

Seadrill

Investor Presentation

September 2023

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 those regarding future guidance, including total revenue, Adjusted EBITDA, Total Adjusted EBITDA and capital expenditures and long-term maintenance, and statements about the Company'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 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 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 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 factors 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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Efforts to simplify and strengthen business drive shareholder value

Seadrill has transformed itself over the past 18+ months

SDRL LISTED NYSE

Broadened investor base and improved liquidity by listing on stock exchange



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



Initiated shareholder returns with $250MM share repurchase program

Seadrill achieves strength through scale

~$4B market cap[1] leading deepwater driller operates 18 rigs[2] clustered in three primary markets



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

1 Market capitalization as of September 1, 2023
2 Includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture, and excludes three jackup rigs held-for-sale

Sustained efforts to focus on deepwater make Seadrill more pure-play

SEP. 2022 — Saudi jackup sale
Began transforming fleet, selling seven jackup rigs for ~$700MM

APR. 2023 — Aquadrill acquisition
Enhanced scale and capacity, adding five floaters and near-term contracting opportunities

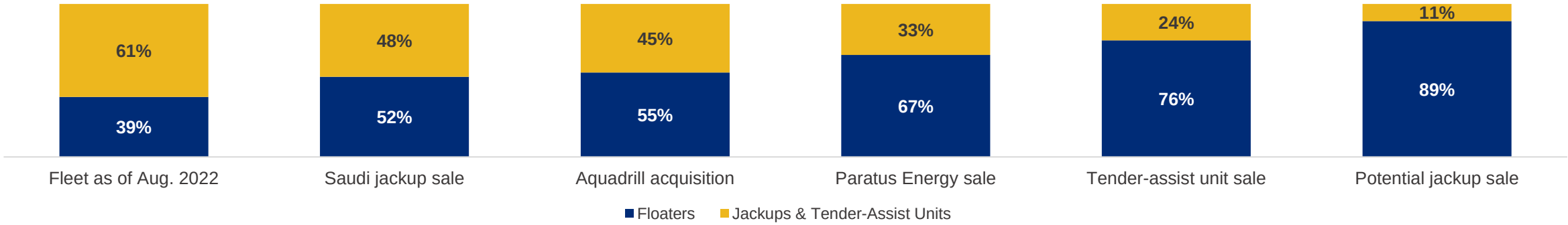
JAN. 2023 — Paratus Energy sale
Simplified business, exiting minority investment and terminating related rig management agreement

JUL. 2023 — Tender-assist unit sale
Divested non-core assets acquired with Aquadrill for $85MM proceeds

TBD — Potential jackup sale[1]
Announced plans to sell three jackup rigs in Qatar and related joint venture, effectively exiting market segment[2]

SDRL fleet transformation

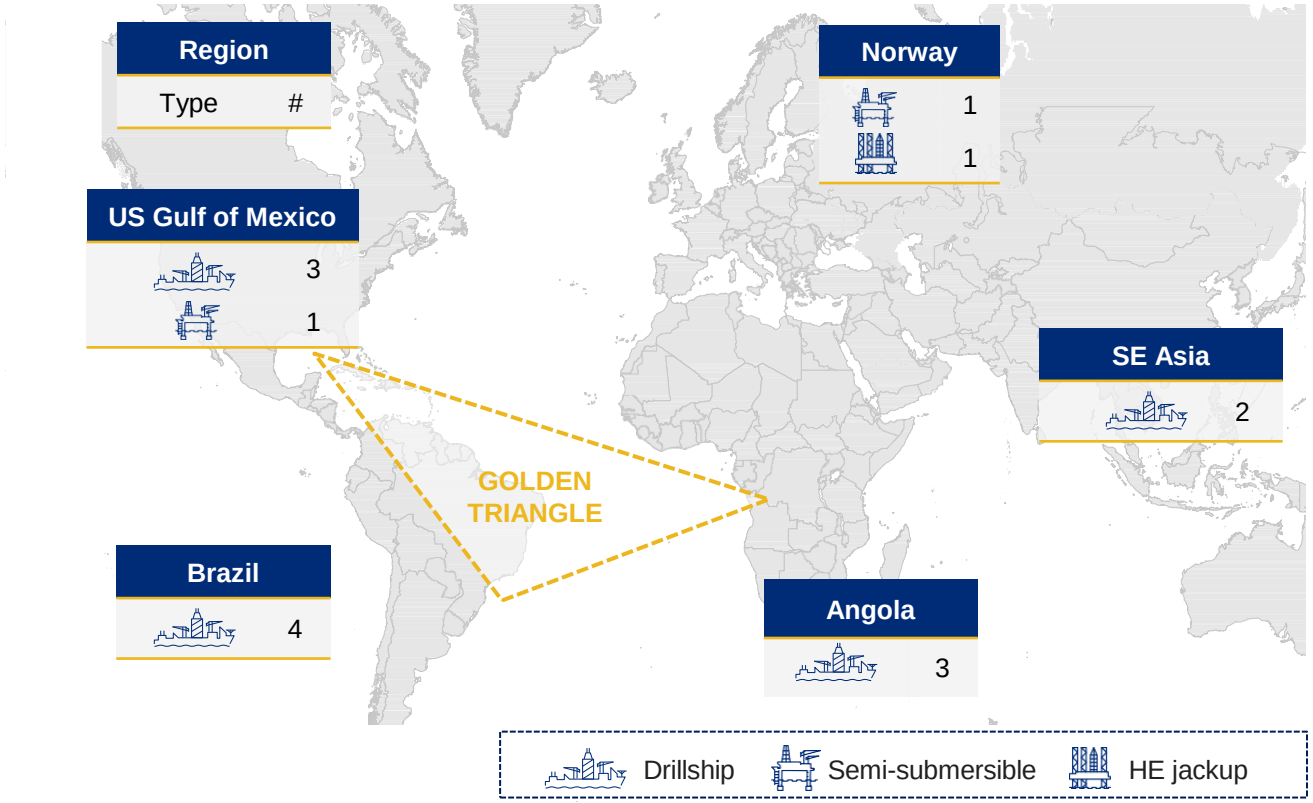
Composition by asset class[3]



1 SDRL announced potential sale on June 26, 2023; associated assets held-for-sale as of most recent reporting date
2 Post-sale, SDRL would have two remaining jackups (one contracted harsh environment unit, one benign environment unit stacked)
3 "Floaters" category includes benign and harsh environment floaters; includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture; and excludes two rigs redelivered to SFL Corporation Ltd. after Aug. 2022

Clustering rigs unlocks economies of scale that support contract flexibility, operational efficiency, and employment stability

Active rig fleet by region[1]



$2.4B order backlog as of August 15, 2023



$1.7B
Golden Triangle



$0.5B
Norway



$0.3B
Rest of World



$0.4B
US Gulf of Mexico



$0.9B
Brazil



$0.4B
Angola

1 Excludes three stacked rigs and three jackup rigs held-for-sale; includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture

Local scale creates leading positions in key operating markets, positioning Seadrill well to secure quality contracts

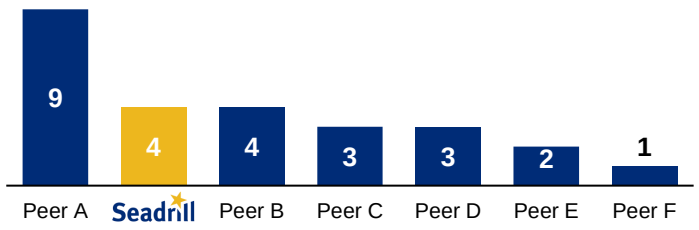
US Gulf of Mexico



LLOG exploration · TALOS ENERGY · BEACON OFFSHORE ENERGY · bp

- Long-standing relationships with local operators
- Near-term exposure to rising rate environment

Active rig count by international drilling contractor



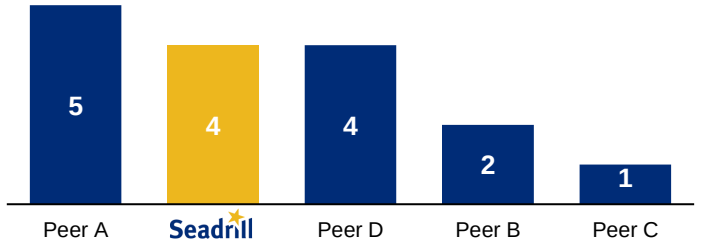
Brazil



PETROBRAS · equinor

- Legacy contracts with leading operators
- Well-positioned to capitalize on longer-term demand
- Large international contractor, heavily localized

Active rig count by international drilling contractor



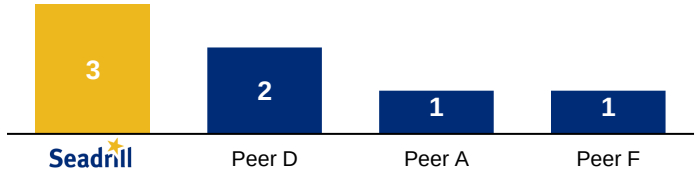
Angola



TotalEnergies · Sonangol

- Strategic partnership with national oil company
- Strong contracting outlook in key deepwater basin
- Market-leading contractor, nationalized labor force

Active rig count by international drilling contractor[1]



1 SDRL Angola count includes two rigs owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture
Source: S&P Global Petrodata

Fleet refinement | Market selection | **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



Customers desire well-resourced, resilient contractors like Seadrill

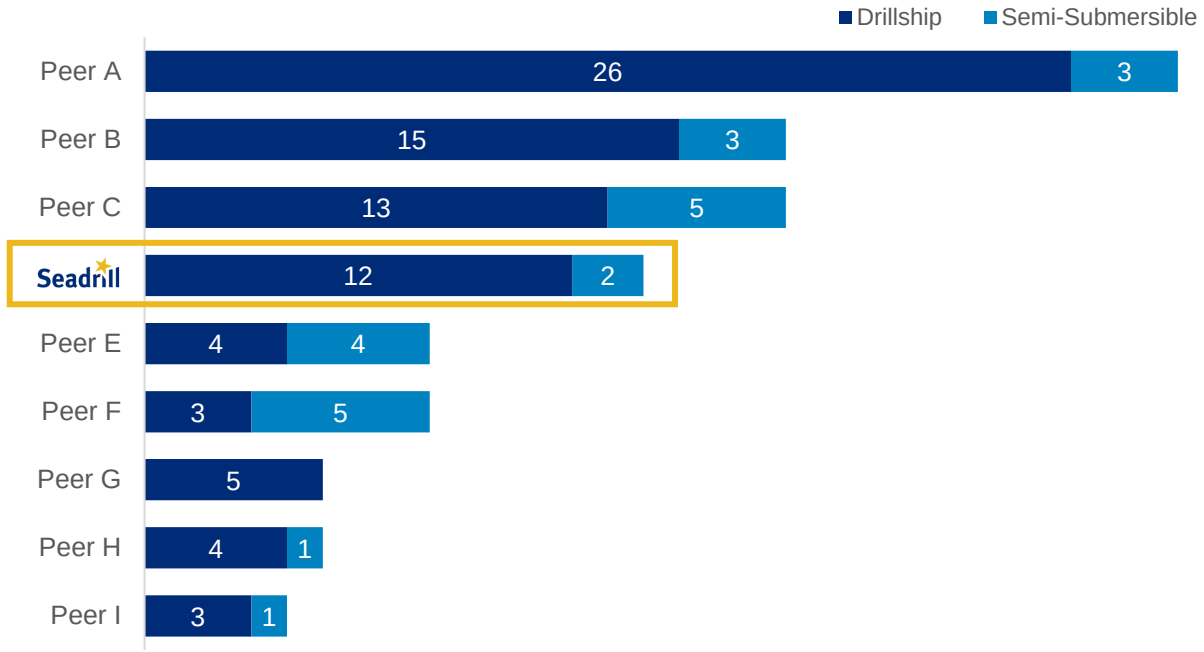
Floater market remains fragmented outside of leading players

Floater market by drilling contractor

132 units globally[1]

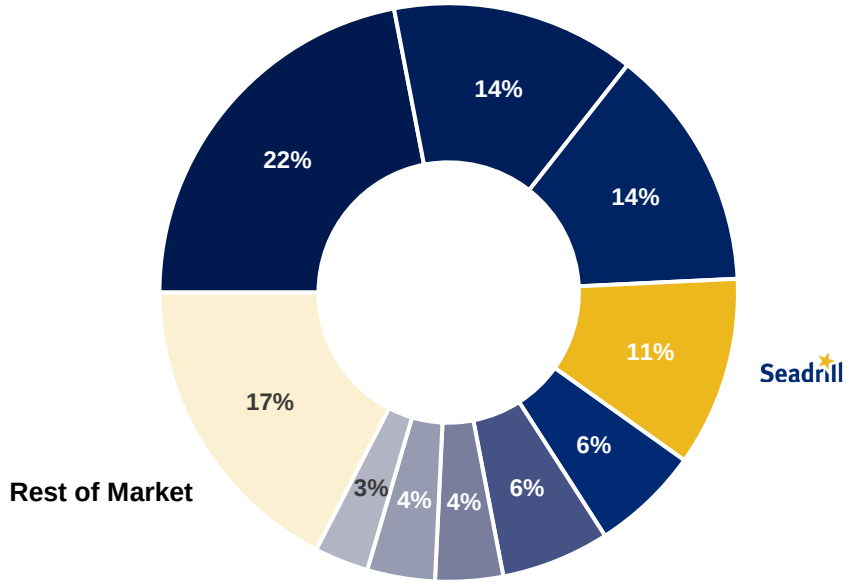
Largest Floater Contractors

Excludes harsh environment



Global Floater Market Share

Excludes harsh environment



Rest of Market includes 18 contractors with 23 floaters

1 Floater count excludes rigs under construction, except for those already contracted or expected to work in international markets, and rigs located in Azerbaijan, China, Iran, Russia, and Turkey.
Source: S&P Global Petrodata

Upcoming contracting activities are opportunities to create value

As rig contracts end, Seadrill intends to:

1 Reprice
at market-leading rates

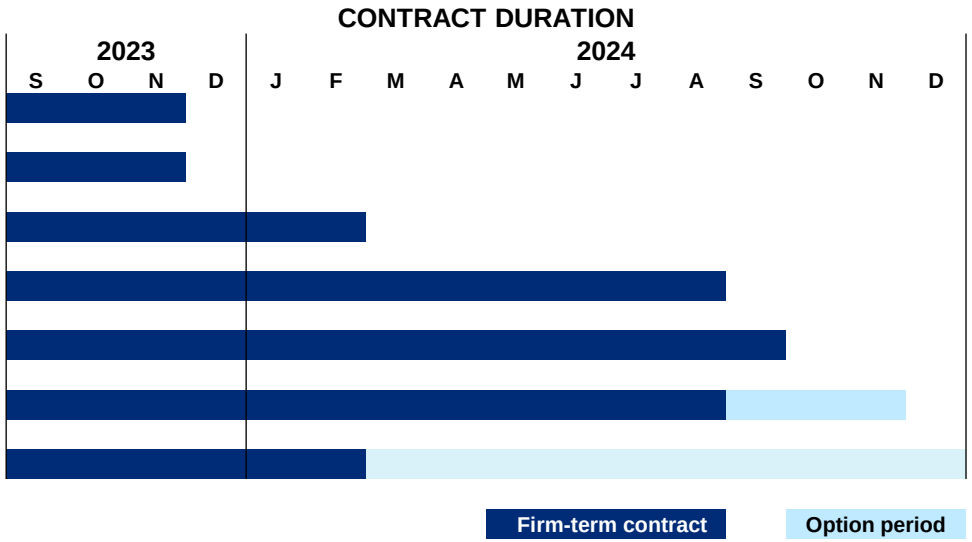
2 Relocate
to right regions

3 Reintegrate
rigs managed by third-parties[1]

Excerpt from August 15 Fleet Status Report

Active floaters with contract expirations before year-end 2024

RIG	SPEC[2]	REGION
W. Polaris[1]	6G, DD	India
Sevan Louisiana	6G, SD	US GOM
W. Auriga[1]	7G, DD, Dual BOP, MPD	US GOM
W. Phoenix	6G, DD, CML	Norway
W. Neptune	7G, DD, Dual BOP	US GOM
W. Capella[1]	6G, DD, MPD	Indonesia
W. Vela[1]	7G, DD, Dual BOP, MPD	US GOM



2024 includes three emerging headwinds: idle time, high-single digit inflationary pressures, heavy maintenance requirements

1 Acquired through Aquadrill, these are SDRL-owned rigs managed by third-party drilling contractors
2 DD: Dual Derrick, SD: Single Derrick, BOP: Blowout Preventer, MPD: Managed Pressure Drilling, CML: Controlled Mud Level

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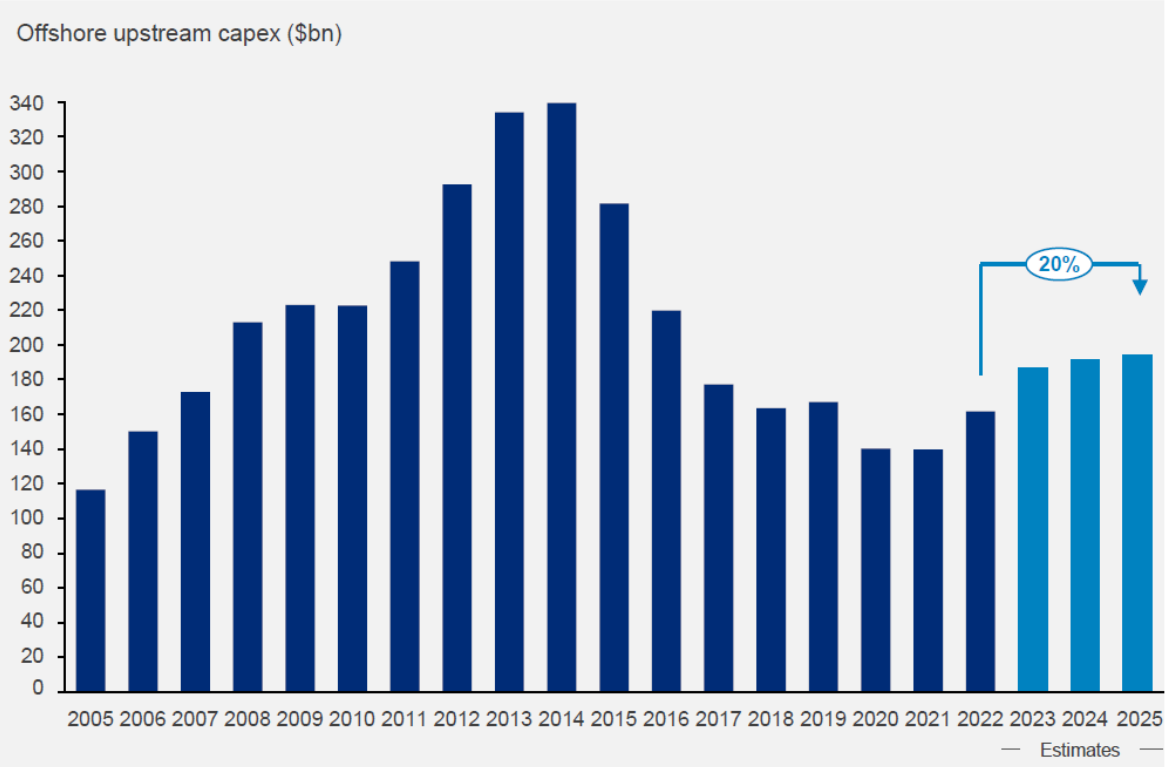
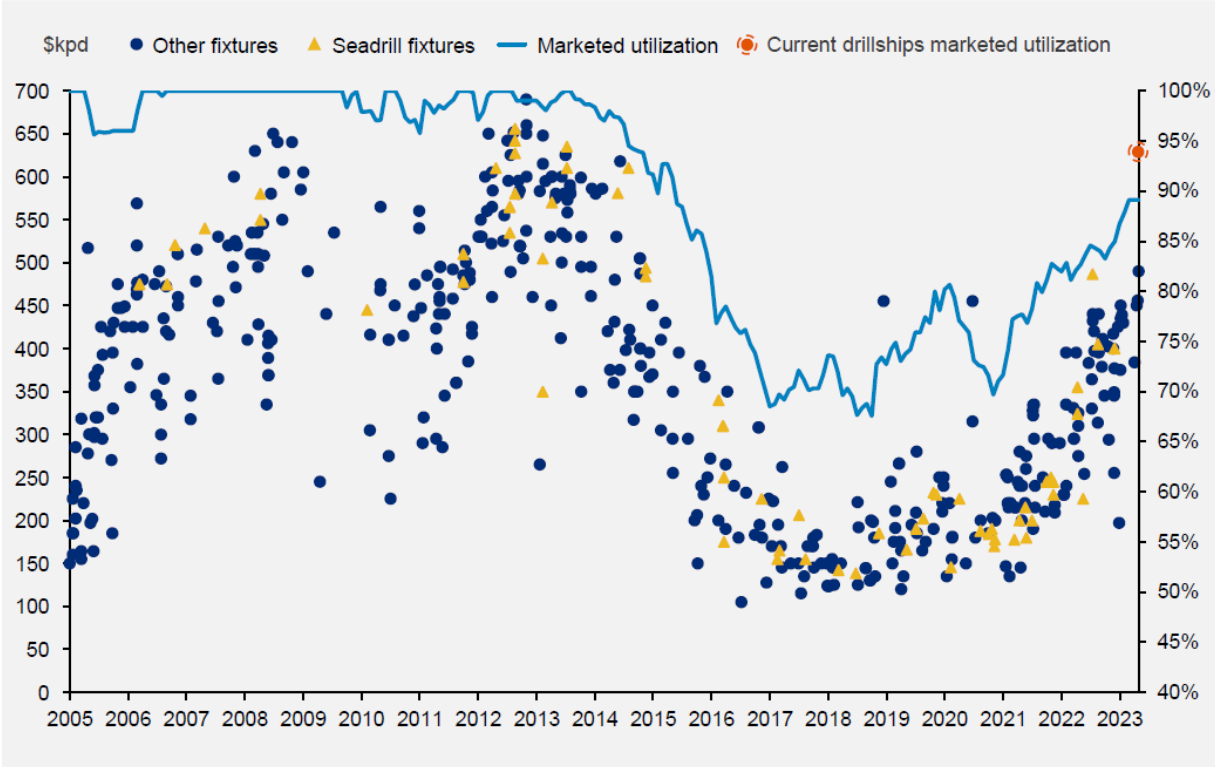
Market fundamentals remain constructive for long-term outlook

Demand continues to accelerate in a tightening market

E&P spending expected to be buoyant



Benign ultra-deepwater fixtures reflect tightening market dynamics[1]



Source: DNB Markets, Rystad Energy, S&P Global Petrodata
1 Benign UDWs defined as rigs with water depth ≥ 7,500ft and non-harsh market category in S&P Global Petrodata

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Seadrill achieves strength through scale

Fleet refinement, market selection, capital discipline

Customers desire well-resourced, resilient contractors like Seadrill

Floater market remains fragmented outside of leading players

Upcoming contracting activities are opportunities to create value

Reprice, relocate, reintegrate

2024 includes three emerging headwinds

Idle time, maintenance requirements, inflationary pressures

Market fundamentals remain constructive for long-term outlook

Demand continues to accelerate in a tightening market


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APPENDIX A: 2Q23 FINANCIAL SNAPSHOT

Income statement highlights

	2Q23	1Q23	%
Figures in USD Million, unless otherwise indicated			
Total operating revenue	414	266	56
Contract revenues	329	189	77
Total adjusted EBITDA[1]	159	85	87
Total adjusted EBITDA margin (%)[1]	38.4	32.0	6.4

Balance sheet highlights

	Jun 30, 2023	Mar 31, 2023
Figures in USD Million, unless otherwise indicated		
Cash and cash equivalents	412	376
Restricted cash	127	115
Other current assets	645	304
Non-current assets	2,853	1,816
Total assets	**4,037**	**2,611**
Other current liabilities	354	328
Non-current liabilities	604	538
Equity	3,709	1,745
Total liabilities and equity	**4,037**	**2,611**



1 Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures. For a definition and a reconciliation to the most comparable GAAP measure, see our press release made on August 15, 2023, in respect of our 2Q23 earnings.

APPENDIX B: FY23 GUIDANCE

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

Adjusted EBITDA
$435-485m

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



Footnote: Full year 2023 guidance unchanged from May 23, 2023 (published as part of our 1Q23 earnings).

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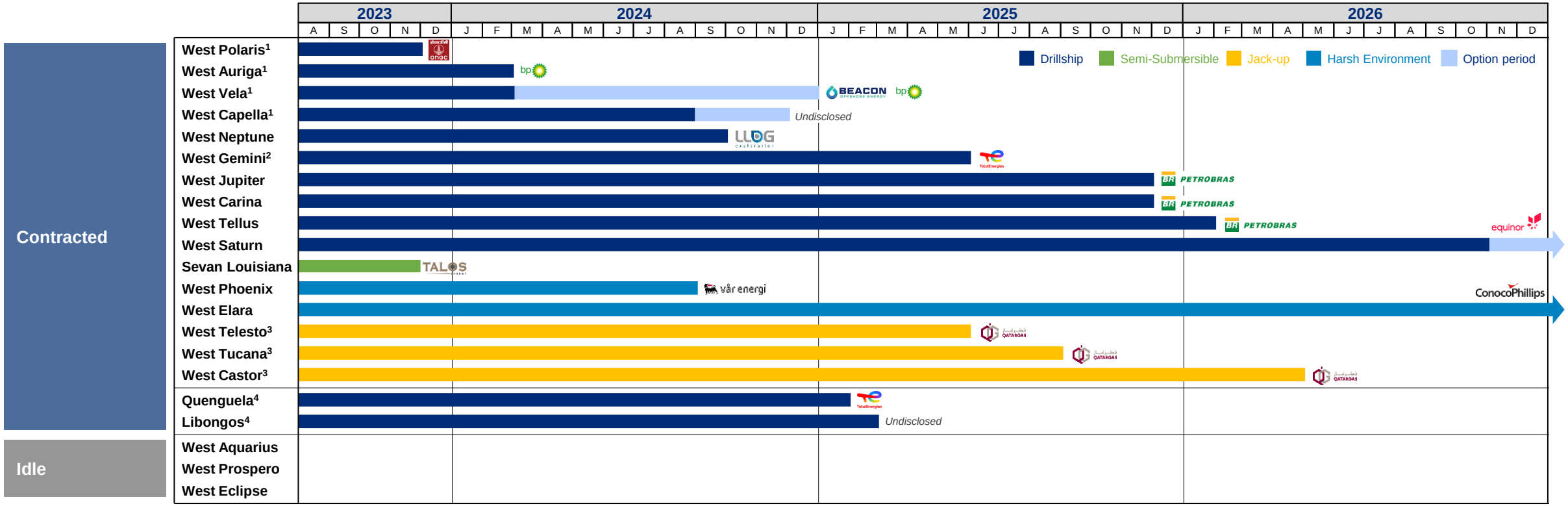
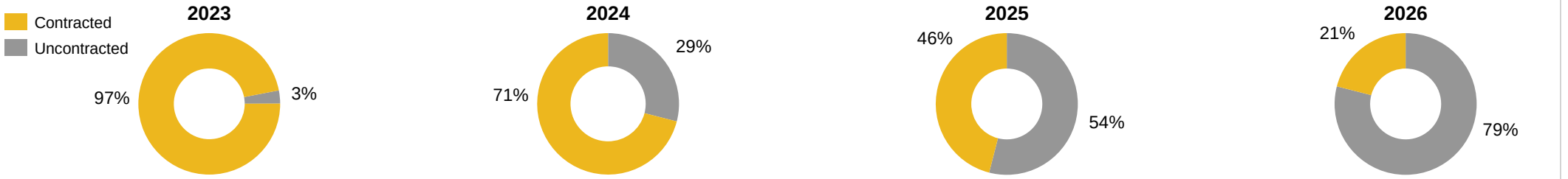
APPENDIX C: CONTRACT COVERAGE, AUGUST 15, 2023 FLEET STATUS REPORT



Utilization Status[5] in 2023-2026



1 Owned by SDRL, acquired through Aquadrill acquisition, managed by third-party drilling contractors
2 Owned by SDRL, managed by SDRL through 50:50 Sonadrill joint venture
3 Owned by SDRL, managed by Gulf Drilling International through 50:50 Gulfdrill joint venture; held-for-sale as of most recent reporting date
4 Owned by Sonangol, managed by SDRL through 50:50 Sonadrill joint venture
5 Utilization reflects SDRL-owned rigs firm term contracts (including rigs managed by third-party drilling contractors) and excludes stacked, or idle, rigs; 2023 is only based on the remaining days from August 15, 2023; utilization is calculated as the total number of days a rig is under contract, expressed as a percentage of the total remaining days in each year respectively

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