



NEWS RELEASE

SDRL - Seadrill Announces Expiry of Forbearance Agreements

12/14/2020

Hamilton, Bermuda, 14 December 2020 – Reference is made to the announcements by Seadrill Limited ("Seadrill" or the "Company") (OSE:SDRL, OTCQX:SDRLF) on 20 November 2020 regarding forbearance agreements entered into by the Company with certain creditors in respect of the group's senior secured credit facility agreements and leasing arrangements.

The term of the forbearance agreements expired on 14 December 2020, and, accordingly, the creditors with whom forbearance agreements were entered into are no longer prevented from taking actions in respect of events of default that may arise under the senior secured credit facility agreements and leasing arrangements as a result of the group not making interest and charter hire payments under the group's senior secured credit agreements and leasing arrangements.

The Company continues to maintain its readiness to carry out a comprehensive restructuring of its balance sheet. Such a restructuring may involve the use of a court-supervised process. The Company continues to engage in constructive discussions with its financial stakeholders in relation to potential further forbearances and the heads of terms of a comprehensive restructuring of its balance sheet; whilst no agreement has been reached at this point it is expected that potential solutions will lead to significant equitization of debt which is likely to result in minimal or no recovery for current shareholders.

FORWARD LOOKING STATEMENTS

This news release includes forward looking statements. Such statements are generally not historical in nature, and specifically include statements about the Company's plans, strategies, business prospects, changes and trends in its business, the markets in which it operates and its restructuring efforts. These statements are made based upon 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 news release. Consequently, no forward-looking statement can be guaranteed. When considering these forward-looking statements, you should keep in mind the risks described from time to time in the Company's regulatory filings and periodical reporting. 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 the Company 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 information is subject of the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.