



Valaris Receives Court Approval of Chapter 11 Plan of Reorganization

Plan to Deleverage Balance Sheet by Over \$6.5 Billion and Provide \$520 Million Capital Injection

London, March 3, 2021 ... Valaris plc (OTC: VALPQ) (“Valaris” or the “Company”) today announced that it has received approval from the United States Bankruptcy Court for the Southern District of Texas of its prearranged Plan of Reorganization (the “Plan”). In addition to Bankruptcy Court confirmation, the Plan received support from approximately 80% of the Company’s unsecured notes (“Noteholders”) and bank lenders representing 100% of the Company’s credit facility claims. In addition, approximately 81% of the Company’s voting shareholders voted to accept the Plan.

“I am pleased that we have received strong support for the Company’s amended plan. This is an important milestone, as it clears the path for Valaris to emerge from chapter 11 early in the second quarter. The overwhelming support from our noteholders and bank lenders shows their confidence in our go-forward strategy and strength as a company,” said Tom Burke, President and Chief Executive Officer of Valaris. “This achievement would not have been possible without the continued dedication and loyalty from our employees, customers, vendors and other partners. We look forward to emerging swiftly with our strengthened capital structure which, combined with our high-quality rig fleet and personnel, positions the company well in a still challenging offshore drilling market.”

Upon emergence and implementation of the Plan, Valaris will eliminate \$7.1 billion of existing debt. Valaris will receive a \$520 million capital injection through the issuance of a \$550 million secured note maturing in 2028. The note includes the option of an 8.25% cash coupon, 10.25% half cash, half paid-in-kind coupon or 12% paid-in-kind coupon, all at the Company’s election.

Valaris has also reached an agreement with Daewoo Shipbuilding & Marine Engineering Co., Ltd. to amend its two newbuild drillship contracts to extend each delivery date to December 31, 2023, while giving the company the option to take delivery early or terminate the contracts on a non-recourse basis. Final payments for the VALARIS DS-13 and VALARIS DS-14 are estimated to be approximately \$119 million and \$218 million, respectively.

Additional Information

Court filings and additional information related to the Court-supervised proceedings are available at a website administered by the Company's claims agent, Stretto, <http://cases.stretto.com/Valaris>. Questions should be directed to our dedicated restructuring hotline 855-348-2032 (Toll-Free) or +1 949-266-6309 (International).

Kirkland & Ellis LLP and Slaughter and May are serving as legal advisors to Valaris in connection with the restructuring. Lazard Ltd. is serving as Valaris’ financial advisor and Alvarez & Marsal North America LLC as its restructuring advisor. Kramer Levin Naftalis & Frankel LLP and Akin Gump Strauss Hauer & Feld LLP are serving as legal advisors to the consenting Noteholders, and Houlihan Lokey Inc. is serving as financial advisor. Shearman & Sterling LLP is serving as legal advisors to the RCF Administrative Agent, and Perella Weinberg Partners LP is serving as financial advisor.

About Valaris plc

Valaris plc (OTC: VALPQ) is the industry leader in offshore drilling services across all water depths and geographies. Operating a high-quality rig fleet of ultra-deepwater drillships, versatile semisubmersibles and modern shallow-water jackups, Valaris has experience operating in nearly every major offshore basin. Valaris maintains an unwavering commitment to safety, operational excellence, and customer satisfaction, with a focus on technology and innovation. Valaris plc is an English limited company (England No. 7023598). To learn more, visit our website at www.valaris.com.

Cautionary Statements

Statements contained in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include words or phrases such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “project,” “could,” “may,” “might,” “should,” “will” and similar words. Such statements are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including the Company’s ability to obtain Bankruptcy Court approval with respect to motions or other requests made to the Bankruptcy Court, the ability of the Company to consummate the Plan, the effects of the Chapter 11 Cases on the Company’s liquidity or results of operations or business prospects; the effects of the Chapter 11 Cases on the Company’s business and the interests of various constituents, the length of time that the Company will operate under Chapter 11 protection, risks associated with third-party motions in the Chapter 11 Cases, the Company’s debt levels, liquidity and ability to access financing sources, debt restrictions that may limit our liquidity and flexibility, the COVID-19 outbreak and global pandemic, the related public health measures implemented by governments worldwide, which may, among other things, impact our ability to staff rigs and rotate crews, the decline in oil prices during 2020 caused in part by the COVID-19 pandemic and the decisions by certain oil producers to reduce export prices and increase oil production, cancellation, suspension, renegotiation or termination of drilling contracts and programs. In particular, the unprecedented nature of the current economic downturn, pandemic, and industry decline may make it particularly difficult to identify risks or predict the degree to which identified risks will impact the Company’s business and financial condition. In addition to the numerous factors described above, you should also carefully read and consider “Item 1A. Risk Factors” in Part I and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II of our most recent annual report on Form 10-K, as updated in our subsequent quarterly reports on Form 10-Q, which are available on the Securities and Exchange Commission’s website at www.sec.gov or on the Investor Relations section of our website at www.valaris.com. Each forward-looking statement speaks only as of the date of the particular statement and we undertake no obligation to update or revise any forward-looking statements, except as required by law.

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