Seadrill NYSE & OSE: SDRL

Seadrill Limited
Investor Presentation
January 2023



Disclaimer

We have prepared this document solely for informational purposes. You should not definitively rely upon it or use it to form the basis for any decision, contract, commitment or action whatsoever, with respect to any proposed transaction or otherwise.

The information contained herein includes forward-looking statements. Such statements are generally not historical in nature, and specifically include statements about completion of the merger transaction and the timing and amount of synergies realized from the combination of Aquadrill and Seadrill, future cash flows and liquidity of the combined company, timing of closing the transaction, and Seadrill's and Aquadrill's plans, strategies, business prospects, changes, and trends in their businesses and the markets in which they operate. These statements are based on Seadrill's and Aquadrill's respective management teams' current plans, expectations, assumptions and beliefs concerning future events impacting each of Seadrill and Aquadrill, and the combined company should the merger occur, 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 the applicable news release. Important factors that could impact our ability to complete the merger transaction, recognize the benefits from the combination of Seadrill and Aquadrill that Seadrill and Aquadrill envision, such as synergies, or otherwise cause actual results to differ materially from those in the forward-looking statements include, but are not limited to applicable regulatory approvals of the merger transaction or requirements or conditions of such approvals, the ability of the combined company to man and operate the Aquadrill rigs outside of the current management agreement structure employed by Aquadrill, 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 Seadrill's and Aquadrill's fleets, the cost and timing of shipyard and other capital projects, the performance of the drilling rigs in Seadrill's and Aquadrill's fleets, delay in payment or disputes with customers, Seadrill's and Aquadrill's ability to successfully employ their 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, changes in governmental regulations that affect Seadrill, Aquadrill or the operations of their fleets, increased competition in the offshore drilling industry, the impact of global economic conditions and global health threats, Seadrill's and Aquadrill's ability to maintain relationships with suppliers, customers, employees and other third parties and each of Seadrill's and Aquadrill's ability to maintain adequate financing to support their business plans following emergence from their respective Chapter 11 proceedings, factors related to the offshore drilling market, the impact of global economic conditions, Seadrill's and Aquadrill's liquidity and the adequacy of cash flows for their obligations, political and other uncertainties, the concentration of Seadrill's and Aquadrill's revenues in certain geographical jurisdictions, limitations on insurance coverage, Seadrill's and Aquadrill's ability to attract and retain skilled personnel on commercially reasonable terms, the level of expected capital expenditures, Seadrill's and Aquadrill's 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 Seadrill's and Aquadrill's businesses resulting from climate-change or greenhouse gas legislation or regulations, the impact on Seadrill's and Aquadrill's businesses from climate-change related physical changes or changes in weather pattern, and the occurrence of cybersecurity incidents, attacks or other breaches to Seadrill's and Aquadrill's information technology systems, including their rig operating systems. 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 Seadrill's filings with the SEC, including its Annual Report on Form 20-F for the year ended December 31, 2021, filed with the SEC on April 29, 2022 (File No. 001-39327).

Seadrill and Aquadrill undertake 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 Seadrill and Aquadrill to predict all of these factors. Further, Seadrill and Aquadrill cannot assess the impact of each such factors on their businesses 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.

Important Additional Information

This communication relates to a proposed business combination transaction (the "Transaction") between Seadrill Limited and Aquadrill LLC. This communication is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the Transaction or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law.

In connection with the Transaction, Seadrill will file with the SEC a registration statement on Form F-4 that will include a prospectus of Seadrill, as well as other relevant documents concerning the Transaction. HOLDERS OF AQUADRILL UNITS AND EQUITY AWARDS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROSPECTUS REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Access to the registration statement and the prospectus, as well as other filings containing information about Seadrill and Aquadrill, are available without charge at the SEC's website (http://www.sec.gov). Copies of the documents filed with the SEC can also be obtained, without charge, by directing a request to Seadrill.

2022 key milestones and initiatives

Series of strategic initiatives, demonstrating readiness to capitalize on opportunities to maximize shareholder value

April	September	October	October	October/November	November	December
Euronext Expand initial listing	Saudi business divestment[1]	New York Stock Exchange re-listing	Paratus Energy divestment[2]	Debt prepayments of $442m[3]	Oslo Stock Exchange up-listing	Aquadrill all-stock acquisition[4]
Strategic Rationale	Crystalize value for shareholders	Broaden investor base	Monetize non-core assets, streamline structure	Deleverage, reduce interest, enhance FCF outlook	Access to capital in multiple markets	Enhance scale & capacity, improve credit profile

Industry-leading offshore driller, with a strengthened balance sheet and best-in-class fleet

[1] Transaction closed in October 2022; [2] Transaction expected to close in early 2023; [3] In addition to $442m in debt principal prepayments under the 2nd lien facility, we paid $8m in associated accrued interest and $23m in exit fees; [4] Transaction expected to close mid-2023

Transformational Aquadrill acquisition

Strategic rationale

- **Enhanced fleet and scale**
- **Strengthened position in key strategic basins**
- **Strong cash flow generation potential**
- **Highly synergistic and integrated platform**
- **Strengthened balance sheet**

Overview of the transaction

Consideration	Valuation	Governance	Timeline to Closing	Synergies
All-stock, Aquadrill equity holders to own 38% of combined company[1]	Implied Aquadrill value of approximately $958m[2]	Domiciled in Bermuda, J. Robertson and S. Johnson to remain Chair and President & CEO	Targeted closing for the transaction in mid-2023	At least $70m est. annual synergies, expected to be fully realized within 2 years of closing

Fleet overview

Drillships









Semi-sub / Tenders









[1] Aquadrill unitholders and equity award holders to own 38% of the combined company's common shares on a non-diluted basis (Seadrill shareholders 62%); [2] Based on Seadrill's 30-day volume-weighted average share price on the NYSE of $31.25 as of December 22, 2022

Strong exposure in key strategic basins

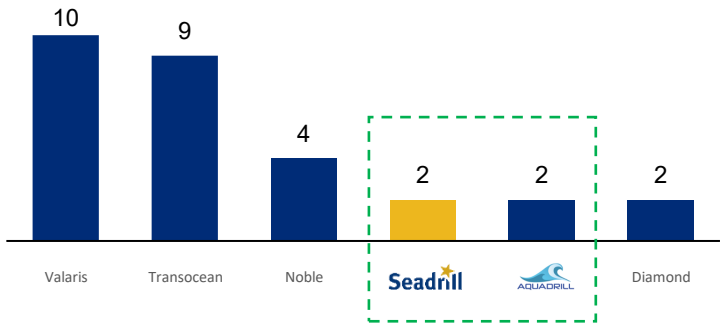
US GOM
Growing position



LLOG exploration
TALOS ENERGY
eni

- ✓ Long-standing track record
- ✓ Excellent relationship with local operators
- ✓ Upside from short term contracts / spot market in an increasing dayrate environment

Number of rigs(1) per international driller



BRAZIL
Among market-leading international drillers



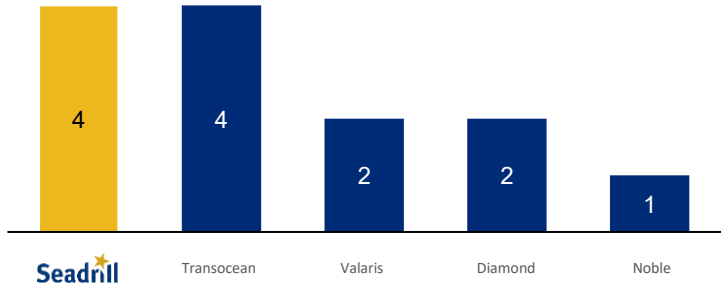
PETROBRAS
equinor

25%

Seadrill share of benign UDW rig years awarded since 2012

- ✓ Well-positioned for recontracting / extensions with Petrobras and IOCs
- ✓ Brazil expected to be at the forefront of rig demand
- ✓ Ability to leverage existing footprint for future growth

Number of rigs(1) per international driller



ANGOLA
Strong market footprint



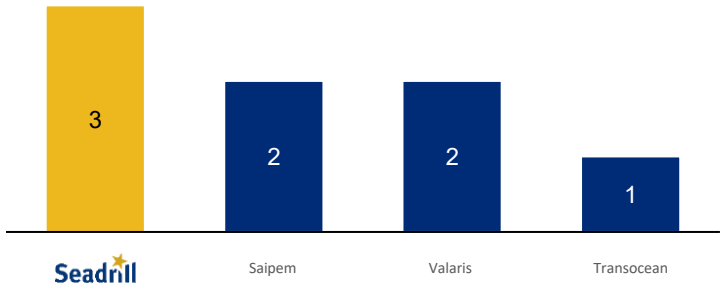
Sonangol
TotalEnergies
eni

26%

Seadrill share of benign UDW rig years awarded since 2012

- ✓ Significant presence
- ✓ Attractive strategic partnership with Sonangol
- ✓ Strong recontracting outlook

Number of rigs(1) per international driller



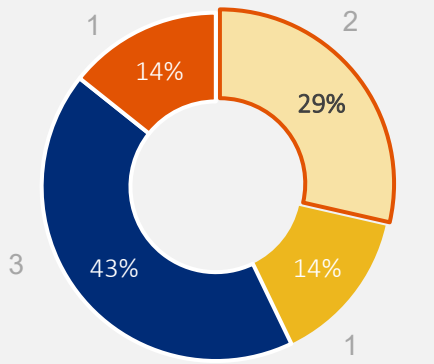
Potential to deploy additional UDW rigs across the Golden Triangle

Source: S&P Global Petrodata as of December 13, 2022, Company disclosures; (1) Contracted and future contracted rigs, including, with respect to Angola specifically, rigs that are operated by seadrill on behalf of the Sonadrill

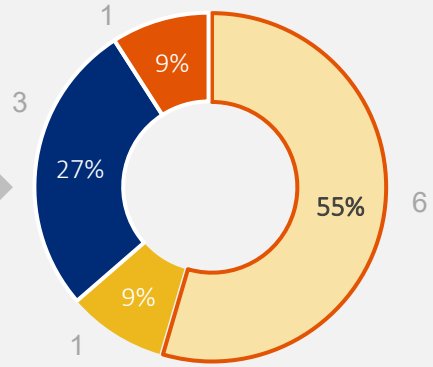
Significant cash flow generation potential with Aquadrill transaction

Additional floater capacity to be deployed

Seadrill Standalone Floater Fleet Breakdown[1]



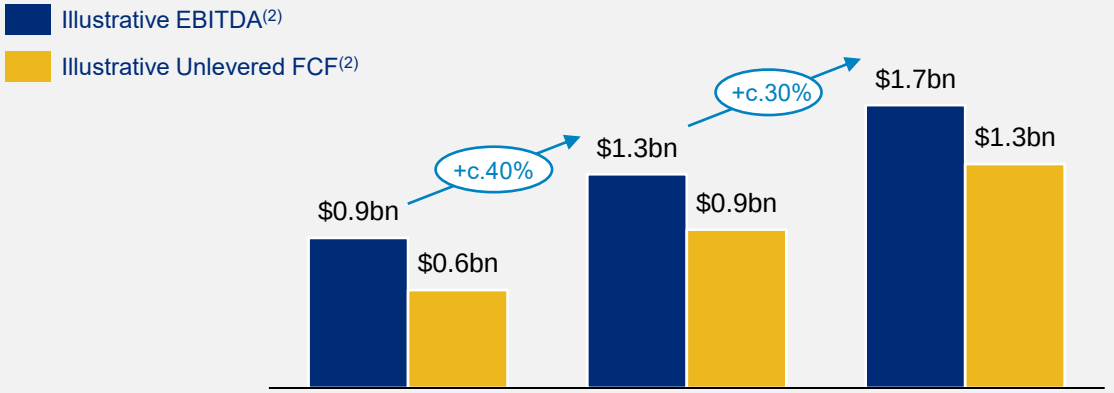
Combined Floater Fleet Breakdown[1]



- Active rigs with remaining firm contract length < 18 months
- 18 – 24 months
- 24 – 36 months
- Greater than 36 months

Ability to recontract in rising market given active fleet without lengthy and costly reactivations

Strong earnings potential in a market recovery



Illustrative scenario	A	B	C
Floaters	$400 k/d	$450 k/d	$500 k/d
Harsh Environment	$300 k/d	$350 k/d	$400 k/d
Jackups	$100 k/d	$125 k/d	$150 k/d
Tender Assist Units	$75 k/d	$85 k/d	$95 k/d
Fleet utilisation	80%	85%	90%

Significant EBITDA and unlevered FCF potential in an increasing dayrate scenario

Source: S&P Global Petrodata (underlying data); [1] Combined is Seadrill and Aquadrill pro forma floater fleet. Only active floaters considered; excludes harsh environment, managed rigs, jack-ups and tender assist units, and remaining contract length determined as of end December 2022; [2] This slide is not intended to reflect guidance, but rather illustrative scenarios. Operating cost and capex assumptions are in line with current assumptions for the fleet. Excludes managed rigs. We define FCF or free cash flow as operating cash flow less capital expenditures.

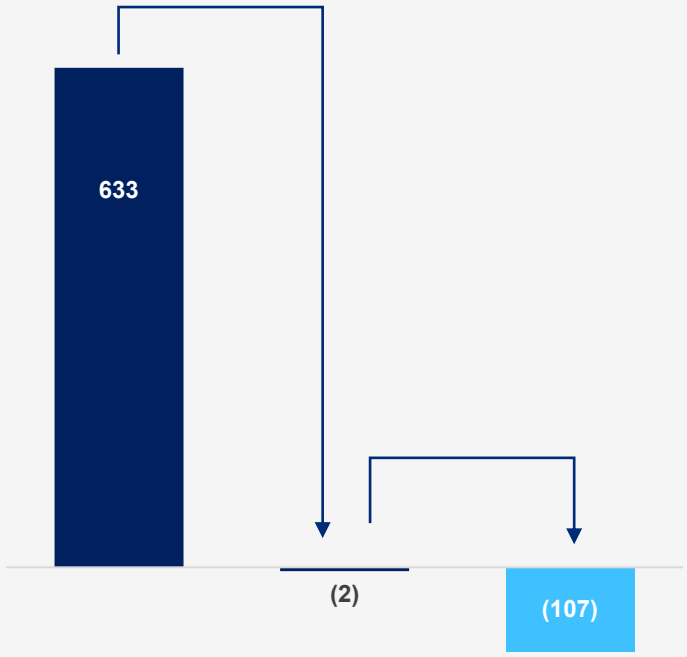
Enhanced liquidity and credit profile

Robust balance sheet, further strengthened by Aquadrill transaction

As of November 30, 2022. Unaudited figures, based on Management estimates

Evolution of adjusted net debt[1]

US$ millions



1. Transaction significantly accretive for credit and liquidity profile, earnings and cash flow metrics
2. Increases scale with significant free cash flow generation potential
3. Improves opportunities to refinance remaining debt and establish a more traditional capital structure
4. Provides the board of directors with greater flexibility to focus on shareholder returns

Transforming capital structure, well-placed to capitalize on prevailing opportunities

[1] Adjusted net debt/(cash) includes total debt, less both restricted and unrestricted cash; combined adj. net cash position pro forma Seadrill and Aquadrill as of November 30, 2022

Unique track record of creating value in an evolving industry



- Executed several strategic initiatives in 2022, providing a strong foundation in an improving market
- Continued to deliver operational excellence and place safety at the core of our strategy
- Well-positioned in key strategic basins, with the potential to deploy additional rigs across the Golden Triangle
- Transformed capital structure through accretive transactions, improving strategic flexibility