

An aerial photograph of the West Jupiter offshore drilling vessel, a large white ship with a prominent derrick structure, sailing on a blue sea under a blue sky with scattered clouds. The name 'WEST JUPITER' is visible on the side of the vessel. A smaller boat is visible in the lower right foreground.

Seadrill

# Investor Presentation

January 2024

# Forward-looking statements and 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, without limitation, those regarding the Company's outlook and guidance, plans, strategies, business prospects, rig activity, share repurchases and 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 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 they are made. 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, to procure or have access to financing and to comply with loan covenants, 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 review of competition authorities, the impact of global economic conditions and global health threats, pandemics and epidemics, our ability to maintain relationships with suppliers, customers, employees and other third parties, to maintain adequate financing to support our business plans and to successfully complete and realize the intended benefits of any mergers, acquisitions and divestitures (including the sale of the Qatar jackup fleet), and the impact of other strategic transactions, our liquidity and the adequacy of cash flows to satisfy our obligations, future activity under and in respect of the Company's share repurchase program, our ability to satisfy (or timely cure any noncompliance with) the continued listing requirements of the New York Stock Exchange ("NYSE") and the Oslo Stock Exchange ("OSE"), the cancellation of drilling contracts currently included in reported contract backlog, losses on impairment of long-lived fixed assets, shipyard, construction and other delays, the results of meetings of our shareholders, political and other uncertainties, including those related to the conflicts in Ukraine and the Middle East, and any related sanctions, 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 in the jurisdictions in which we operate, 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, 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 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, and subsequent reports on Form 6-K. The Company undertakes no obligation to update any forward-looking statement 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.

This communication refers to Adjusted EBITDA and Adjusted EBITDA Margin, including certain metric(s) derived therefrom. These non-GAAP financial measures are not alternatives to GAAP measures and should not be considered in isolation or as an alternative for analysis of the Company's results as reported under GAAP. For additional disclosures regarding these non-GAAP measures, including where to find definitions of these terms and reconciliations to the most directly comparable GAAP measures, please refer to Appendices I and II of the Company's earnings release for the third quarter of 2023 at [www.seadrill.com/investors](http://www.seadrill.com/investors). This communication also refers to net debt, which we define as long-term gross principal debt less all cash and cash equivalents.

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# Seadrill at a glance

Market  
Capitalization<sup>1</sup>  
**\$3.5B**

Q3 Adj.  
EBITDA  
**\$151M**

Floater & HE  
Fleet  
**17 rigs<sup>3</sup>**

Share  
Buybacks<sup>2</sup>  
**\$274M**

*equates to ~8% of market cap*

Q3 Adj. EBITDA  
Margin  
**36.5%**

Order  
Backlog<sup>4</sup>  
**\$3.1B**

1 Market capitalization as of January 5, 2024; 2 Share repurchases as of January 5, 2024; 3 Includes two drillships owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture; 4 Order backlog as of December 22, 2023, fleet status report.

# Seadrill achieves strength through scale

**\$3.5B market cap<sup>1</sup> leading deepwater driller operates 17 rigs<sup>2</sup> clustered in three primary geographies**



## Fleet refinement

**Modern, floater-focused fleet**

Move towards pure-play, operating primarily in deepwater, a market segment with favorable long-term outlook



## Market selection

**“Golden Triangle Plus”**

Concentrate rigs in key basins resilient to oil price changes where well-placed to secure leading contracts from long-term customers



## Capital discipline

**Thoughtful value creation**

Maintain conservative, best-in-class balance sheet and liquidity to preserve optionality and act opportunistically

<sup>1</sup> Market capitalization as of January 5, 2024

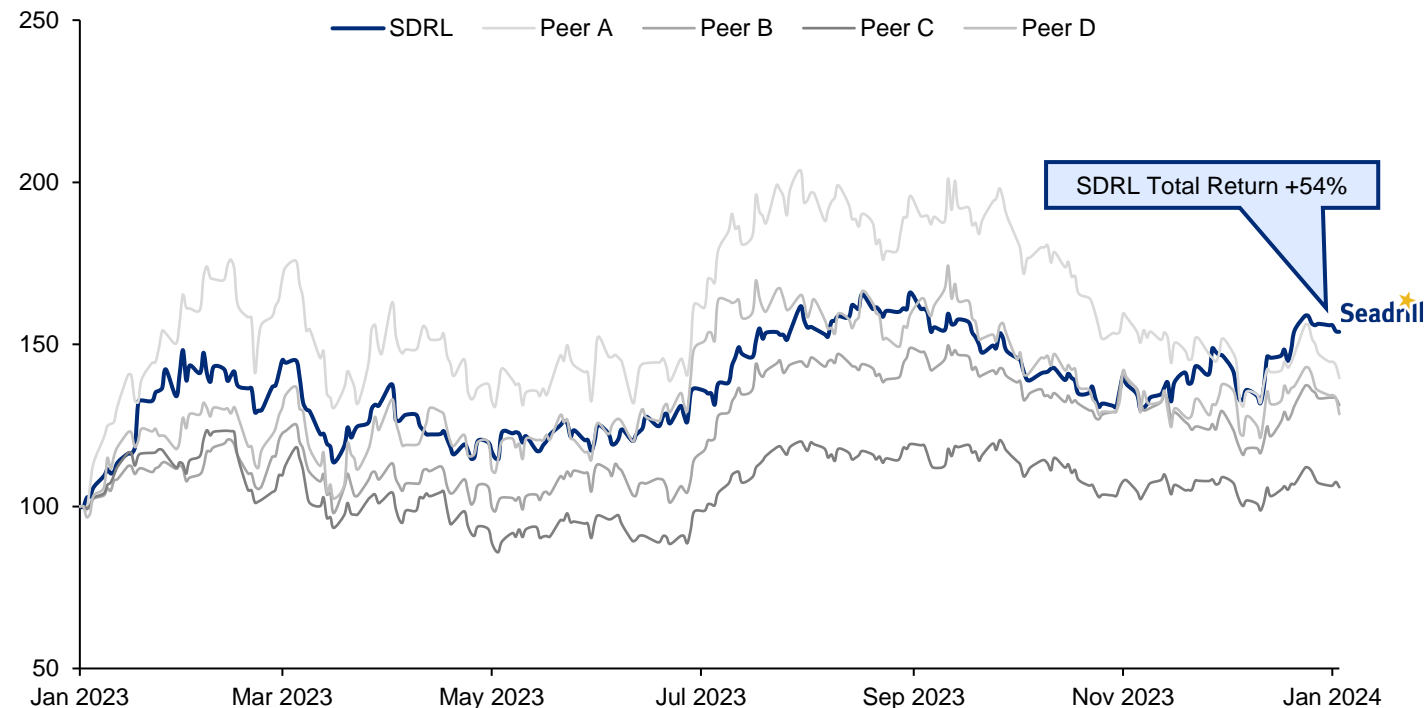
<sup>2</sup> Includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture, and excludes benign environment jackup rigs

# Equity performance reflects efforts to simplify and strengthen SDRL






We have consistently executed on our stated strategy, driving shareholder value

## Peer group equity performance

Rebased as of Jan 2023



## Strategic initiatives

-  ✓ Broadened investor base and improved liquidity by listing on NYSE
-  ✓ Focused business by selling non-core assets and investments in non-core businesses
-  ✓ Enhanced fleet scale and capacity with all-stock acquisition of Aquadrill
-  ✓ Strengthened capital structure with debt prepayments and subsequent refinancing
-  ✓ Authorized industry-leading share repurchases of \$500M, with ~55% executed since initiating in Sep 2023<sup>1</sup>

<sup>1</sup> As of January 5, 2024  
Source: Bloomberg

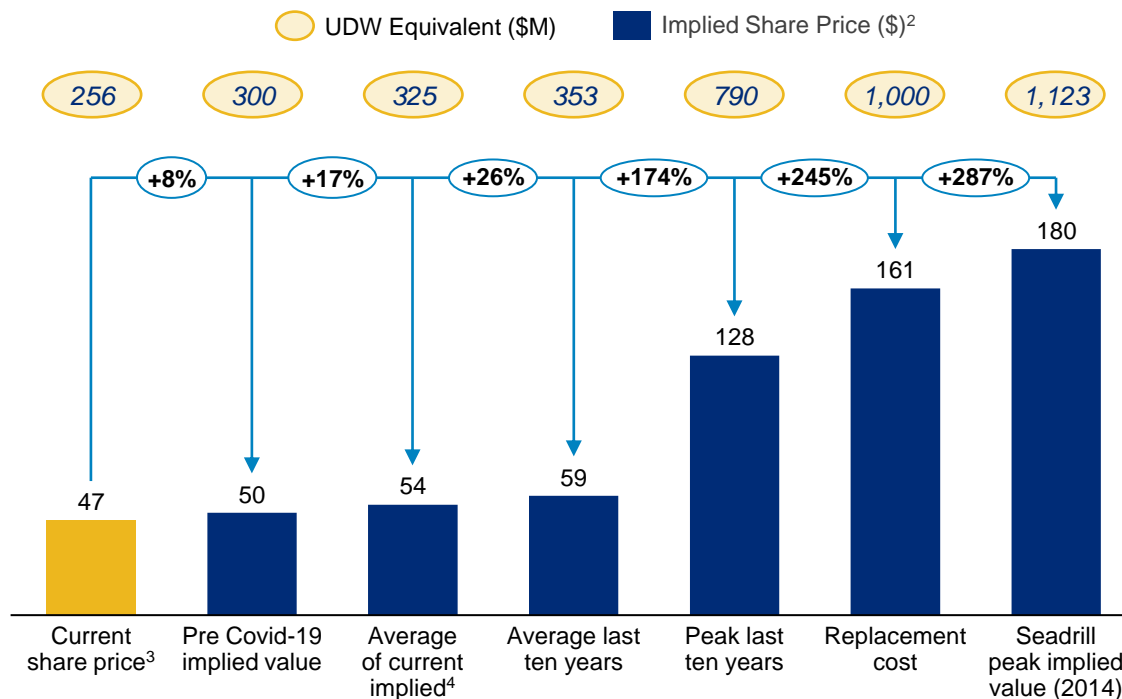
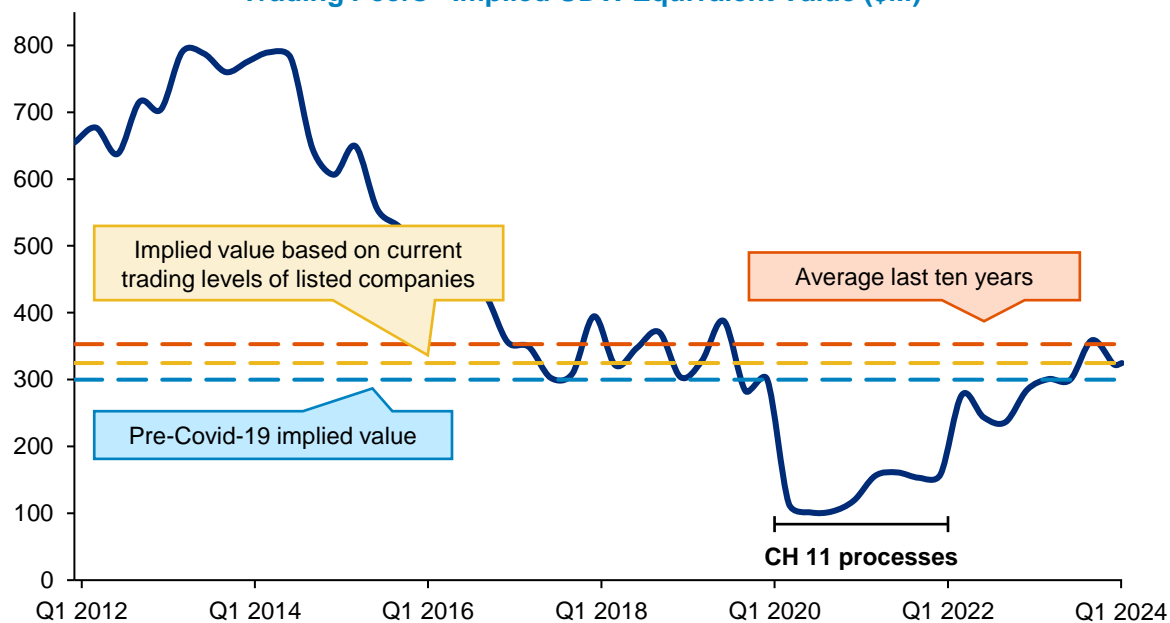
# Low implied UDW values providing equity uplift potential

Still priced significantly below replacement cost and previous upcycle

Current low implied values<sup>1</sup> per modern UDWs...

... providing significant support for strong equity uplift potential

Trading Peers - Implied UDW Equivalent Value (\$M)

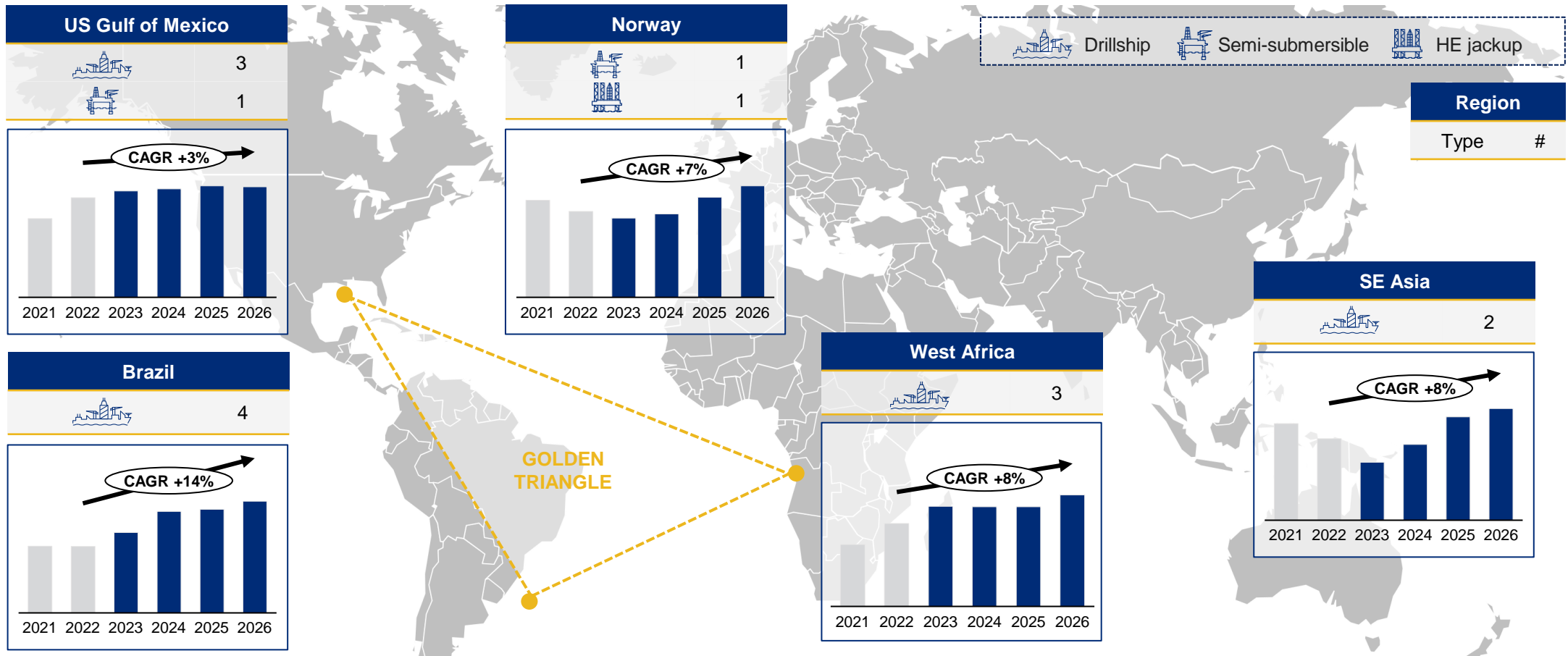


1 Implied values unadjusted for order backlog, presented on a UDW equivalent basis  
 2 Assumes -\$244M in net debt (as of September 30, 2023), comprising gross principal debt of \$625M and cash & cash equivalents (incl. restricted cash) of \$869M  
 3 As of close January 4, 2024  
 4 Based on current trading peers: Seadrill, Noble, Transocean, Valaris and Diamond Offshore  
 Source: DNB Markets, Bloomberg

# Fleet strategically located in high demand, resilient regions

Golden Triangle, with Brazil in the lead, will be key for future demand growth for UDWs

Active rig fleet<sup>1</sup> and floater demand (rig years) by region



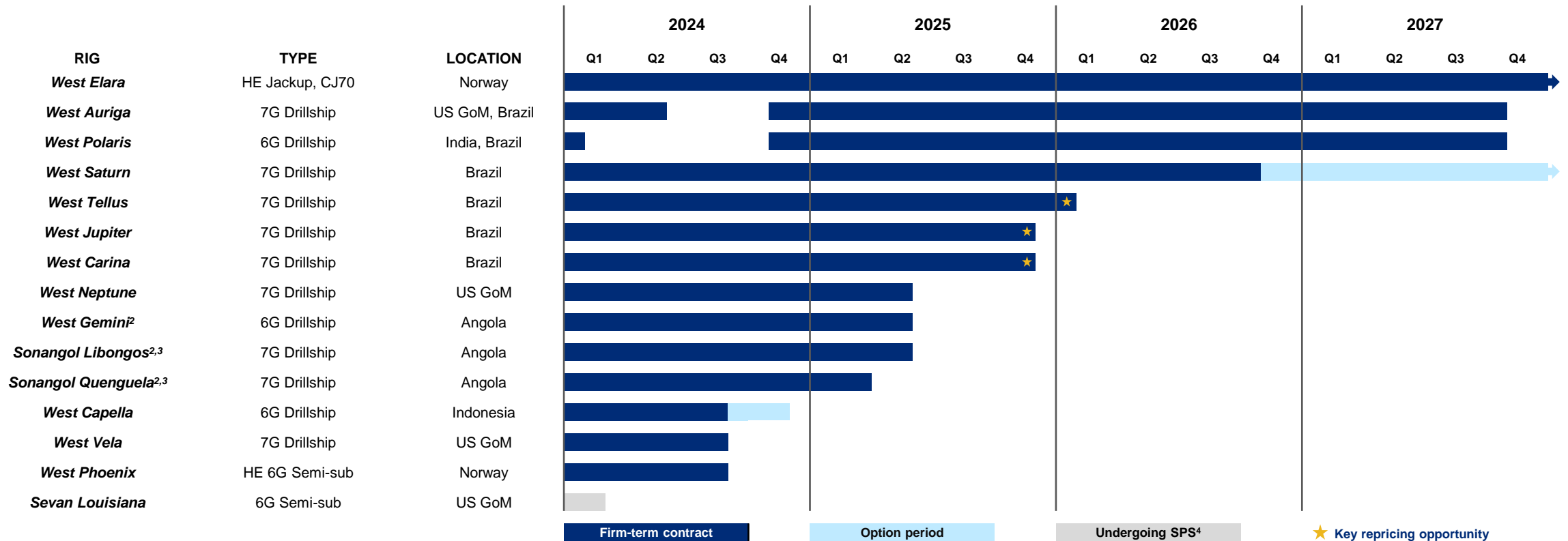
<sup>1</sup> Excludes three stacked rigs and three active benign environment jackup rigs; includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture  
Source: DNB Markets, Rystad Energy

# Smooth contract rollover profile

Enhanced earnings visibility through recent awards, with further repricing catalysts approaching

## Excerpted Fleet Status Report<sup>1</sup>

Active floaters and harsh environment (HE) units only



<sup>1</sup> Fleet Status Report as of December 22, 2023; excludes three stacked rigs and three active benign environment jackup rigs

<sup>2</sup> Managed by SDRL through 50:50 Sonadrill joint venture; operating dayrate received by Sonadrill JV, and management fee is paid to SDRL by the JV

<sup>3</sup> Rigs owned by Sonangol, SDRL's 50:50 Sonadrill joint venture partner

<sup>4</sup> Special Periodic Survey



# Capital discipline

Capital allocation priorities lead to thoughtful value creation across the cycle



## 1 Defend best-in-class balance sheet

Prioritize financial strength with conservative, through-cycle approach



## 2 Maintain competitive rig fleet

Deliver safe, efficient operations; maintain competitiveness; and maximize returns



## 3 Explore accretive growth opportunities

Evaluate potential organic and inorganic investments to strengthen core business



## 4 Return capital to shareholders

Distribute excess capital to shareholders after funding other priorities

### BUYBACKS TO DATE

- I Share repurchase programs of \$500M**
  - ✓ Initiated Sep 2023
  - ✓ Already executed \$274M, or ~55% of the aggregate, equating to ~8% of market cap<sup>1</sup>
  - ✓ Average executed price of \$43.23 per share

<sup>1</sup> Market capitalization and share repurchases as of January 5, 2024

**Seadrill** 

Total Operating Revenues  
**\$1,495-1,515M**

Adjusted EBITDA  
**\$485-505M**

Capital Expenditures &  
Long-Term Maintenance  
**\$185-205M**



Footnote: Full year 2023 guidance as per November 27, 2023 (published as part of SDRL's 3Q23 earnings).