

# Investor Presentation



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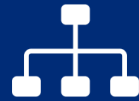
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# Introducing the New Transformed Seadrill

A platform transformed, offering unique exposure to a recovering offshore drilling market

**Simplified corporate structure**



**Significant fleet rationalisation**

High-grading the fleet and operating base



**Materially strengthened balance sheet**

No maturities until Dec 2026



**\$350m in new capital**



**Backlog build during Chapter 11**

New contract wins across UDW / DW



**Clear pathway to equity liquidity**



# Our Investment Proposition



- 1 Large fleet of premium and high-specification offshore drilling rigs
- 2 Well-positioned in key segments with favourable outlook
- 3 Strategic customer relationships supported by solid backlog
- 4 Significantly strengthened balance sheet
- 5 Attractive cash flow outlook and equity upside
- 6 Platform with unique track record to create value in a transforming offshore drilling industry

# 1 Diversified Fleet of Modern, High-spec Offshore Drilling Rigs

## Floaters



## Jack-ups



## Harsh environment



## Managed rigs



**Active rigs:**

7 rigs

7 rigs

2 rigs

11 rigs

**Active fleet:**

Six dual-activity drillships (mostly 7G) and one cylindrical 6G semi

All premium 350ft jack-ups

One 6G semi and one top-tier CJ70 jack-up; all Norway compliant

Four drillships, two harsh environment rigs and five jack-ups

**Average age:**

8 years

9 years

12 years

10 years

**Idle Rigs:**

1 rig

4 rigs

-

-

**Fleet has scale and specifications which allow for high drilling efficiency and substantial cash flow generation**

# 1 With a Strong Portfolio of Strategic JVs and Investments

- ✓ **Highly strategic**
  - Standalone entities with no financial dependence on, or recourse to, Seadrill
  - Synergies and operational efficiencies from Seadrill
  - Generates strong management fee, dividends and equity upside
- ✓ **Positioned in the right basins**
  - Increasing demand in the Golden Triangle and Middle East
- ✓ **Strong local relationships**
  - Extremely well positioned to win contracts and renewals
  - Strong track record

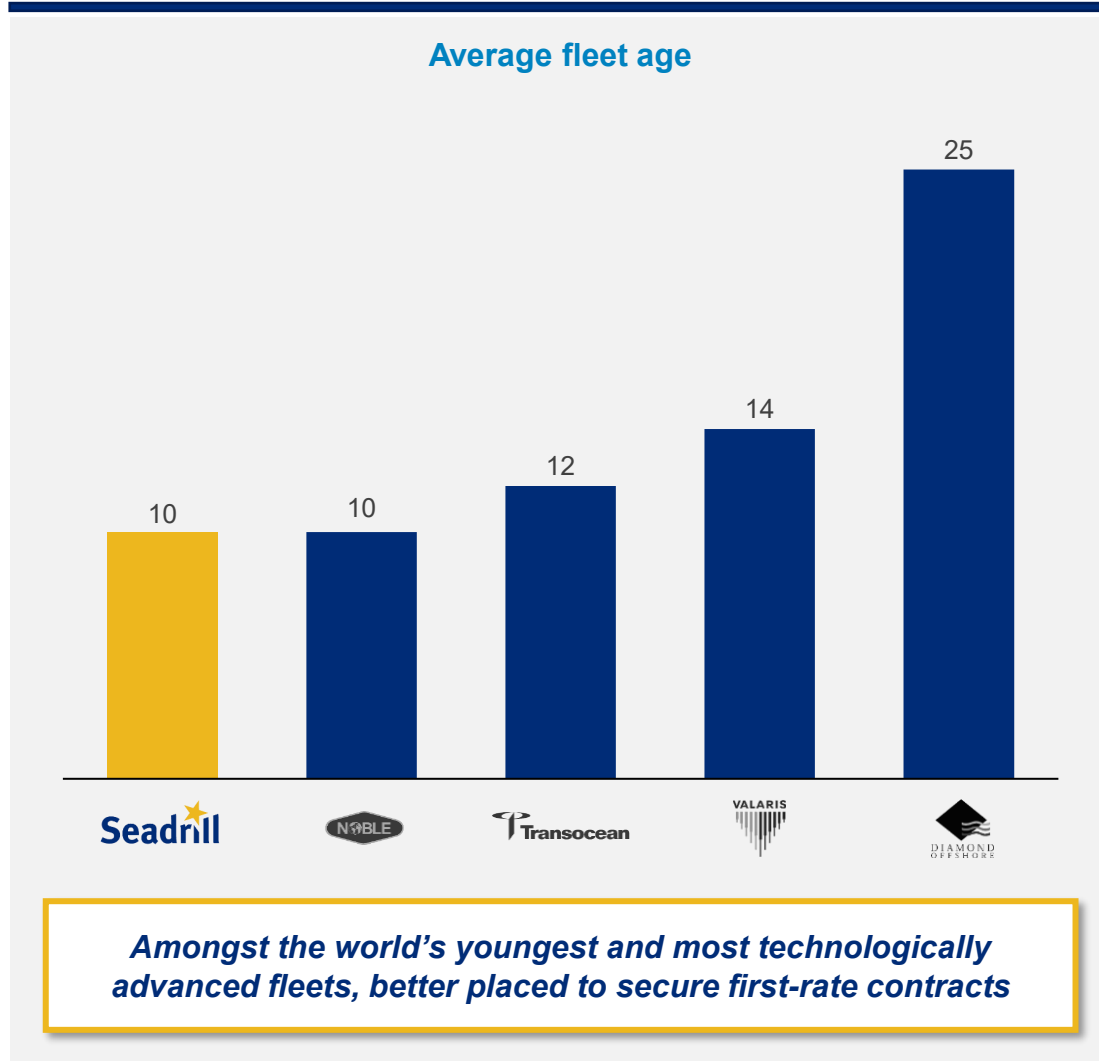
Significant organic growth potential → Significant upside for Seadrill

	 Operated by Seadrill	 Operated by Seadrill	Seamex Operated by Seadrill	Seabras <sup>2</sup>
	50/50 JV with Sonangol in Angola	50/50 JV with Gulf Drilling International in Qatar	35% Ownership in Paratus Energy Services, which owns 100% in Seamex	35% Ownership in Paratus Energy Services, which owns 50% in Seabras
<b>Rigs:</b>	Leases 2 rigs from Sonangol, with potential to lease 2 more from Seadrill	Leases 5 Jack-ups, of which 3 are from Seadrill	Owens 5 Jack-ups on contract with PEMEX	Owens 6 PLSVs <sup>2</sup> chartered by Petrobras
<b>Contract Status:</b>				
<b>Backlog:</b>	\$190m	\$300m	\$797m	\$943m
<b>Key Clients:</b>	 			 PETROBRAS

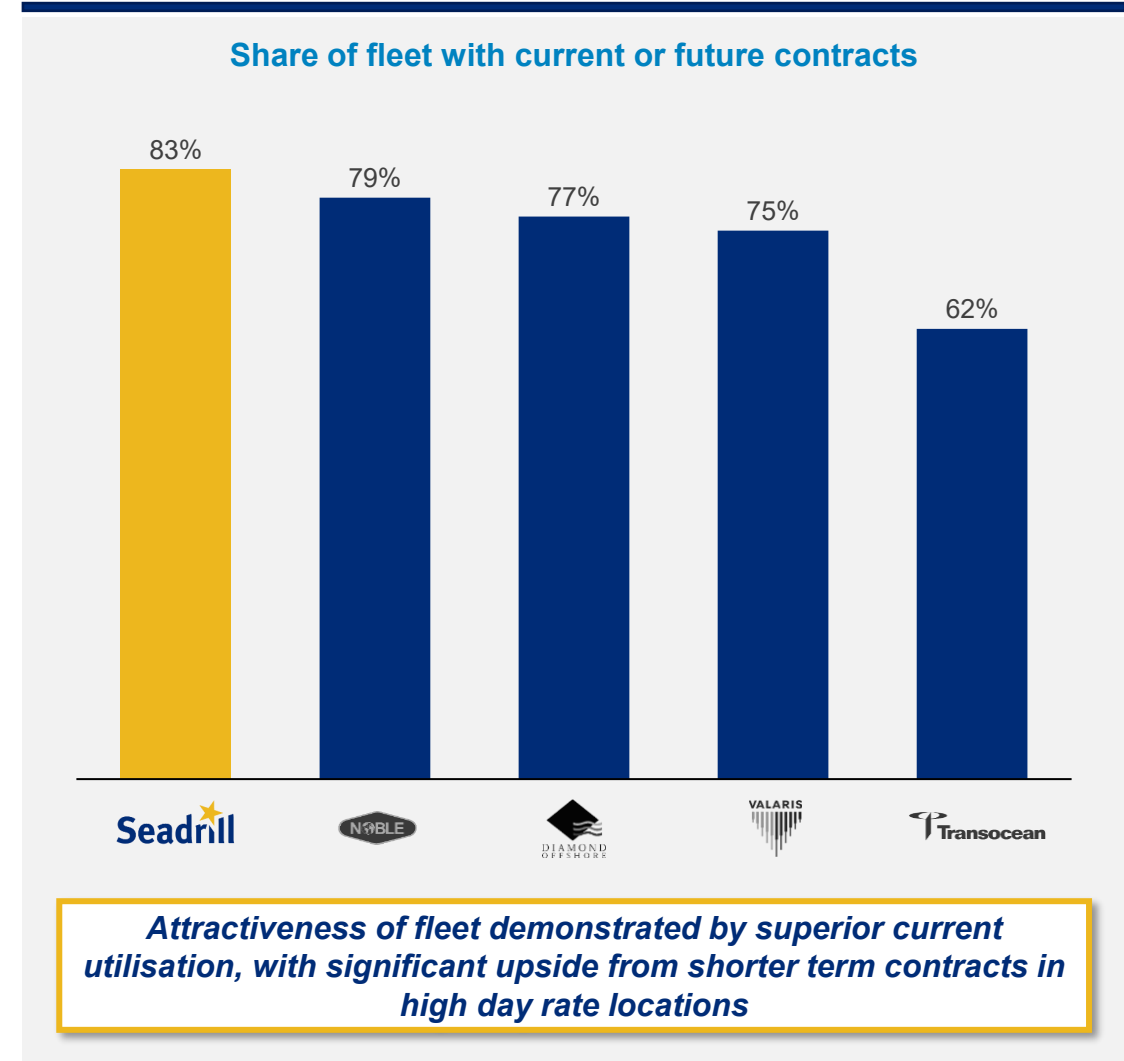
Note: 1) Reflects post-emergence structure; Backlog figures as at 23 February 2022.  
 2) Pipe Lay Support Vessels

# 1 Reintroducing the Leading Offshore Driller

Seadrill has the youngest fleet of scale...

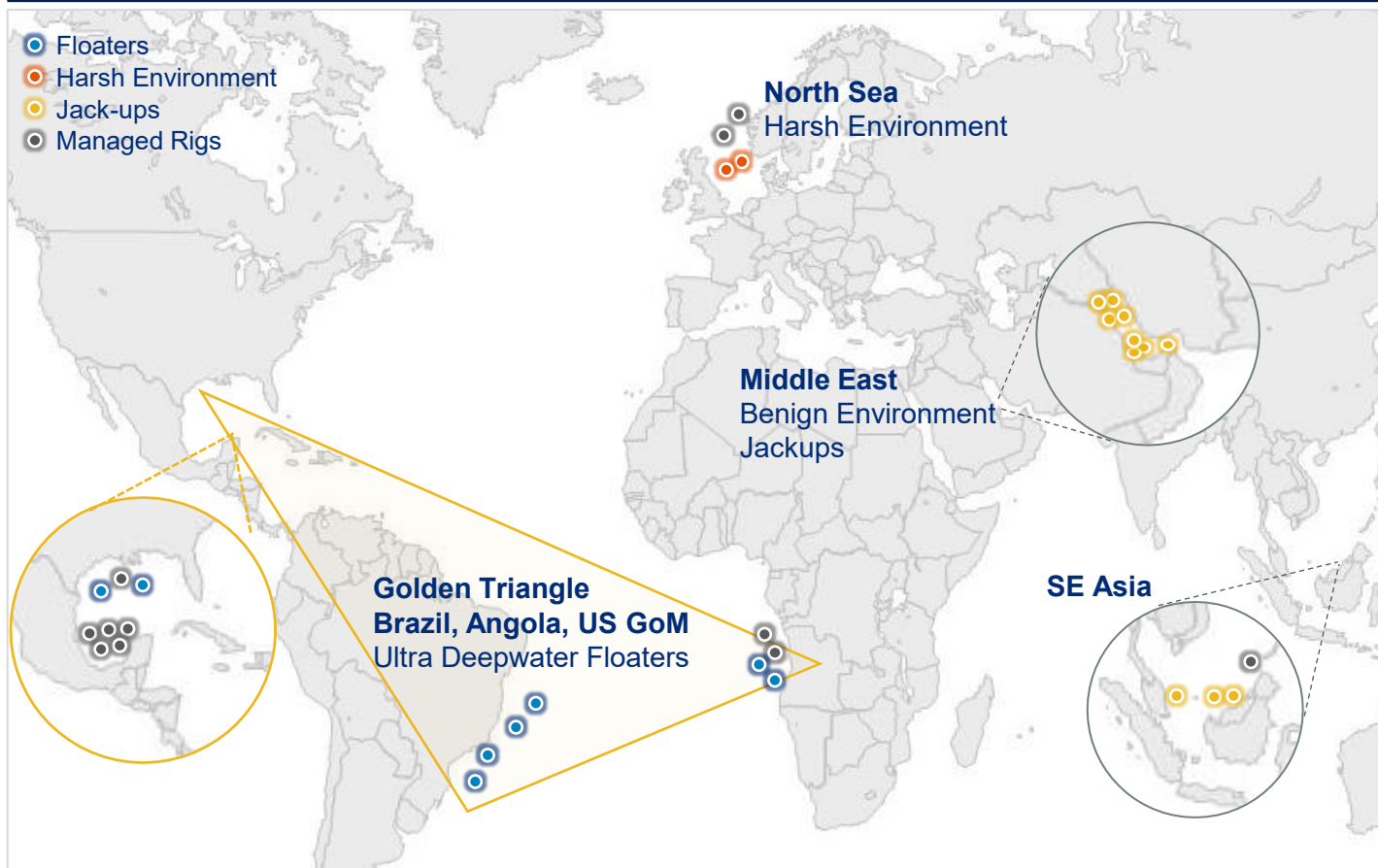


... and the highest share of fleet contracted



## 2 Strong Presence in High Demand Regions Globally

### Scale in key markets such as the Golden Triangle and Middle East



- ✓ Globally diversified portfolio of owned and managed rigs
- ✓ Established relationships with several major IOCs and NOCs
- ✓ Positioned in the right basins for all segments
  - Continuing to build ultra-deepwater franchise in the Golden Triangle and driving economies of scale from rig clustering in the region
  - Enjoying strong relationships and contracting activity in the Middle East benign jack-up environment

**#1** International Operator in Brazil<sup>1</sup>

**#1** Operator of rigs in Angola<sup>1</sup>

Note: 1) IHS Petrodata, Angola includes Seadrill & Sonadrill



# ② Strategically Positioned throughout the Golden Triangle

## Brazil: Leading international driller

- ✓ Largest offshore drilling presence amongst international drillers
- ✓ Well-positioned for recontracting / extensions with Petrobras
- ✓ Rapidly growing rig demand



Key customers

Benign UDW position

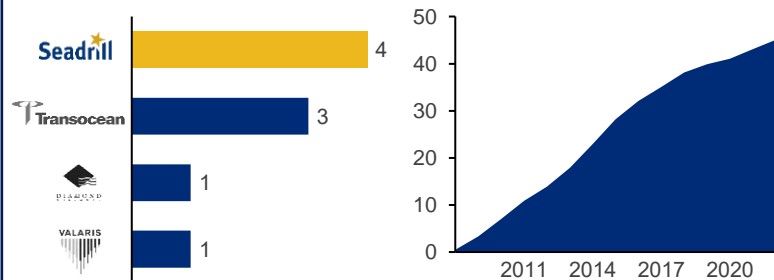


# 25%

Seadrill share of benign UDW rig years awarded since 2012

Number of rigs per int'l driller<sup>1</sup>

Cumulative contracted rig years<sup>2</sup>



## Angola: Leading driller

- ✓ Largest offshore drilling presence
- ✓ Attractive strategic partnership with Sonangol
- ✓ Strong recontracting outlook



Key customers

Benign UDW position

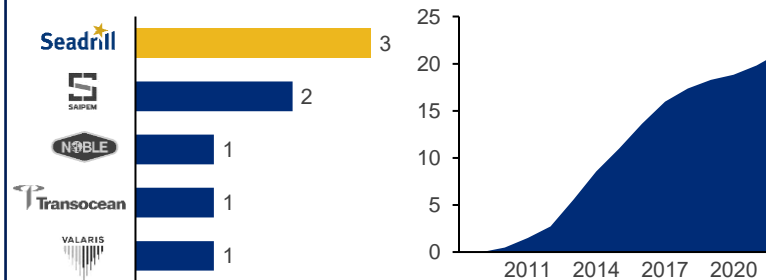


# 26%

Seadrill share of benign UDW rig years awarded since 2012

Number of rigs<sup>1</sup>

Cumulative contracted rig years<sup>2</sup>



## US Gulf of Mexico: Attractive positioning

- ✓ Long-standing track record
- ✓ Excellent relationship with local operators
- ✓ Upside from short term contracts / spot market



Key customers

Benign UDW position

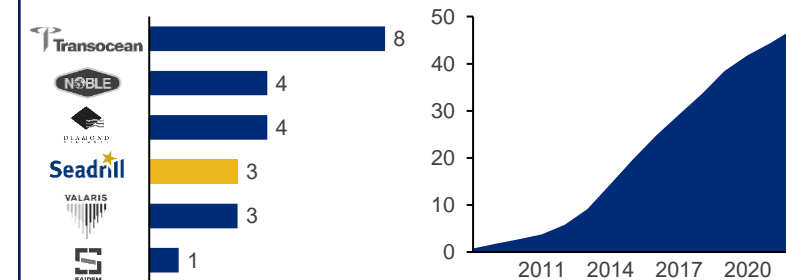


# 15%

Seadrill share of benign UDW rig years awarded since 2012

Number of contracted rigs<sup>1</sup>

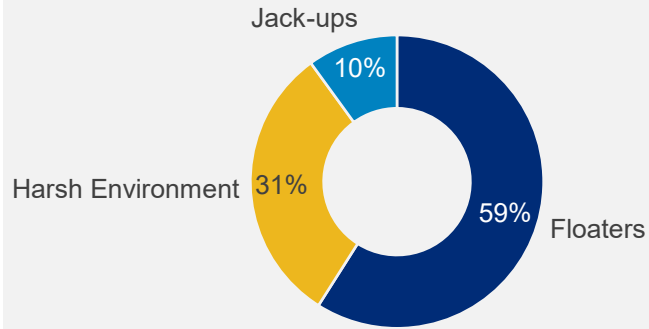
Cumulative contracted rig years<sup>2</sup>



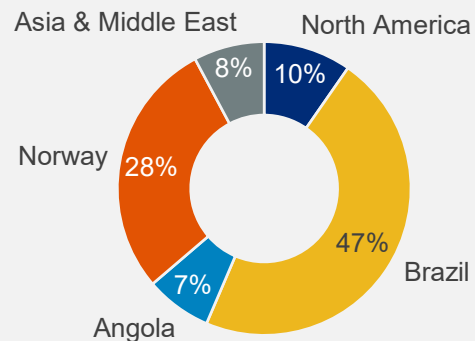
# 3 Diversified, Balanced Portfolio with Enhanced Cash Flow Resilience

## Diversified streams of revenue

Total revenue backlog by rig type<sup>1</sup>



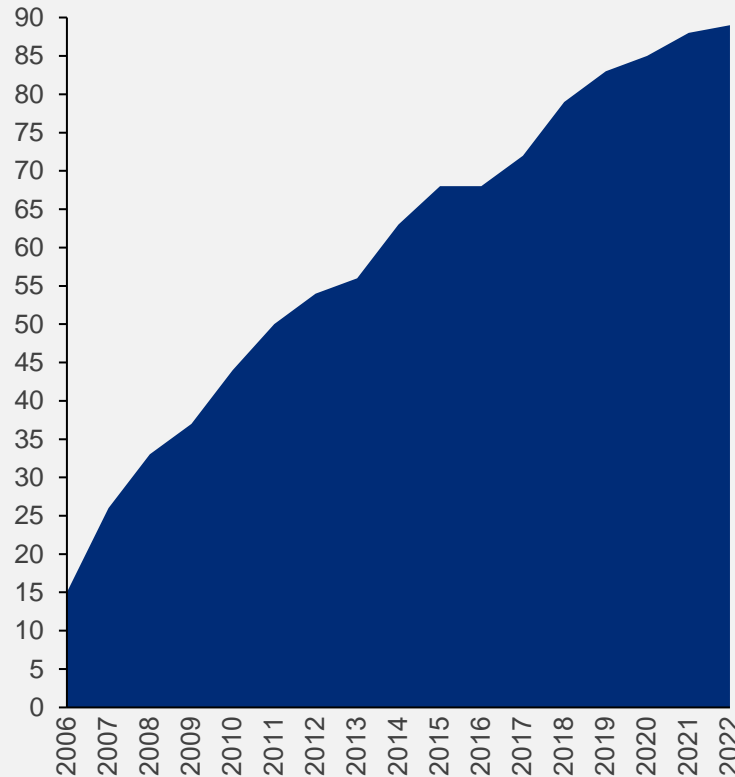
Total revenue backlog by geography<sup>1</sup>



Balanced revenue streams from diversification across assets and geographies

## Nearly 90 unique customers served

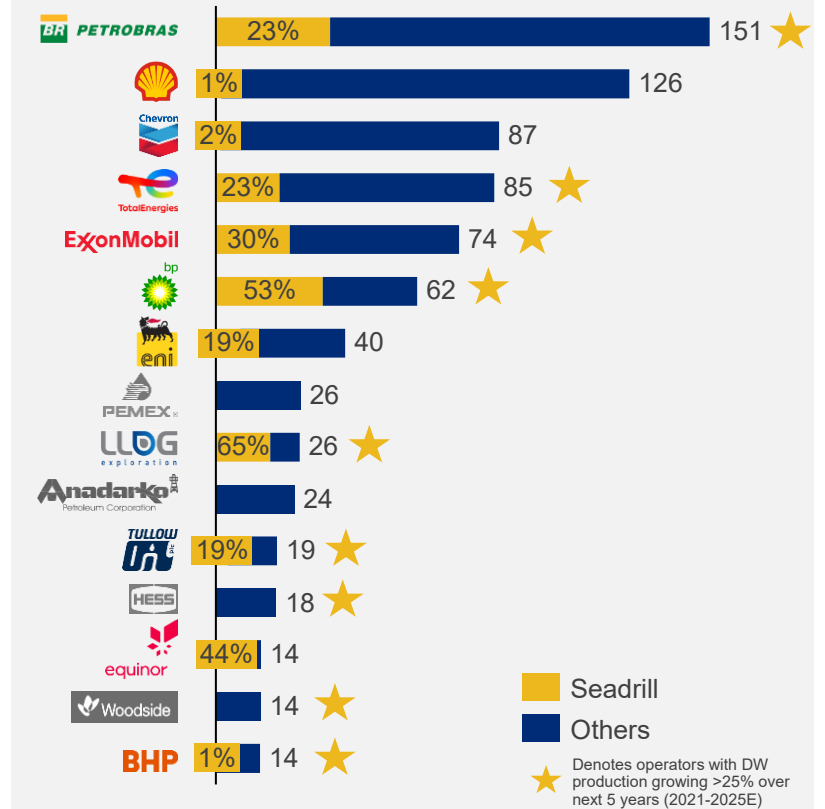
Cumulative number of customers served since Smedvig acquisition<sup>2</sup>



A significant portion of operators globally have been served throughout Seadrill's history

## Strong relationships with key UDW customers

Benign UDW rig years awarded per operator since 2012<sup>3</sup>  
Top 15 benign UDW operators



Well-positioned to benefit from UDW recovery from strong relationships with key operators

Note: 1) Includes revenue backlog of rigs owned by Seadrill, 2 rigs owned by SFL and operated under a bareboat arrangement, including 6 months of revenue backlog from West Linus, management contract revenue backlog of rigs managed on behalf of Seamex, Sonadrill and Aquadrill, and bareboat charter revenue backlog from GulfDrill as of 23 February 2022; 2) Includes rigs managed by Seadrill, Seamex, GulfDrill and Sonadrill; 3) Benign UDWs defined as rigs with rig water depth ≥ 7,500m and a non-harsh market category in IHS Rigpoint as per 4 March 2022. Seadrill includes rigs managed by Seadrill and Sonadrill  
Source: IHS Rigpoint (underlying data), DNB Markets (further calculations), Wood Mackenzie (production growth data)

# 3 Profitable \$2.2bn Backlog with a Strong Contract Win Record

## Backlog per 23 February 2022 Owned and leased rigs<sup>1</sup>



**Floaters**

**\$1.3bn**



**Harsh Environment**

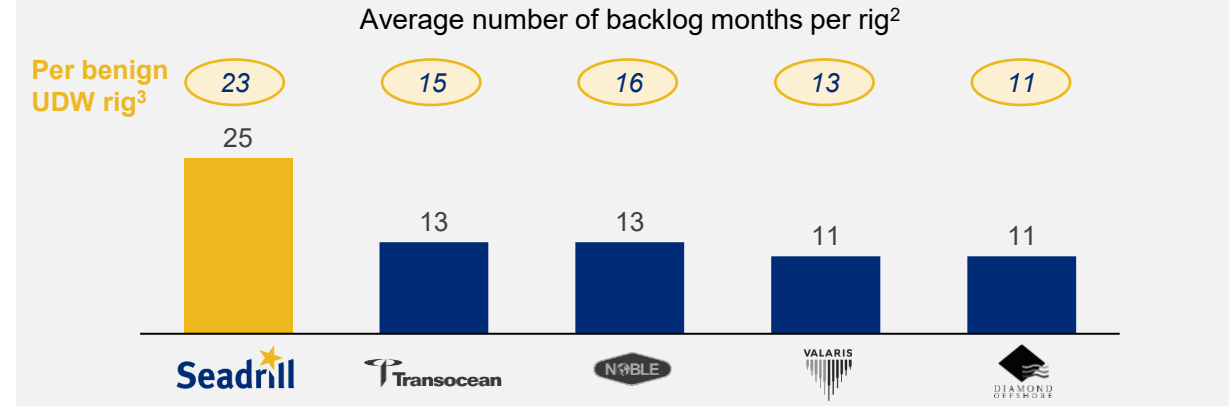
**\$0.8bn**



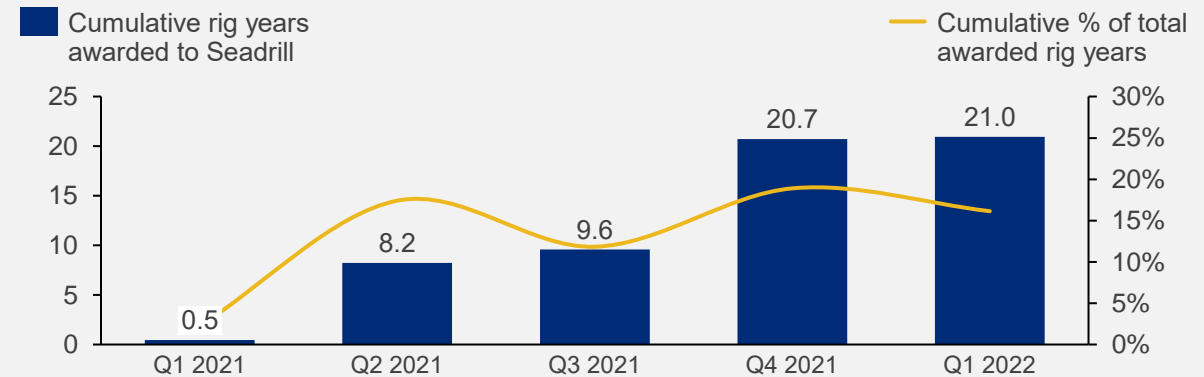
**Jack-ups**

**\$0.1bn**

## Large backlog providing the most secure future cash flows



## Winning a disproportionately large share of benign UDW rig years<sup>4</sup>

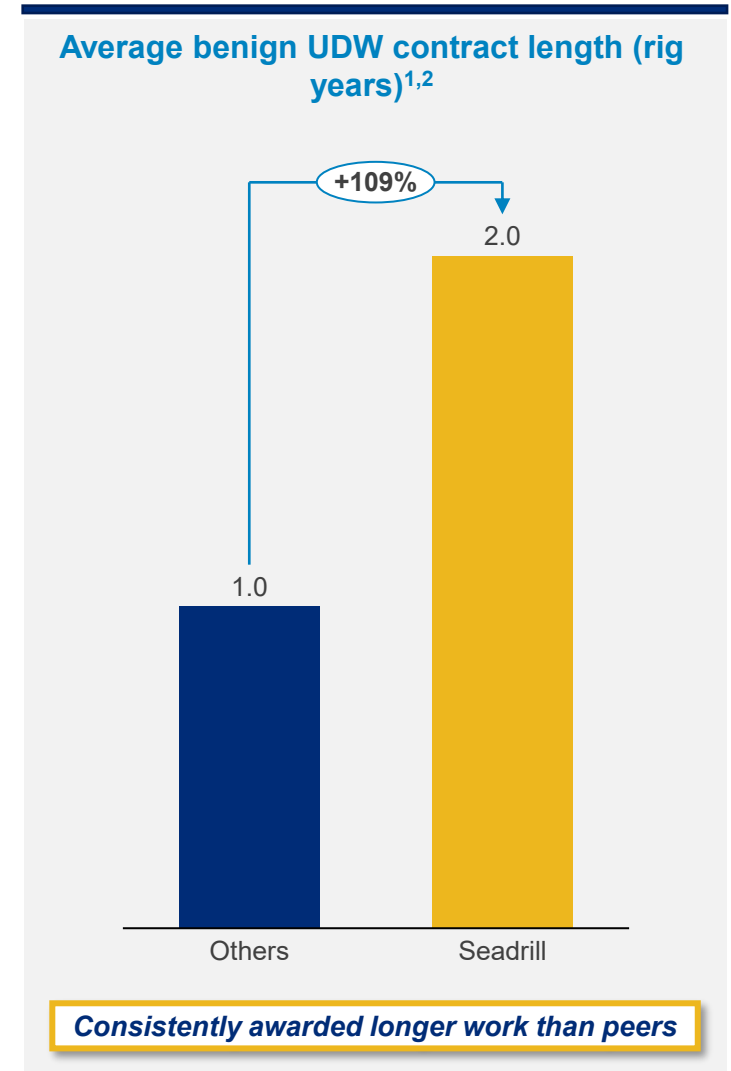
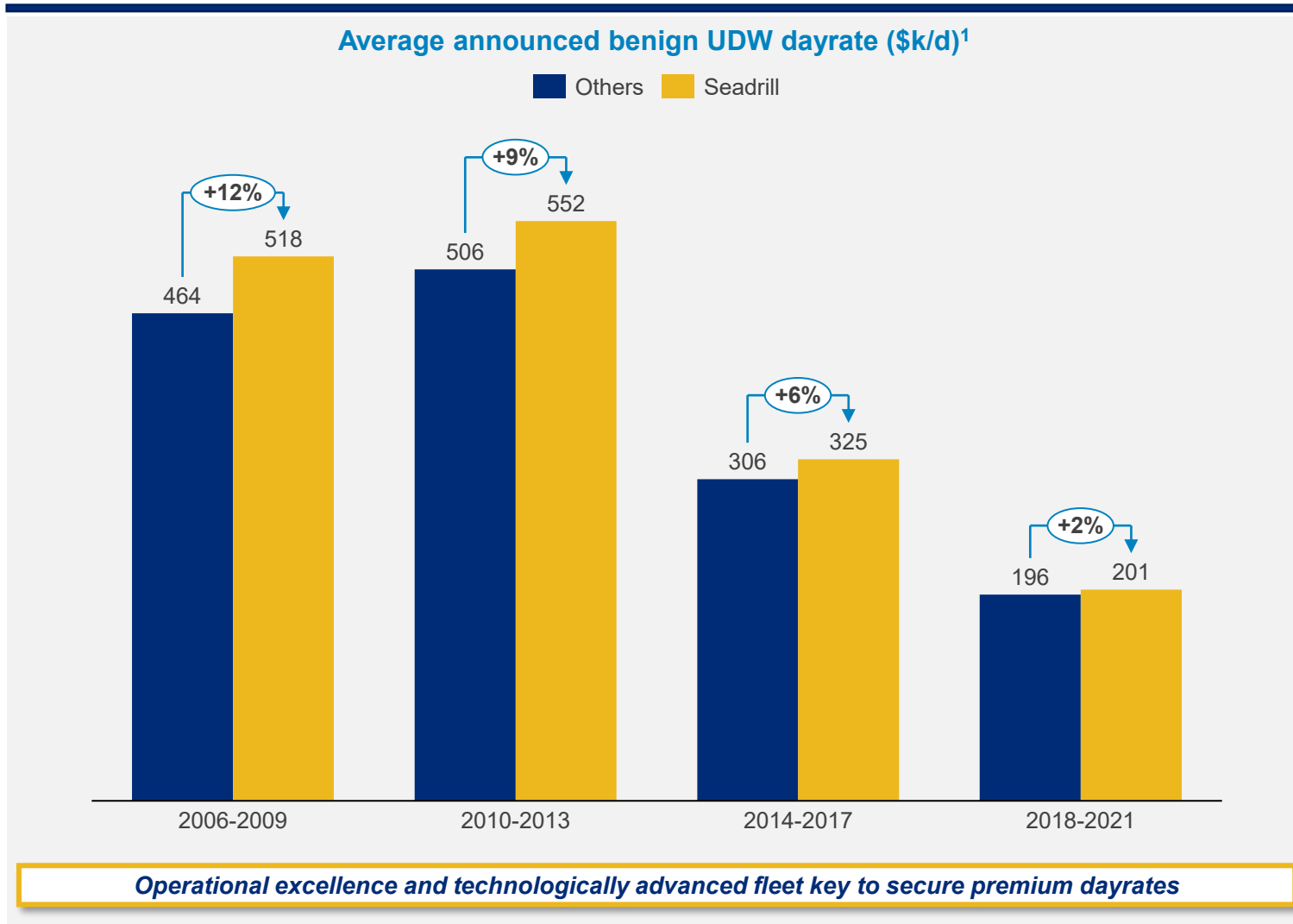


Note: 1) Includes 6 months of revenue backlog from West Linus; 2) Fleets include owned and managed rigs, but for Seadrill and Diamond Offshore excludes rigs managed on behalf of Aquadrill. Noble is shown pro forma for merger with Maersk Drilling. Per 4 March 2022; 3) Benign UDWs defined as rigs with rig water depth ≥ 7,500m and a non-harsh market category in IHS Rigpoint; 9 for Seadrill, 29 for Transocean, 8 for Diamond Offshore, 19 for Noble and 15 for Valaris; 4) Where Seadrill has acted as manager as per IHS Rigpoint 4 March 2022  
Source: IHS Rigpoint (underlying data), DNB Markets (further calculations)

# 3 Securing Premium UDW Contracts at Better Terms Than Peers

Consistently securing contracts at the high-end of the market...

... at longer contract durations

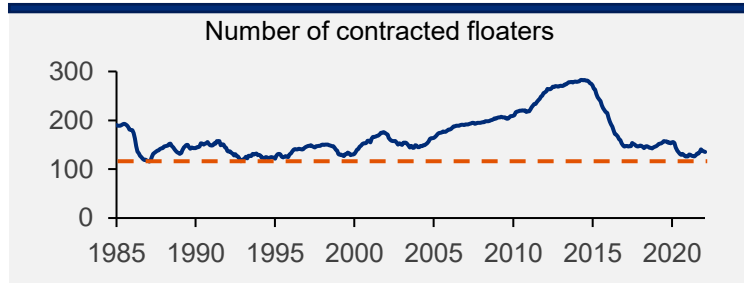


Note: 1) Benign UDWs defined as rigs with rig water depth ≥ 7,500m and a non-harsh market category in IHS Rigpoint. Includes only new mutual contracts excludes rigs with 20K BOP stacks. Seadrill fleet includes rigs owned by Seadrill, 2 rigs owned by SFL and operated under a bareboat arrangement, and rigs managed on behalf of Sonadrill and Aquadrill; 2) Since 1 January 2021, as per 4 March 2022  
 Source: IHS Rigpoint (underlying data), DNB Markets (further calculations)

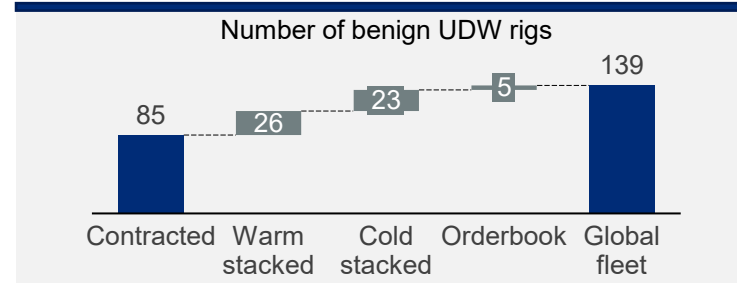
# 3 The Offshore Rig Market is Recovering

Limited Supply

**Bottomed-out rig count**

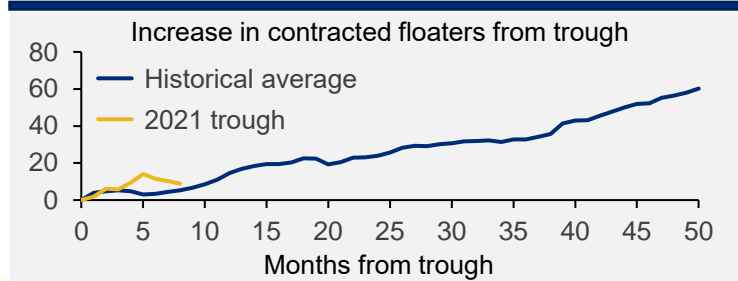


**Large share of non-competitive rigs**



Increasing Demand

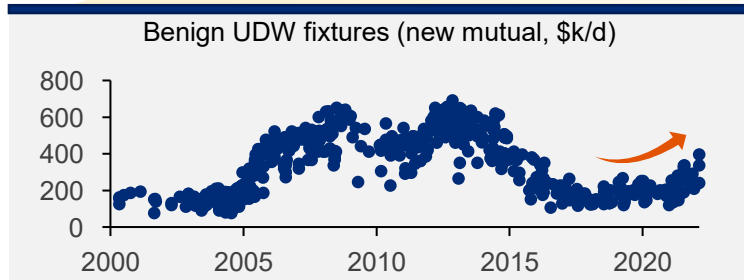
**Accelerated rig demand recovery**



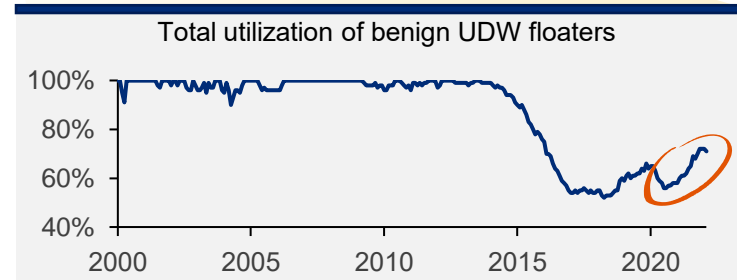
*All signs indicating a strong recovery within Seadrill's main segments*

Strong Recovery

**Recovering dayrates**

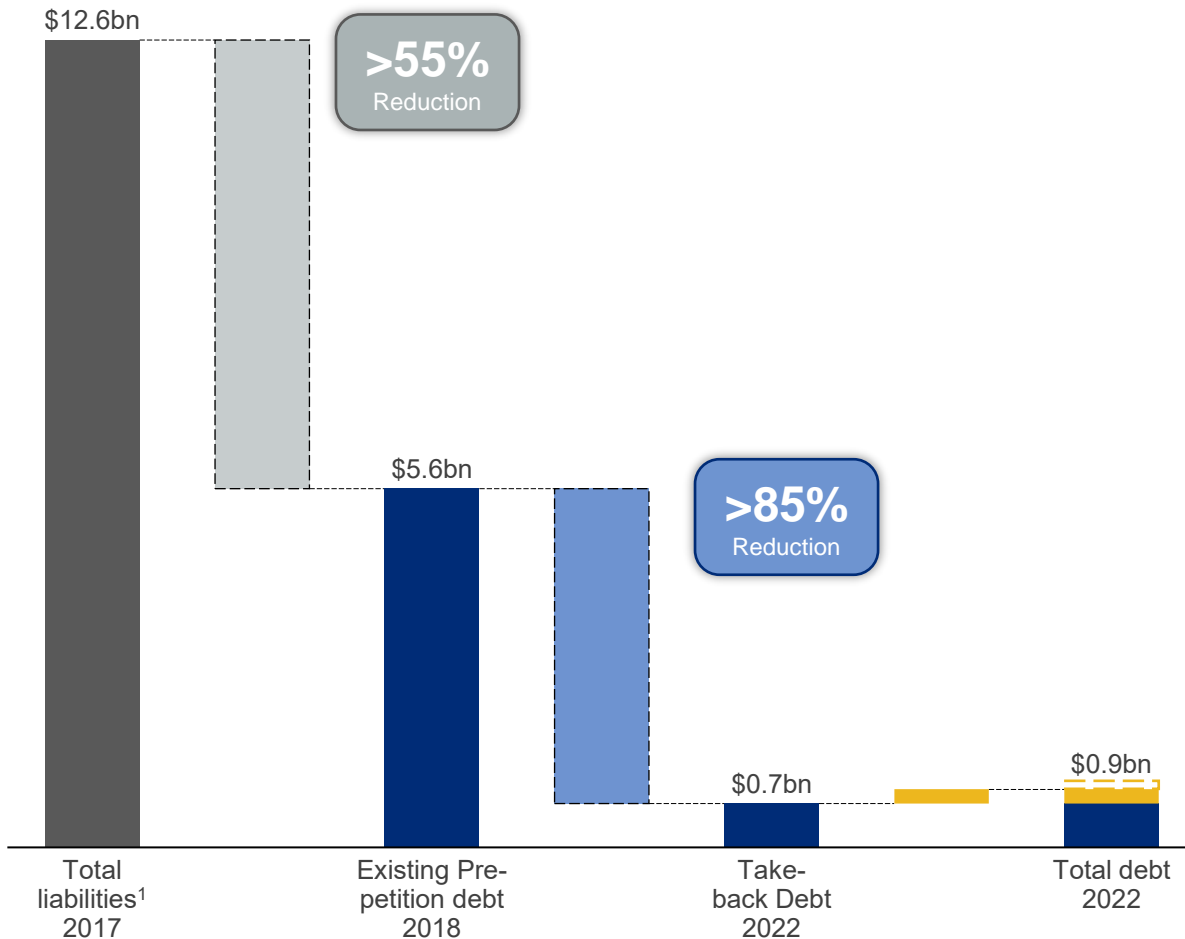


**Recovering utilization**



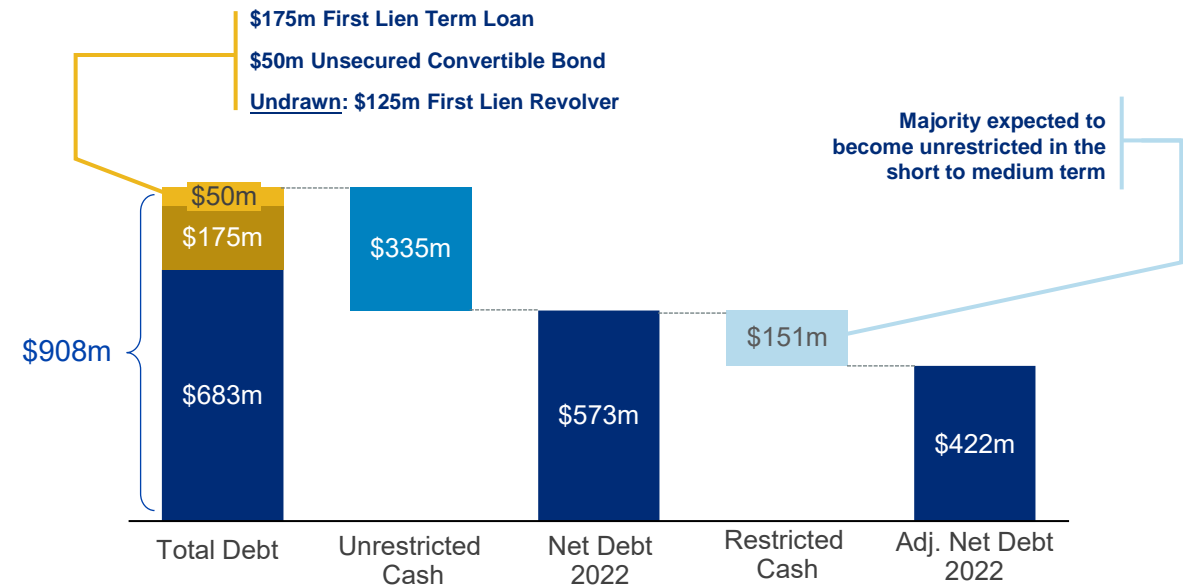
# 4 Substantially De-levered and Simplified Capital Structure

## Complete rebalancing of the capital structure



## Conservative debt and ample liquidity

### Current build-up to net debt <sup>2</sup>



- ✓ Substantial deleveraging
- ✓ Improved pro-forma liquidity
- ✓ Simplification of the capital structure from 12 silos to a single silo
- ✓ No debt maturities until December 2026

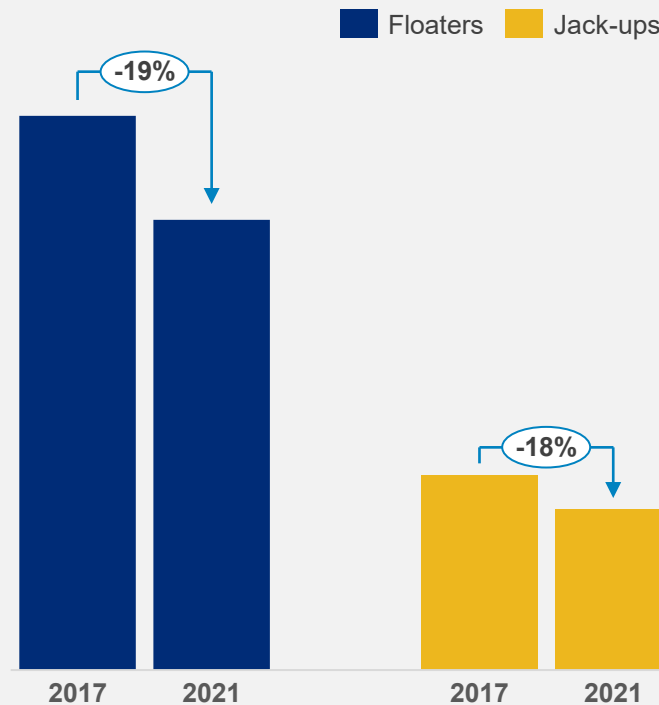
# 5 Exceptional Cost and Capital Discipline

- ✓ **Disciplined approach to fleet management**
  - Retired 12 rigs<sup>1</sup> from its fleet to eliminate stacking costs
  
- ✓ **Focus on sufficient contractual term and accretive economics to justify reactivations**
  - \$1.7bn in contract backlog secured in 2021
  
- ✓ **Clustered assets in core strategic basins to gain synergies and reduce costs**
  - Brazil, Angola and the Middle East

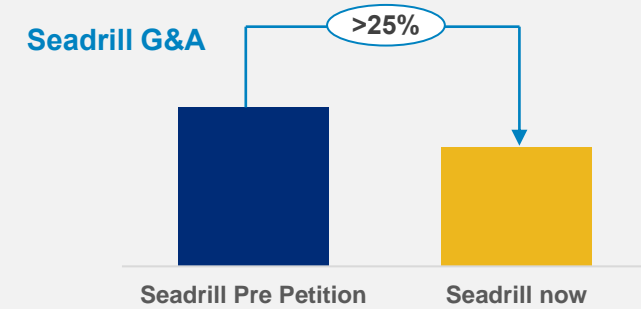
## Commitment to lowering costs

### Materially lower operating expenses

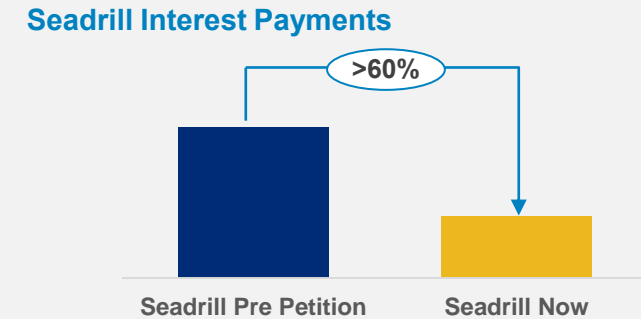
Direct rig operating expenses (benign), \$k/day



### And a lower G&A cost base

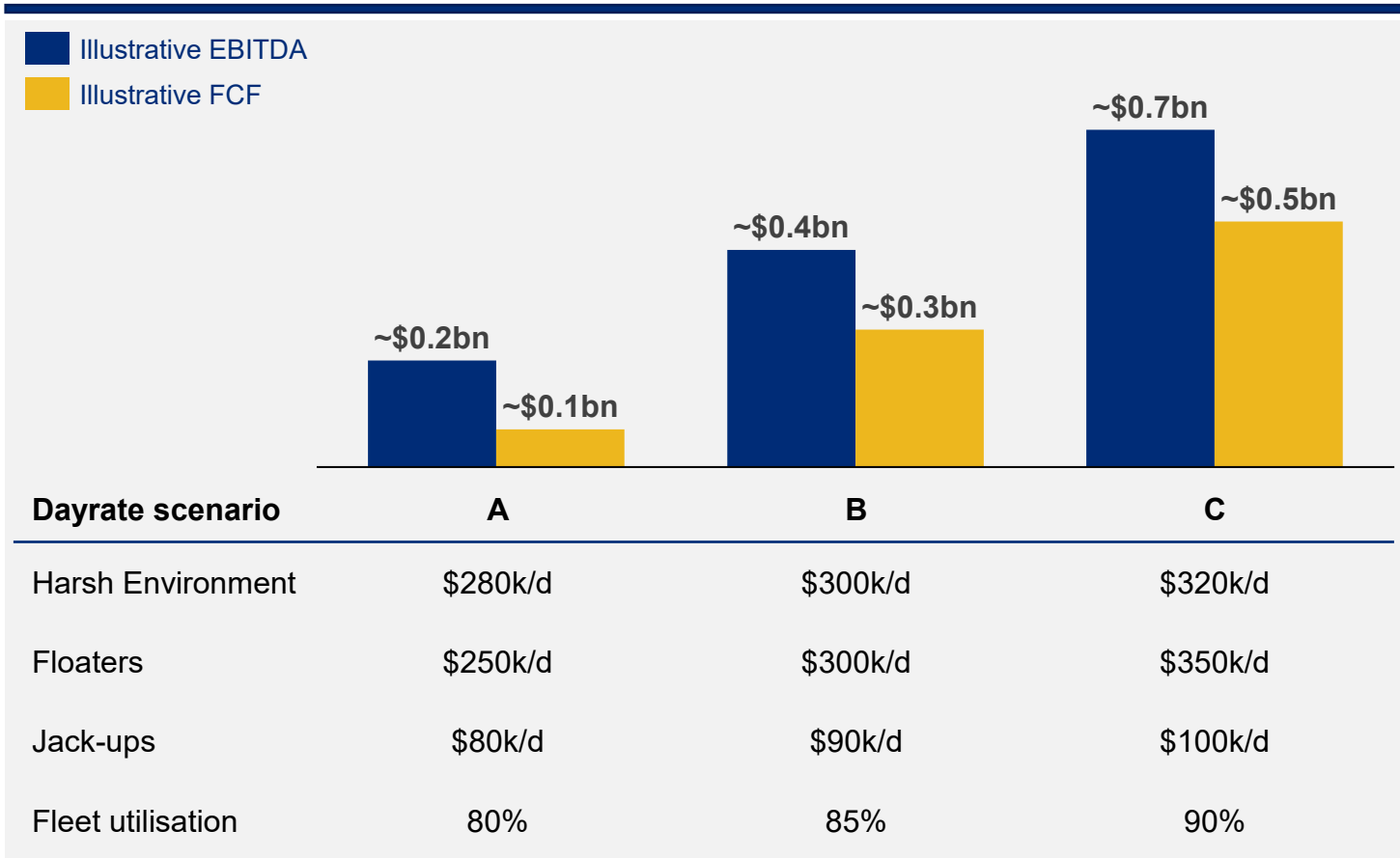


### Supported by significantly lower interest expense

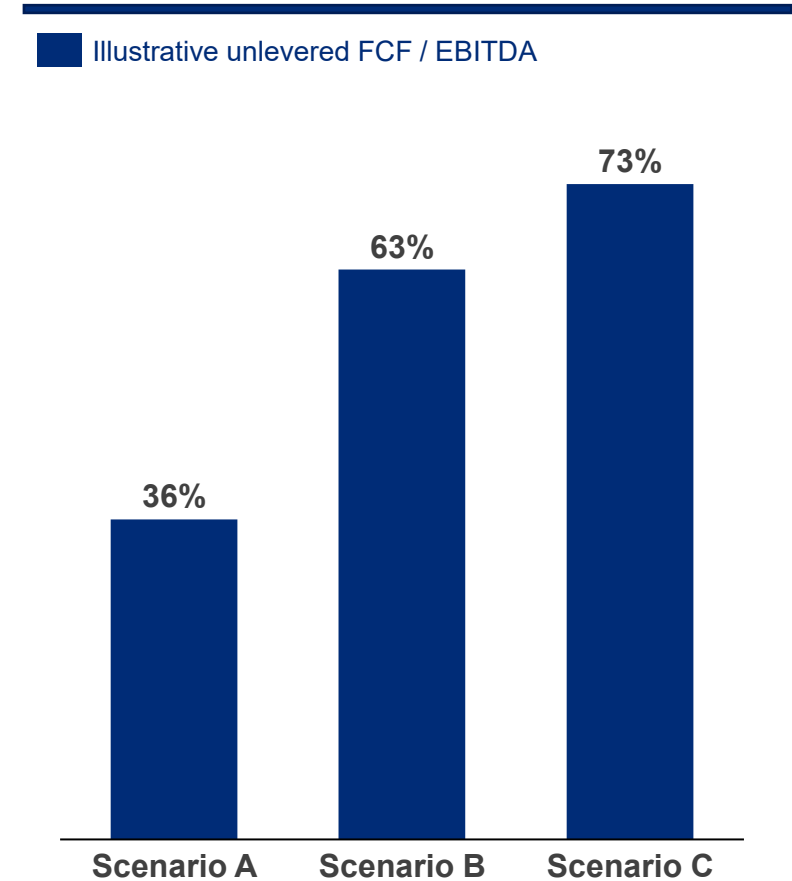


# 5 Providing Attractive Earnings in a Market Recovery

Significant earnings potential in a market recovery...



...that is converted into cash

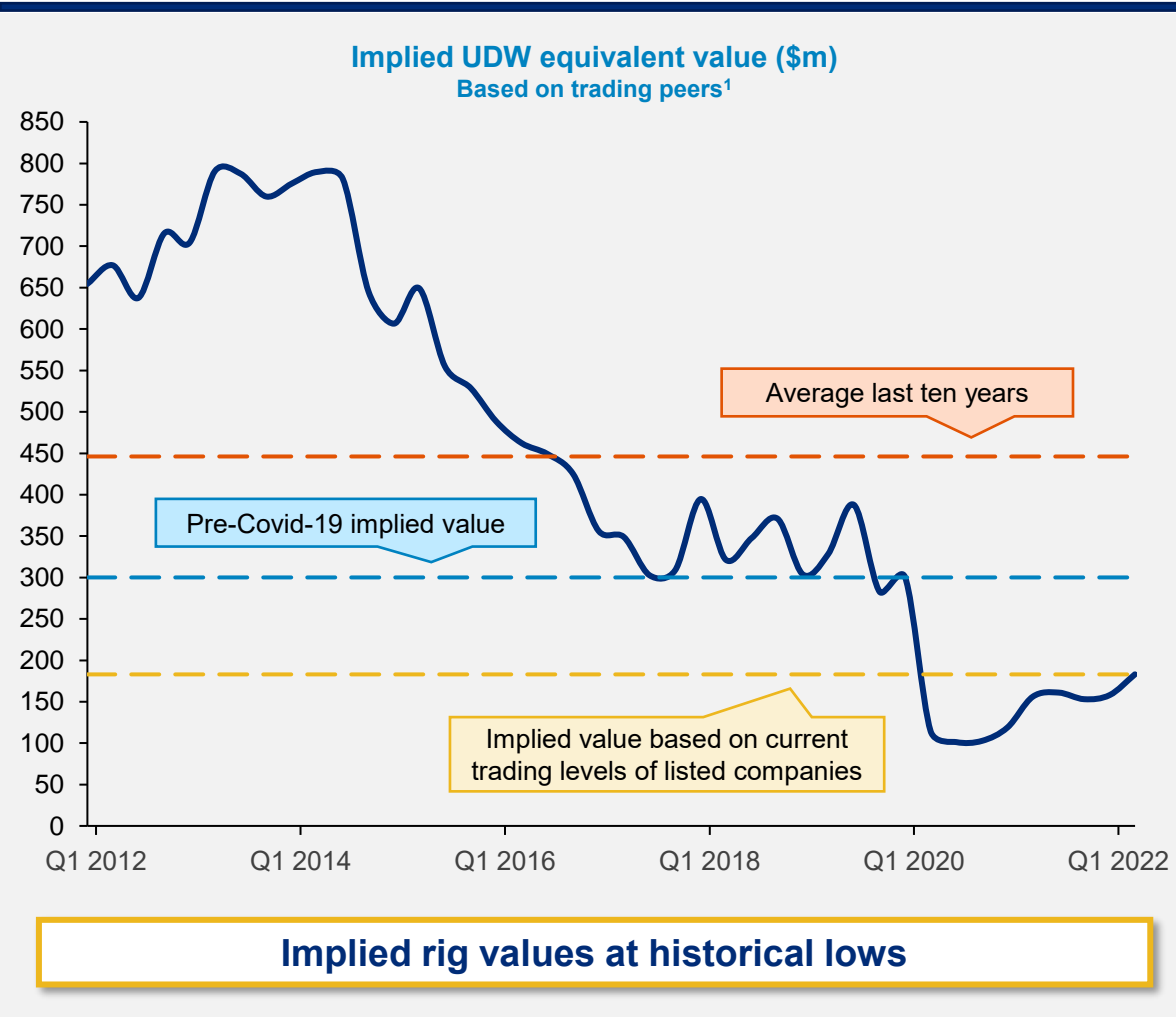


Significant EBITDA and unlevered FCF potential in an increasing dayrate scenario

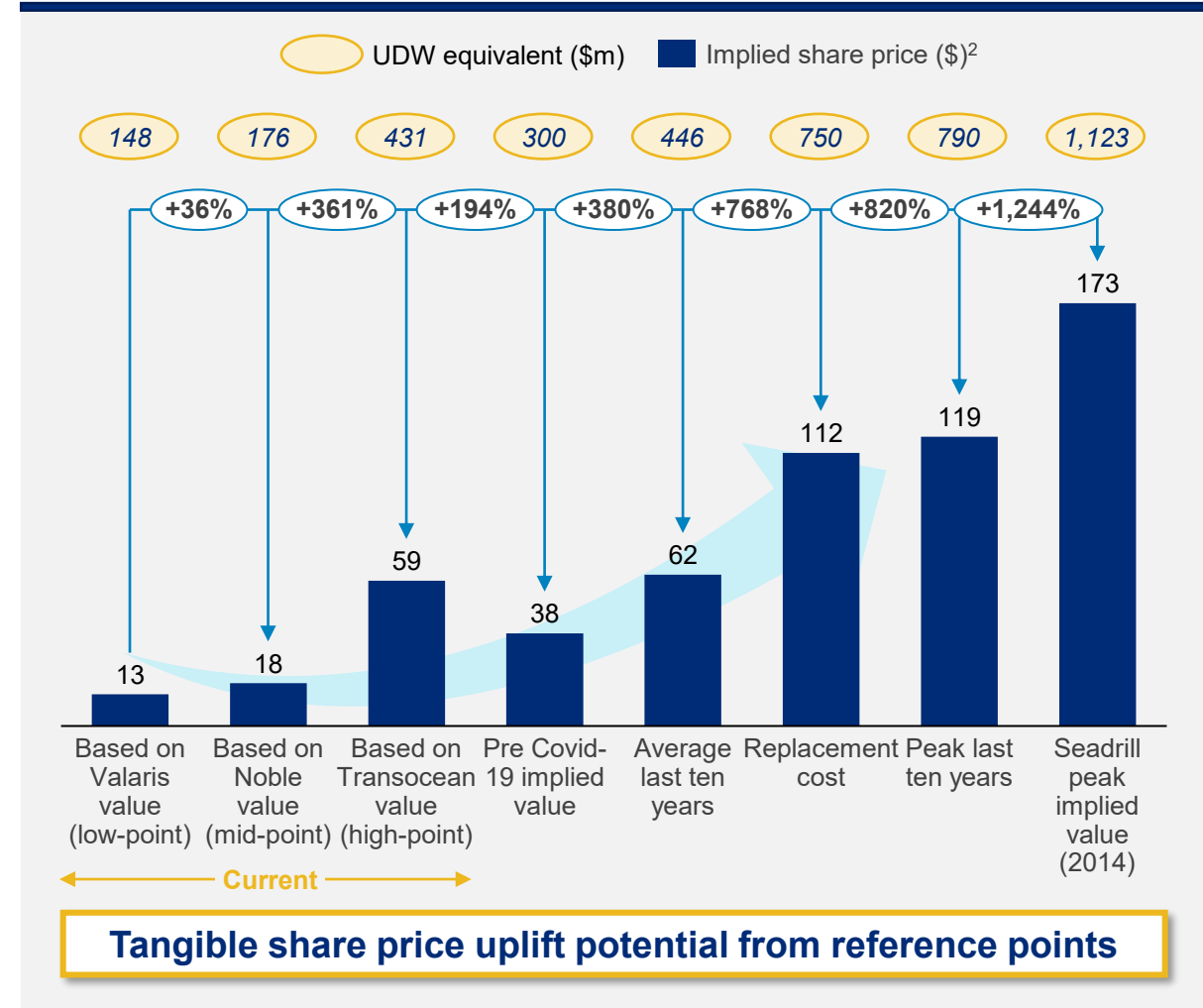


# 5 Low Implied UDW Values Providing Equity Uplift Potential

Current low implied values per modern UDWs...



...providing significant support for strong equity uplift potential



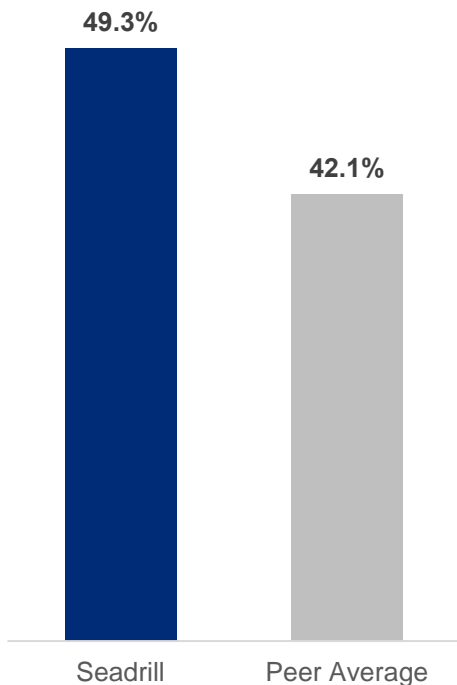
Note: 1) Maersk Drilling alone used as proxy post-2020; 2) Est. Seadrill UDW equivalents used, net debt of \$573m, and 50m shares outstanding  
Source: Bloomberg (underlying data), DNB Markets (further calculations)

# 5 Historically Unmatched Returns Profile

Strong earnings capabilities with proven track record of dividend delivery

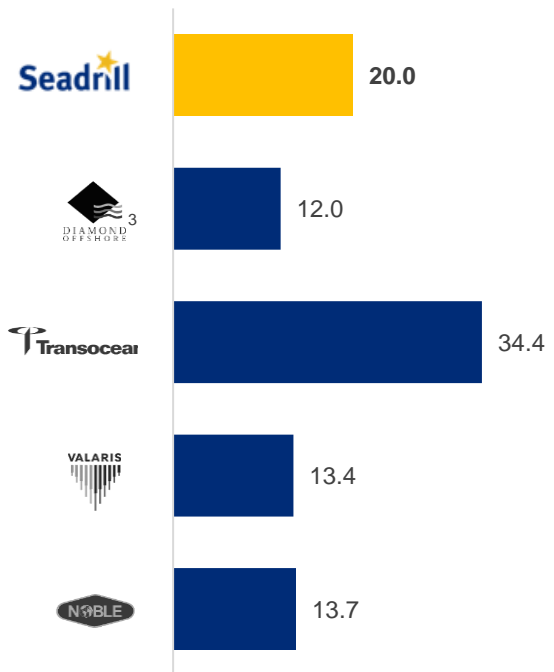
## Industry leading profitability

Average EBITDA Margin Versus Peers<sup>1</sup>, 2009-2021 (%)



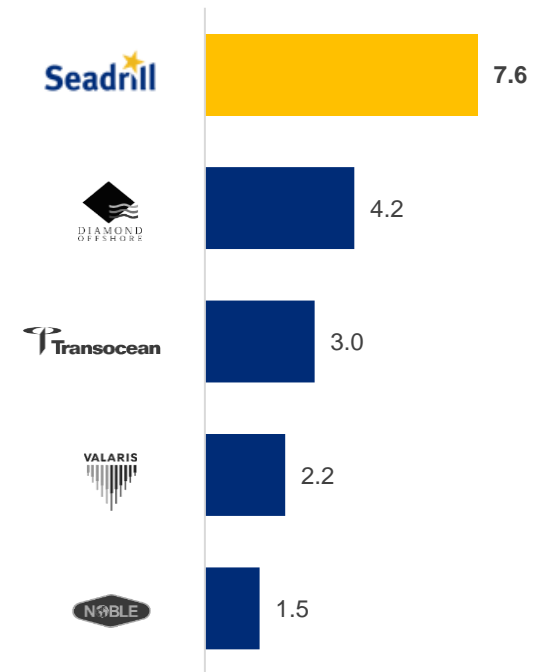
## Robust through-cycle EBITDA generation

Cumulative EBITDA<sup>2</sup> Since Q4 2008-21 (\$bn)



## THE leading return proposition

Dividends Paid Since YE 2008 (\$ bn)



**One of the only drillers to deliver significant through cycle returns for shareholders**

# 6 Track Record of Operational Excellence

## Setting the standard in drilling since 2005

### World-class safety standards

#### Total Recordable Incident Rate



Comparing favourably to H2 2021 offshore drilling industry standard



### High performance and utilisation

>2,700 wells drilled in every major basin in the world

**97%** Technical Utilisation (Trailing 6M)

**95%** Technical Utilisation (Trailing 12M)

**97%** Technical Utilisation (Since 2015)

### Industry leading business practices

Plato Condition-Based Maintenance

Live tracking of key performance indicators in real time

Industry leader for managed pressure drilling (MPD) systems


Digital platform drives performance delivering on average 4.53 days ahead of clients planned AFEs

# 6 A Culture of Innovation and Sustainability

Keeping people and the environment safe, and operations efficient

Committed to building sustainable operations

**A case study in Seadrill's commitment to innovation**

West Saturn	Installations <sup>1</sup>	Outcomes
	<b>Combined hydrogen and methanol injection system</b>	<ul style="list-style-type: none"> <li>✓ 10-15% <b>CO<sub>2</sub></b> emission reduction</li> <li>✓ 10-15% fuel saving</li> <li>✓ 30-80% <b>NOx</b> emission reduction</li> </ul>
	<b>Closed Bus Tie</b>	<ul style="list-style-type: none"> <li>✓ Same reliability with fewer engines running at higher loads</li> <li>✓ <b>CO<sub>2</sub></b> reduced by 11%</li> <li>✓ <b>NOx</b> reduced by 9%</li> </ul>
	<b>NOVOS System</b>	<ul style="list-style-type: none"> <li>✓ Designed to work with Multi Machine Control to increase automated handling</li> </ul>

**An industry leader in how we manage our carbon emissions**




**CDP**  
Carbon Disclosure Project Rankings

Seadrill.....	B
Borr.....	B
Shelf Drilling.....	B -
Transocean.....	F
Valaris.....	F
Noble.....	F

**Top ranked Offshore Driller in 2021**

## Our focus areas

 **Data**  
to assess and measure progress

 **Energy efficiency**  
management plans to drive operations and behavioural change

 **Technology**  
implementation to get us closer to our goals

 **Transparency**  
Sustainability report to be released in Q1 2022 to include carbon reduction target

Note: 1) Some installations are ongoing

# 6 Unparalleled Leadership with Extensive Experience

Over 250 combined years of industry experience

Extensive track record

Proven leadership

## New Board brings extensive industry and leadership experience

 <p><b>Julie Johnson Robertson</b> Chair of the Board</p> <ul style="list-style-type: none"> <li>• <b>40+ years</b> at Noble Corporation as Chair, President, CEO</li> <li>• Sits on the board of EOG and Superior Energy Services</li> </ul>	
 <p><b>Mark McCollum</b> Chair of the Audit Committee</p> <ul style="list-style-type: none"> <li>• <b>17+ years</b> executive oil and gas experience</li> <li>• Former President/CEO of Weatherford, and EVP/CFO of Halliburton</li> </ul>	 <p><b>Karen Dyrskjot Boesen</b></p> <ul style="list-style-type: none"> <li>• <b>20+ years</b> experience in finance and commerce</li> <li>• Former CFO at TotalEnergies and Mærsk Oil</li> </ul>
 <p><b>Jan Kjaervik</b></p> <ul style="list-style-type: none"> <li>• <b>35+ years</b> experience in banking, energy and maritime</li> <li>• Former Head of Treasury &amp; Risk of AP Møller-Mærsk and Aker Kværner/Solutions</li> </ul>	 <p><b>Jean Cahuzac</b></p> <ul style="list-style-type: none"> <li>• <b>40+ years</b> drilling services experience</li> <li>• Former CEO of Subsea 7</li> <li>• Previously COO at Transocean</li> </ul>
 <p><b>Andrew Schultz</b></p> <ul style="list-style-type: none"> <li>• Seasoned turnaround investor and executive</li> <li>• Former Chair of Pacific Drilling and Director of Vanguard Natural Resources</li> </ul>	 <p><b>Paul Smith</b></p> <ul style="list-style-type: none"> <li>• Founder/ Principal of Collingwood Capital Partners</li> <li>• Previously worked for Glencore, and Former CFO of Katanga Mining</li> </ul>

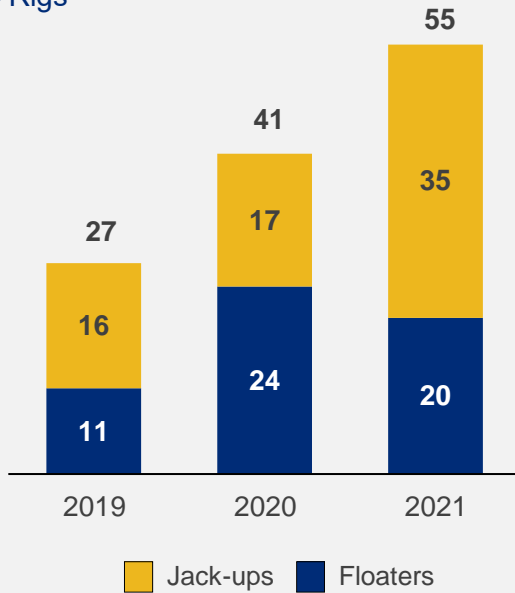
## Combined with world-class management

 <p><b>Stuart Jackson</b> President and Chief Executive Officer</p> <ul style="list-style-type: none"> <li>• <b>35+ years</b> energy sector experience in CEO and CFO roles including 20 years in offshore/oilfield services</li> </ul>
 <p><b>Grant Creed</b> Executive Vice President and Chief Financial Officer</p> <ul style="list-style-type: none"> <li>• <b>20+ years</b> finance experience, joined Seadrill in 2013 and has held various positions within the Seadrill group including Chief Restructuring Officer, VP M&amp;A and VP Corp. and Commercial Finance</li> </ul>
 <p><b>Leif Nelson</b> Executive Vice President, Chief Operating and Technology Officer</p> <ul style="list-style-type: none"> <li>• <b>23+ years</b> in drilling industry, with Seadrill since 2011, formerly holding various positions at Transocean</li> </ul>
 <p><b>Sandra Redding</b> Executive Vice President, General Counsel and Chief of Staff</p> <ul style="list-style-type: none"> <li>• <b>20+ years</b> in house legal experience in the oil and gas sector, most recently with the Dubai owned Dragon Oil</li> </ul>
 <p><b>Matt Lyne</b> Executive Vice President, Chief Commercial and Strategy Officer</p> <ul style="list-style-type: none"> <li>• <b>20+ years</b> in the drilling industry, joining Seadrill in 2010, formally holding various positions at Transocean</li> </ul>

# 6 Playing a Key Role in Reshaping the Industry

**Too many rigs**  
123 retired in the last 3 years

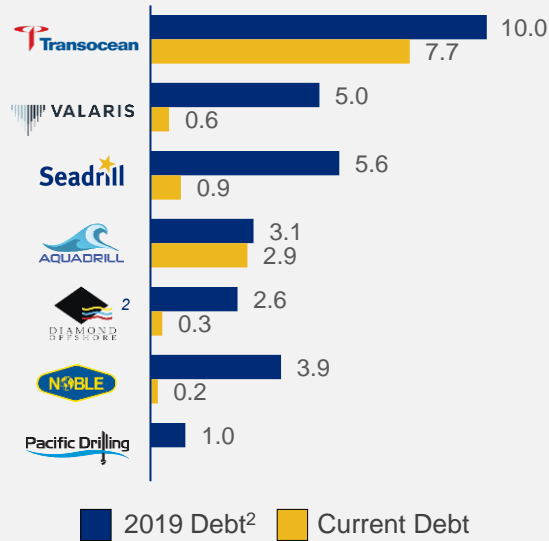
**Rig recycling and retirements**  
# Rigs



Seadrill has retired 10 rigs from its fleet and identified 2 further for rig disposal programme

**Too much debt**  
> \$18bn wiped out over the last three years

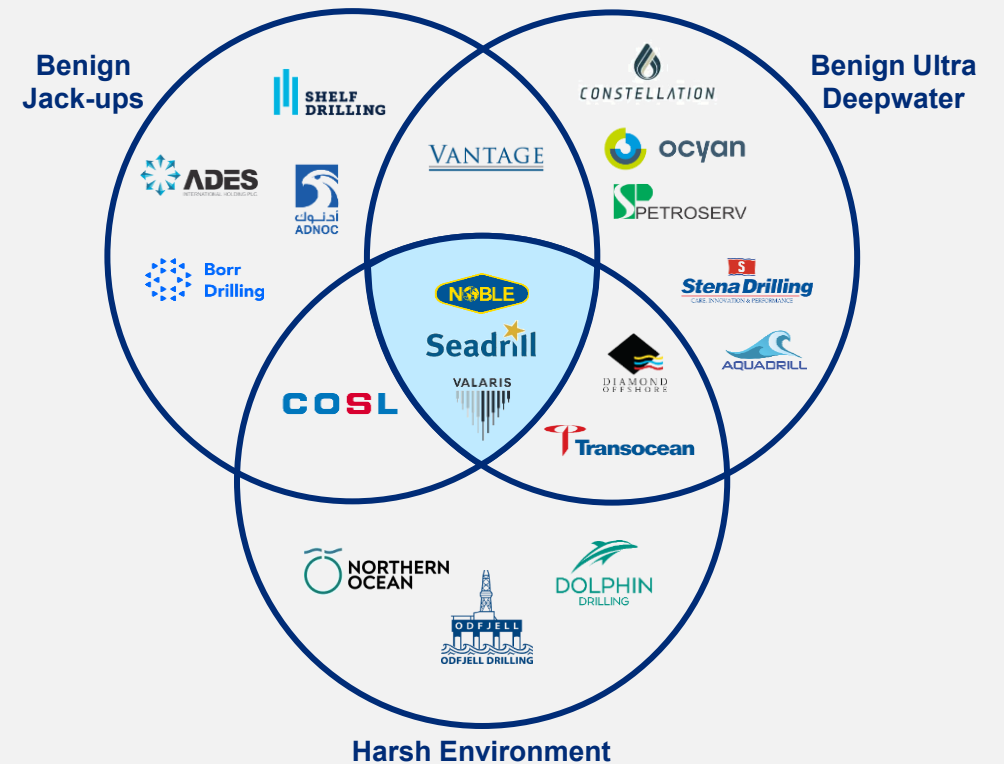
**Deleveraging<sup>1</sup>**  
\$bn



Seadrill has reduced total debt by over 85% during restructuring

**Seadrill is well positioned to play a key role in reshaping the industry**

**Key segment focus by player**



# Why Seadrill?



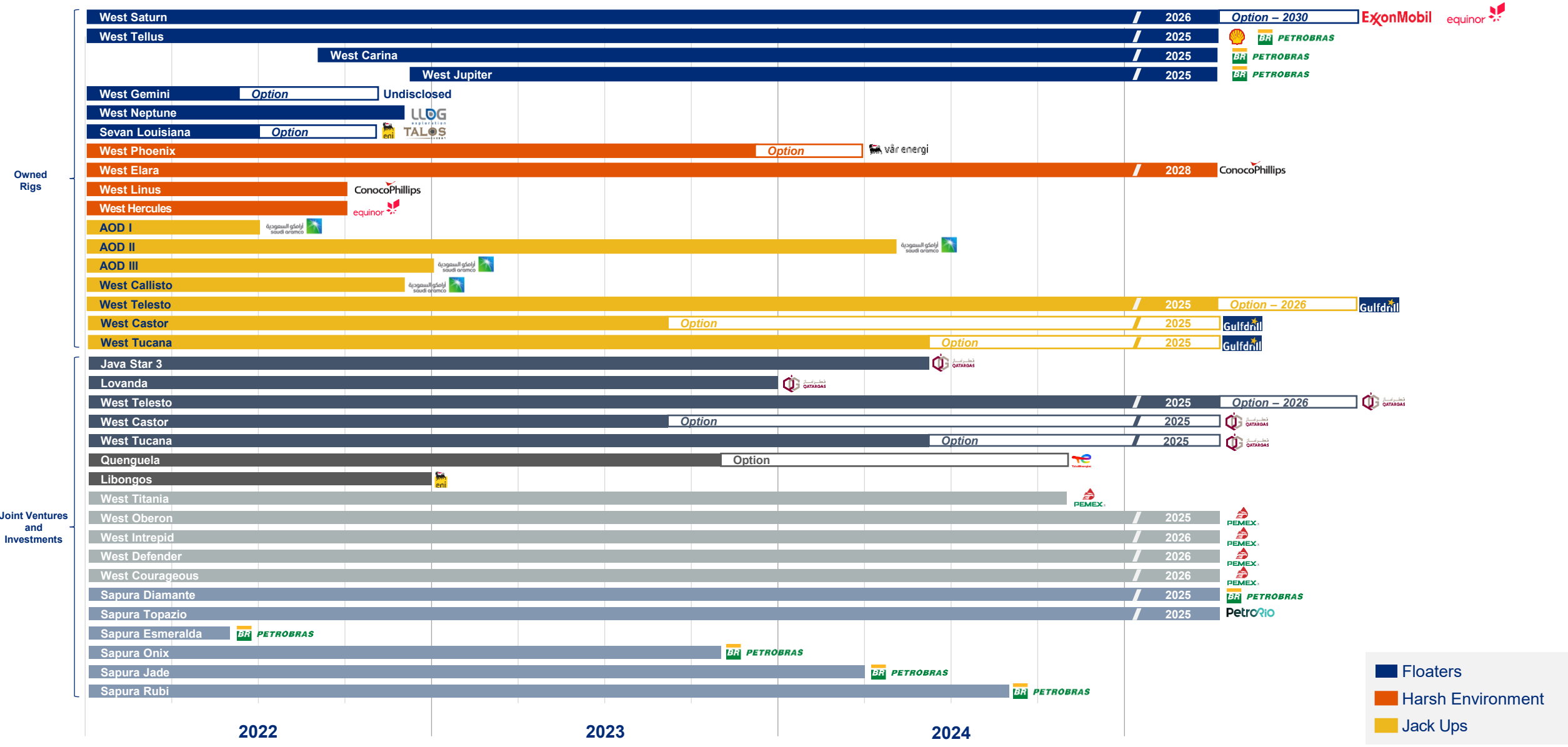
- 1 Large fleet of premium and high-specification offshore drilling rigs
- 2 Well-positioned in key segments with favourable outlook
- 3 Strategic customer relationships supported by solid backlog
- 4 Significantly strengthened balance sheet
- 5 Attractive cash flow outlook and equity upside
- 6 Platform with unique track record to create value in a transforming offshore drilling industry

# Appendix



# Backlog Overview

Total backlog of \$2.2bn with \$1.7bn added in 2021



Note: Chart excludes owned rigs that are currently stacked (West Ariel, West Leda, West Cressida, West Prospero, West Eclipse), or intended for sale/ recycling (West Venture, Sevan Brasil, Sevan Driller), and rigs managed by Seadrill