



NEWS RELEASE

Seadrill Limited (SDRL) - Second Quarter 2022

8/31/2022

Hamilton, Bermuda, August 31, 2022 - Seadrill Limited ("Seadrill" or "the Company") (XOAS: SDRL), a leader in offshore drilling, provides financial results for the three months ended June 30, 2022.

2Q 2022 Highlights

- Strong operational performance in 2Q 2022, resulting in 98% technical utilization.
- Total operating revenues of \$284 million, operating profit of \$25 million and adjusted EBITDA^[1] of \$75 million, representing 26.4% EBITDA margin.
- Cash and cash equivalents of \$468 million as at June 30, 2022 of which \$336 million was unrestricted cash.
- During the period Seadrill added \$940 million of Order Backlog^[2], including new three-year firm term contracts for jackups West Ariel, West Cressida and West Leda, and three year extensions for AOD I, AOD III and West Callisto, bringing Order Backlog to \$3.1 billion as at June 30, 2022.

Subsequent Events

- Seadrill received a non-binding proposal for the acquisition of the legal entities that own and operate seven jackup rigs (AOD I, AOD II, AOD III, West Callisto, West Ariel, West Cressida and West Leda) in the Kingdom of Saudi Arabia.
- The West Gemini contract was novated into the Sonadrill Joint Venture on July 1, 2022.
- The West Neptune secured a six month firm term extension, with a further six month optional period, with

LLOG Exploration Offshore, L.L.C in US Gulf of Mexico. Total contract value for the firm-term is approximately \$73 million, with an additional \$78 million for the optional period.

Financial Highlights				
Figures in USD million, unless otherwise indicated	Successor 2Q22	Combined* 1Q22	Change*	
Total Operating Revenues	284	293	(3)	%
Adjusted EBITDA1	75	78	(4)	%
Adjusted EBITDA Margin (%)1	26.4	26.6	(1)	%
Operating Profit	25	42	(40)	%

* Combined non-GAAP results for successor and predecessor period from January 1, 2022 to March 31, 2022. Refer to appendix II for more details.

Simon Johnson, CEO, commented:

"Seadrill has maintained its strong 2022 performance into this quarter, evidenced by an impressive technical utilization across the fleet, which is driven by our safe and successful operational delivery. Seadrill's customers are the best in the oil and gas sector and we're proud to partner with them in the world's leading basins.

We have continued to deliver a strong operational performance whilst undergoing several significant rig reactivation projects. We are in a strong position to carry on creating value for our stakeholders and to take a leading role in the necessary and ongoing realignment within the market. The rig market continues to show strong signs of recovery, with utilization across asset classes and geographies all trending in the right direction."

Forward-Looking Statements

This news release 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 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 news release. 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, 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, our ability to maintain relationships with suppliers, customers, employees and other third parties and our ability to maintain adequate financing to support our business plans following emergence from the Chapter 11 proceedings, our ability to successfully complete any acquisitions, divestitures and mergers, factors related to the offshore drilling market, our liquidity and the adequacy of cash flows for our obligations, our ability to satisfy the continued listing requirements of the Euronext Expand market of the Oslo Stock Exchange, or other exchange where our common stock may be listed, or to cure any continued listing standard deficiency with respect thereto, political and other uncertainties, including those related to the conflict in Ukraine, 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. 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, 2021, filed with the SEC on April 29, 2022 (File No. 001-39327) 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.

August 31, 2022

The Board of Directors

Seadrill Limited

Hamilton, Bermuda

[1] Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a definition of each such measure and a reconciliation to the most comparable GAAP financial measure, please see the Appendices.

[2] For a description of Order Backlog, please see "Commercial Review".