: DNB Markets, IHS Petrodata
Note (1): Photo for illustration purposes only

Fleet Status Summary

	Contracted[1]	Available	Total[2]	% Cont.
MENAM	13	5	18	72%
India	7	1	8	88%
West Africa	5	-	5	100%
SE Asia	2	1	3	67%
Other[3]	1	1	2	50%
Total	28	8	36	78%

Total Backlog[4] – $1.05 billion *(As of 30 June 2018)*



Number of Contracted Rigs	28
Contracted Days Per Rig	466
Weighted-Average Backlog Dayrate	$80.2k
Weighted-Average Backlog Dayrate H2 2018	$65.8k

Recent Events

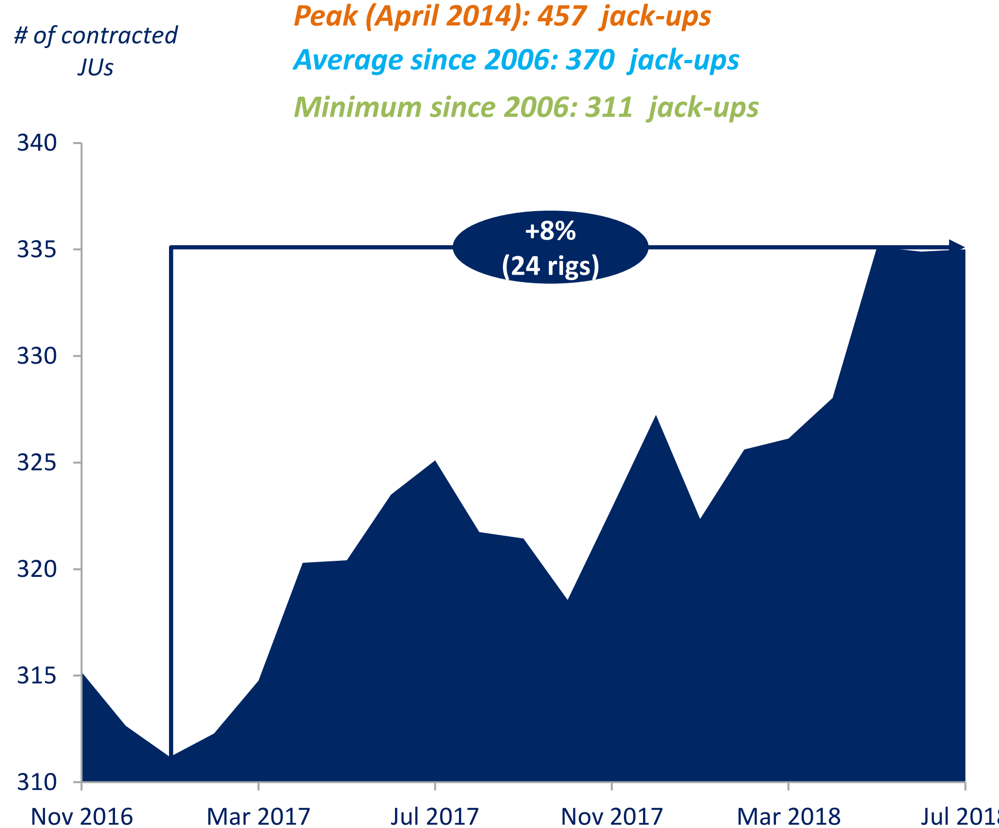
- Completed the purchase of the Ocean Scepter from Diamond Offshore in July 2018. The rig has been renamed the Shelf Drilling Scepter and will be mobilized to the Middle East.
- Rig 141 commenced 6-month program with SROCO in Egypt in Q2 2018.
- Trident VIII has been awarded a contract for 245 days firm term and approximately 110 days of optional term in Nigeria by Amni with expected contract commencement in Q1 2019. Rig is currently undergoing upgrade and contract preparation project in Bahrain.
- High Island II and Main Pass IV completed 3-yearly contract required out-of-service projects in Q2 2018 and returned to operations ahead of schedule.
- High Island IX is scheduled to commence 3-yearly contract required out-of-service project in Q3 2018.
- Rig 124 classified as stacked. Trident IX and Key Gibraltar classified as held for sale.

Note (1): Contracted includes High Island IX under 5-year contract with Aramco but out of service in Q3 2018, as well as Trident VIII expected to commence in Q1 2019 with Amni in Nigeria
Note (2): Total excludes 4 stacked rigs (3 jack-ups and 1 swamp barge).
Note (3): Other: Includes Randolph Yost under BBC contract in USA and Shelf Drilling Scepter recently purchased in US GOM (available)
Note (4): Total backlog as of June 30, 2018, consistent with the reporting period

Cycle Turning Off of Historic Lows

Oil Price Development

of Contracted Jack-ups



Modest increase in jack-up rig count indicating that activity has bottomed out, significant recovery to follow

Source: Bloomberg, IHS Petrodata

Q2 2018 Results

Shelf Drilling Q2 2018 Results Highlights

Results of Operations

(In thousands USD)	Q1 2018	Q2 2018
Revenues	**$147,510**	**$152,515**
Operating costs & expenses		
Operating and maintenance	90,269	87,233
Depreciation	21,868	21,809
Amortization of deferred costs	19,008	21,428
General and administrative	12,607	26,827
(Gain) / loss on impairment/disposal of assets	(120)	1,498
Operating income / (loss)	**3,878**	**(6,280)**
Other (expense) / income, net		
Interest expense and financing charges, net of interest income	(38,777)	(26,627)
Other, net	1,040	(138)
Loss before income taxes	**(33,859)**	**(33,045)**
Income tax expense	4,658	4,339
Net Loss	**$ (38,517)**	**$ (37,384)**
- Impact of 2018 refinancing transactions	19,070	7,059
- One-time non-cash share-based compensation charge *(accelerated amortization of previously unvested shares)*	-	10,921
- One-time corporate transaction costs	-	3,929
Adjusted Net Loss	**$ (19,448)**	**$ (15,475)**

Revenue Summary

- $5.0 million or 3.4% sequential increase in total revenue
- Increase in effective utilization sequentially from 63% to 67% mainly due to full quarter of operations in Q2 2018 for rigs that commenced new contracts during Q1 2018
  - 3 rigs in India with ONGC and 2 rigs in Nigeria with Chevron and ExxonMobil (1 each)
  - Partially offset by planned out of service projects for 2 rigs in Saudi Arabia during Q2 2018

	Q1 2018	Q2 2018
Operating Data		
Average marketable rigs[1]	35.0	35.0
Average dayrate[2] (in thousands USD)	$70.3	$67.5
Effective utilization[3]	63%	67%
Revenues (in thousands USD)		
Operating Revenue – Dayrate	$ 139,871	$ 144,094
Operating Revenue - Others	4,733	4,955
Other Revenue	2,906	3,466
	$ 147,510	**$ 152,515**

Note (1): ''Marketable rigs'' are defined as the total number of rigs excluding: (i) stacked rigs, (ii) stacked rigs under reactivation, (iii) rigs under non-drilling contract and (iv) newbuild rigs under construction.

Note (2): ''Average dayrate'' is defined as the average contract dayrate earned by marketable rigs over the reporting period excluding amortization of lump sum mobilization fees, contract preparation and capital expenditure reimbursements, recharges, bonuses and other revenue.

Note (3): ''Effective utilization'' is defined as the actual number of calendar days during which marketable rigs generate dayrate revenues divided by the maximum number of calendar days during which those same rigs could have generated dayrate revenues.

Operating Expense Summary

(In thousands USD)	Q1 2018	Q2 2018
Rig Operating Costs	$81,661	$78,806
Shore-Based Costs	8,608	8,427
Operating and maintenance	**$ 90,269**	**$ 87,233**
Corporate G&A	11,222	10,783
Provision / (reversal) for doubtful accounts	58	(131)
Sponsors' fee	1,125	1,125
Share-based compensation expense, net of forfeitures	202	11,121
One-time corporate transaction costs	-	3,929
General and administrative	**$ 12,607**	**$ 26,827**

- Operating and maintenance expenses down $3.0 million primarily explained by lower rig mobilization expenses
- General and administrative expenses up $14.2 million sequentially primarily due to:
  - $10.9 million for accelerated non-cash compensation charge as a result of successful IPO for shares issued in previous years and already fully reflected in number of common shares outstanding
  - $3.9 million for one-off transaction costs

Adjusted EBITDA Reconciliation

SHELF DRILLING

(In thousands USD)	Q1 2018	Q2 2018
Net Loss	$ (38,517)	$ (37,384)
Add back:		
Interest expense and financing charges, net of interest income	38,777	26,627
Income tax expense	4,658	4,339
Depreciation	21,868	21,809
Amortization of deferred costs	19,008	21,428
(Gain) / loss on impairment/disposal of assets, net	(120)	1,498
EBITDA	**$ 45,672**	**$ 38,317**
Sponsors’ fee	1,125	1,125
Share-based compensation expense, net of forfeitures	202	11,121
Acquired rig reactivation costs	1,970	88
One-time corporate transaction costs	-	3,929
Others	-	400
Adjusted EBITDA	**$ 48,969**	**$ 54,980**
Adjusted EBITDA margin	**33.2%**	**36.0%**

NOTE: ‘‘EBITDA’’ as used herein represents revenue less: operating expenses, selling, general and administrative expenses, provision for doubtful accounts, sponsors’ fee, share-based compensation expense, net of forfeitures, and other, net, and excludes interest, income taxes, depreciation and amortization. ‘‘Adjusted EBITDA’’ as used herein represents EBITDA as adjusted for the exclusion of sponsor’s fee, share-based compensation expense, net of forfeitures, acquired rig reactivation costs and, in certain periods, other specific items. 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 US GAAP. 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 US GAAP.

We believe that 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 expense, income tax expense (benefit), depreciation and amortization and 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.

Capital Expenditures and Deferred Costs Summary

- $11.8 million increase in Q2 relative to Q1
- Rig acquisitions down $5.0 million following commencement of contracts in January (2 rigs) and March (1 rig)
- $16.8 million increase across the rest of the fleet primarily result of:
  - Planned shipyard projects for 3 rigs in Saudi Arabia (2 completed during Q2 2018 and 1 scheduled for Q3 2018)
  - Upgrade and contract preparation project for T8 commenced (shipyard in Middle East with rig expected to return to service in West Africa)

(In thousands USD)	Q1 2018	Q2 2018
Capital Expenditures and Deferred Costs :		
Regulatory and capital maintenance [1]	$ 5,669	$ 15,470
Contract preparation [2]	3,100	9,260
Fleet spares and other [3]	1,613	2,423
	$ 10,382	$ 27,153
Rig acquisitions [4]	6,788	1,785
Total capital expenditures and deferred costs	**$ 17,170**	**$ 28,938**
Reconciliation to Statements of Cash Flow		
Cash payments for additions to PP&E	$ 9,309	$ 4,817
Net change in accrued but unpaid additions to PP&E	(4,424)	377
Total Capital expenditures	$ 4,885	$ 5,194
Changes in deferred costs, net	(6,723)	2,317
Add: Amortization of deferred costs	19,008	21,427
Total deferred costs	$ 12,285	$ 23,744
Total capital expenditures and deferred costs	**$ 17,170**	**$ 28,938**

NOTE: (1) "Regulatory and capital maintenance" includes major overhauls, regulatory costs, general upgrades and sustaining capital expenditures on rigs in operation.
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 expenditure 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 expenditure.
NOTE: (4) "Acquisitions" include all capital expenditures and deferred costs associated with the acquisition in 2017 and reactivation of three premium jack-up rigs.

Capital Structure Summary

- Obligations under sale and leaseback fully repaid and terminated on July 9, 2018
  - Release of $285.9 million of short-term restricted cash for settlement
  - Net cash outflow of $16.5 million (includes $5.9 million call premium included in other current liabilities as of June 30, 2018)
- Purchase of Shelf Drilling Scepter completed with cash on hand in July 2018 for $68.5 million
- Pro Forma cash balance (as of June 30, 2018) of $58.4 million, after adjusting for repayment of obligations under sale and leaseback and purchase of Shelf Drilling Scepter
- Pro Forma Net Debt (as of June 30, 2018) of $830.4 million
- Total liquidity, including availability under RCF, of approximately $275 million

(In millions USD)	YE 2017	Jun-18
Cash	$84.6	$143.4
Restricted cash (short-term)	-	287.5
Short term debt	-	1.8
Senior secured notes due 2018/2020	526.7	-
Senior unsecured notes due 2025	-	887.0
Obligations under sale and leaseback	313.9	296.5
Total Debt	$840.6	$1,185.3
Mezzanine Equity	166.0	-
Total Equity	$509.2	$650.7

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