

Seadrill

1Q23 Earnings Presentation

Starting the year on a
strong footing



Forward-Looking Statements & Disclaimer

This communication includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical facts included in this communication, including those regarding future guidance, including total revenue, Adjusted EBITDA, Total Adjusted EBITDA and capital expenditures and long-term maintenance, and statements about Seadrill's plans, strategies, business prospects, changes and trends in its business and the markets in which it operates are forward-looking statements. These forward-looking statements can often, but not necessarily, be identified by the use of forward-looking terminology, including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative, or other variations or comparable terminology. These statements are based on management's current plans, expectations, assumptions and beliefs concerning future events impacting Seadrill (the "Company") and therefore involve a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, which speak only as of the date of this communication. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, offshore drilling market conditions including supply and demand, day rates, customer drilling programs and effects of new rigs on the market, contract awards and rig mobilizations, contract backlog, dry-docking and other costs of maintenance of the drilling rigs in the Company's fleet, the cost and timing of shipyard and other capital projects, the performance of the drilling rigs in the Company's fleet, delay in payment or disputes with customers, Seadrill's ability to successfully employ its drilling units, procure or have access to financing, ability to comply with loan covenants, liquidity and adequacy of cash flow from operations, fluctuations in the international price of oil, international financial market conditions, inflation, changes in governmental regulations that affect the Company or the operations of the Company's fleet, increased competition in the offshore drilling industry, the impact of global economic conditions and global health threats, pandemics and epidemics, our ability to successfully complete any acquisitions, divestitures and mergers, our liquidity and the adequacy of cash flows for our obligations, our liquidity and the adequacy of cash flows for our obligations, our ability to satisfy the continued listing requirements of the New York Stock Exchange ("NYSE") and the Oslo Stock Exchange ("OSE"), or other exchanges where our common shares may be listed, or to cure any continued listing standard deficiency with respect thereto, the cancellation of drilling contracts currently included in reported contract backlog, losses on impairment of long-lived assets, shipyard, construction and other delays, the results of meetings of our shareholders, political and other uncertainties, including those related to the conflict in Ukraine, the effect and results of litigation, regulatory matters, settlements, audits, assessments and contingencies, including any litigation related to the merger of the Company (the "Merger") with Aquadrill LLC ("Aquadrill"), our ability to successfully integrate with Aquadrill following the Merger, the concentration of our revenues in certain geographical jurisdictions, limitations on insurance coverage, our ability to attract and retain skilled personnel on commercially reasonable terms, the level of expected capital expenditures, our expected financing of such capital expenditures, and the timing and cost of completion of capital projects, fluctuations in interest rates or exchange rates and currency devaluations relating to foreign or U.S. monetary policy, tax matters, changes in tax laws, treaties and regulations, tax assessments and liabilities for tax issues, legal and regulatory matters, customs and environmental matters, the potential impacts on our business resulting from decarbonization and emissions legislation and regulations, the impact on our business from climate-change generally, and the occurrence of cybersecurity incidents, attacks or other breaches to our information technology systems, including our rig operating systems and other important factors described from time to time in the reports filed or furnished by us with the U.S. Securities and Exchange Commission (the "SEC"). Consequently, no forward-looking statement can be guaranteed. When considering these forward-looking statements, you should also keep in mind the risks described from time to time in the Company's filings with the SEC, including its annual report on Form 20-F for the year ended December 31, 2022, filed with the SEC on April 19, 2023 (File No. 001-39327), and subsequent reports on Form 6-K. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, the Company cannot assess the impact of each such factor on its business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

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1Q23 key highlights

Operating
Revenues
\$266m

Order
Backlog⁽¹⁾
\$2.6bn

Technical
Utilization⁽³⁾
96%

Modern
Fleet of
22 rigs⁽⁴⁾

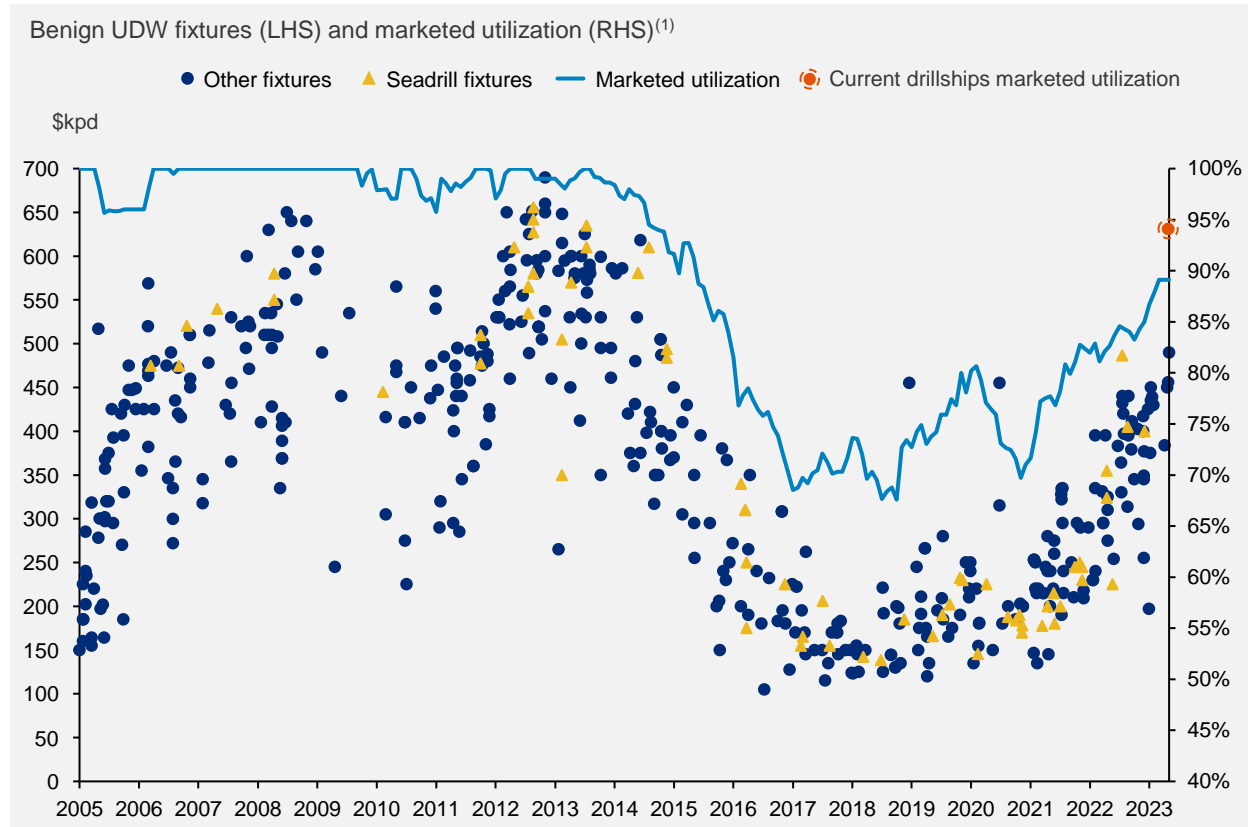
Adjusted
EBITDA
\$85m

Net Cash⁽²⁾
\$133m

Economic
Utilization⁽³⁾
95%

CDP Carbon
Ranking⁽⁵⁾
B

Upcycle continues to develop, with new leading-edge dayrates



A snapshot of the income statement and balance sheet

Income statement highlights

	1Q23	4Q22	%
<i>Figures in \$'million, unless otherwise indicated</i>			
Total operating revenues ⁽¹⁾	266	228	17
Total operating expenses ⁽¹⁾	219	236	(7)
Adjusted EBITDA	85	39	118
Adjusted EBITDA margin (%)	32.0	17.1	87

Balance sheet highlights

	Mar 31, 2023	Dec 31, 2022
<i>Figures in \$'million, unless otherwise indicated</i>		
Cash and cash equivalents	376	480
Restricted cash	115	118
Other current assets	304	333
Non-current assets	1,816	1,870
Total assets	2,611	2,801
Other current liabilities	328	404
Non-current liabilities	538	695
Equity	1,745	1,702
Total liabilities and equity	2,611	2,801



Increased operating revenues primarily as a result of a full quarter of operations for our four drillships in Brazil and higher dayrate for the West Neptune, partly offset by West Hercules redelivery in the fourth quarter



Decreased operating expenses mainly in respect of the demobilization and redelivery of the West Hercules in the fourth quarter



Decreased cash and cash equivalents largely due to settled accrued expenditures for rig startups in Brazil and voluntary debt prepayments, partly offset by \$43m in net proceeds from Paratus Energy Services sale



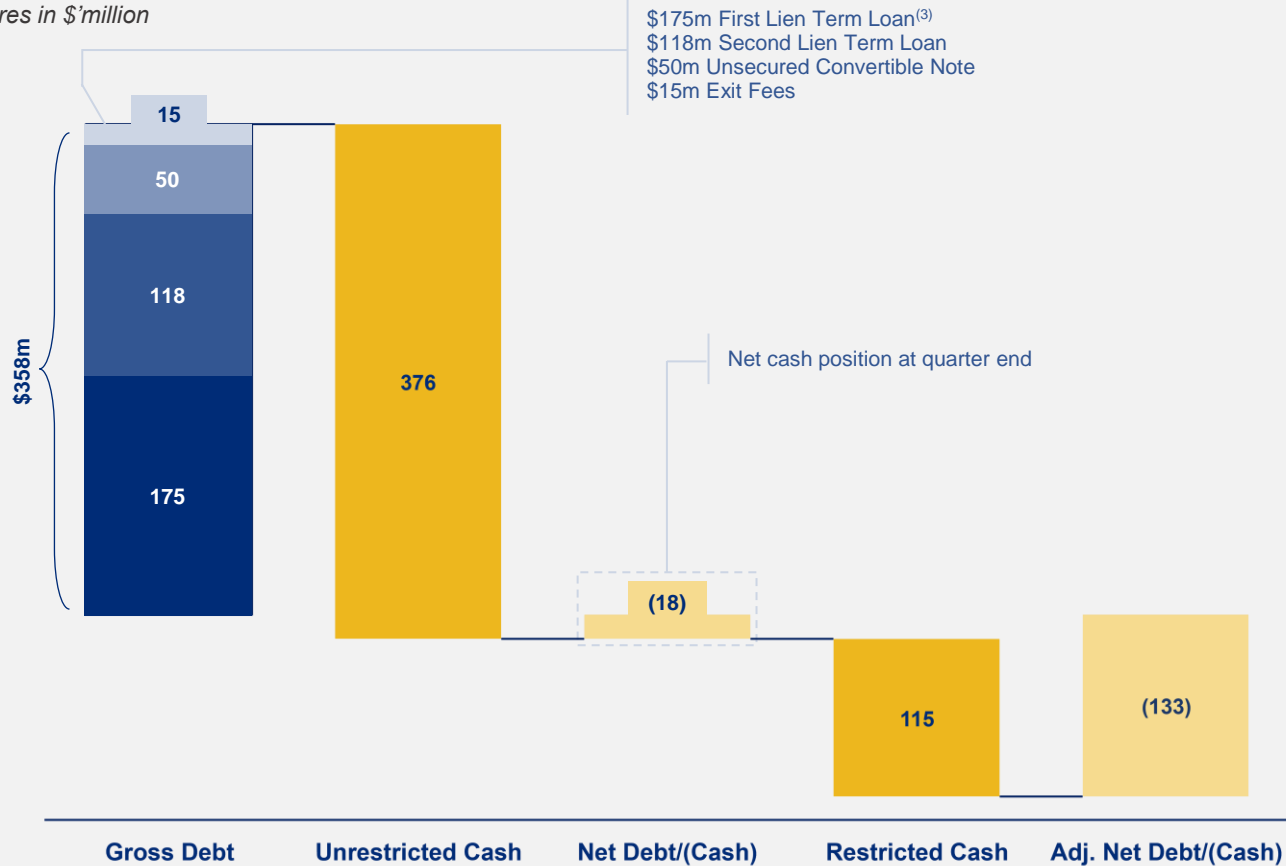
Decreased current liabilities mainly due to settled liabilities associated with accrued expenditures in respect of rig startups offshore Brazil



Decreased non-current liabilities primarily attributable to voluntary prepayments made under our 2nd lien debt facility

Delevered position, providing strategic optionality

Adjusted net debt/(cash) as at March 31, 2023^(1,2)
 Figures in \$'million



FY23 guidance, including Aquadrill consolidation from April 3, 2023

Total Operating Revenues
\$1,435-1,485m

Adjusted EBITDA
\$435-485m

Capital Expenditures & Long-Term Maintenance
\$210-250m

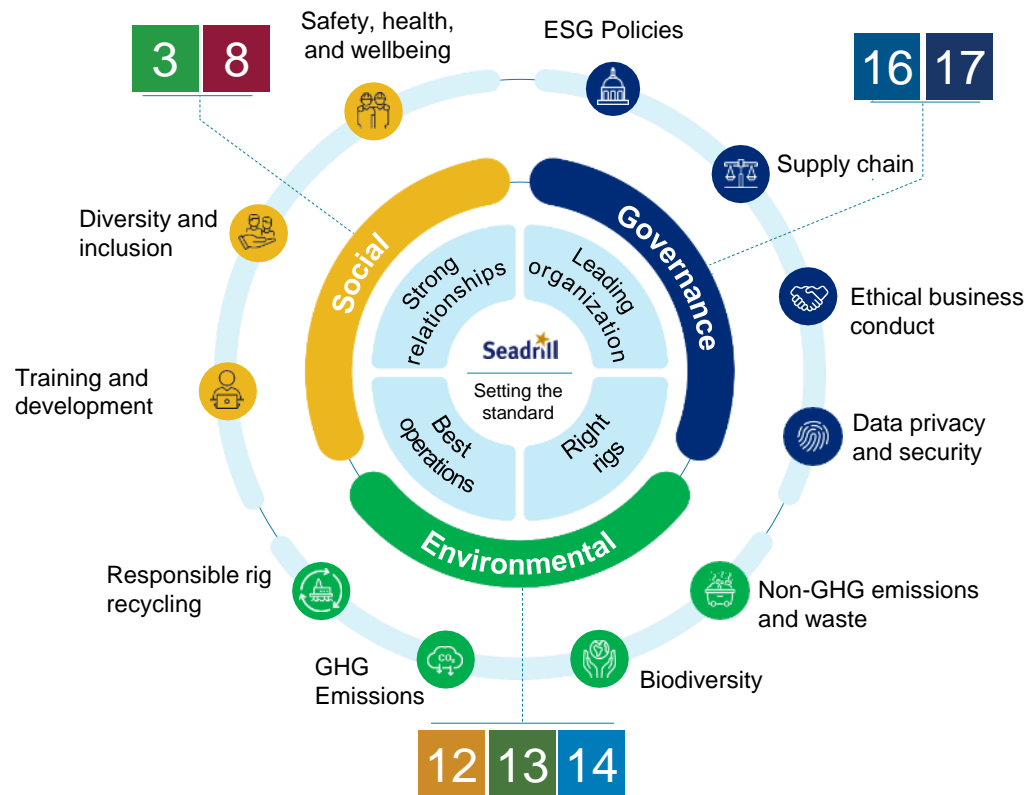


Modern, high-specification floater fleet



	West Carina	West Saturn	West Tellus	West Vela	West Auriga	West Neptune	West Jupiter	West Capella	West Gemini	West Polaris	Sevan Louisiana	West Eclipse	West Aquarius ⁽³⁾	
UDW ⁽¹⁾	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13
Dual-activity	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				10
7G drillship	✓	✓	✓	✓	✓	✓	✓							7
MPD-outfitted ⁽²⁾	✓	✓	✓	✓	✓			✓						6

Progressing sustainability, contributing to the UNSDGs



UN Sustainable Development Goals

Environmental	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	14 LIFE BELOW WATER
Social	3 GOOD HEALTH AND WELL-BEING 	8 DECENT WORK AND ECONOMIC GROWTH 	
Governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	

Setting the standard in offshore drilling



Enhance positioning
in core markets



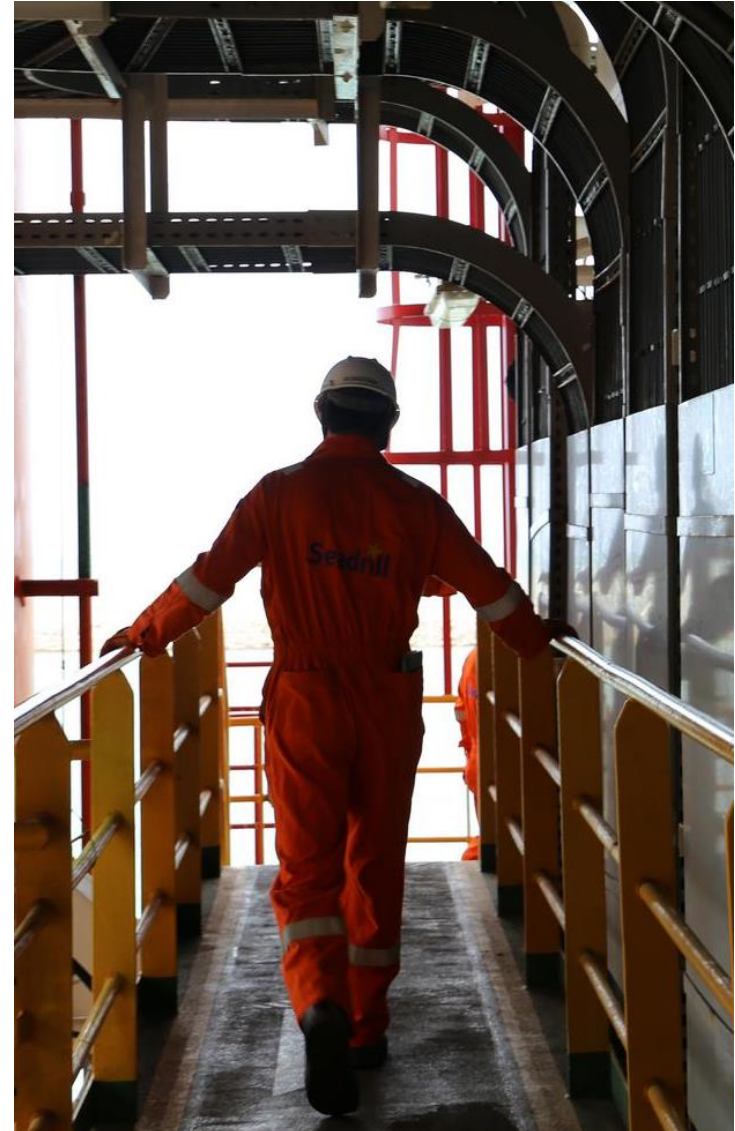
Proactively develop
capital structure



Establish sustainable
shareholder returns policy



Evaluate further
accretive transactions





Q&A