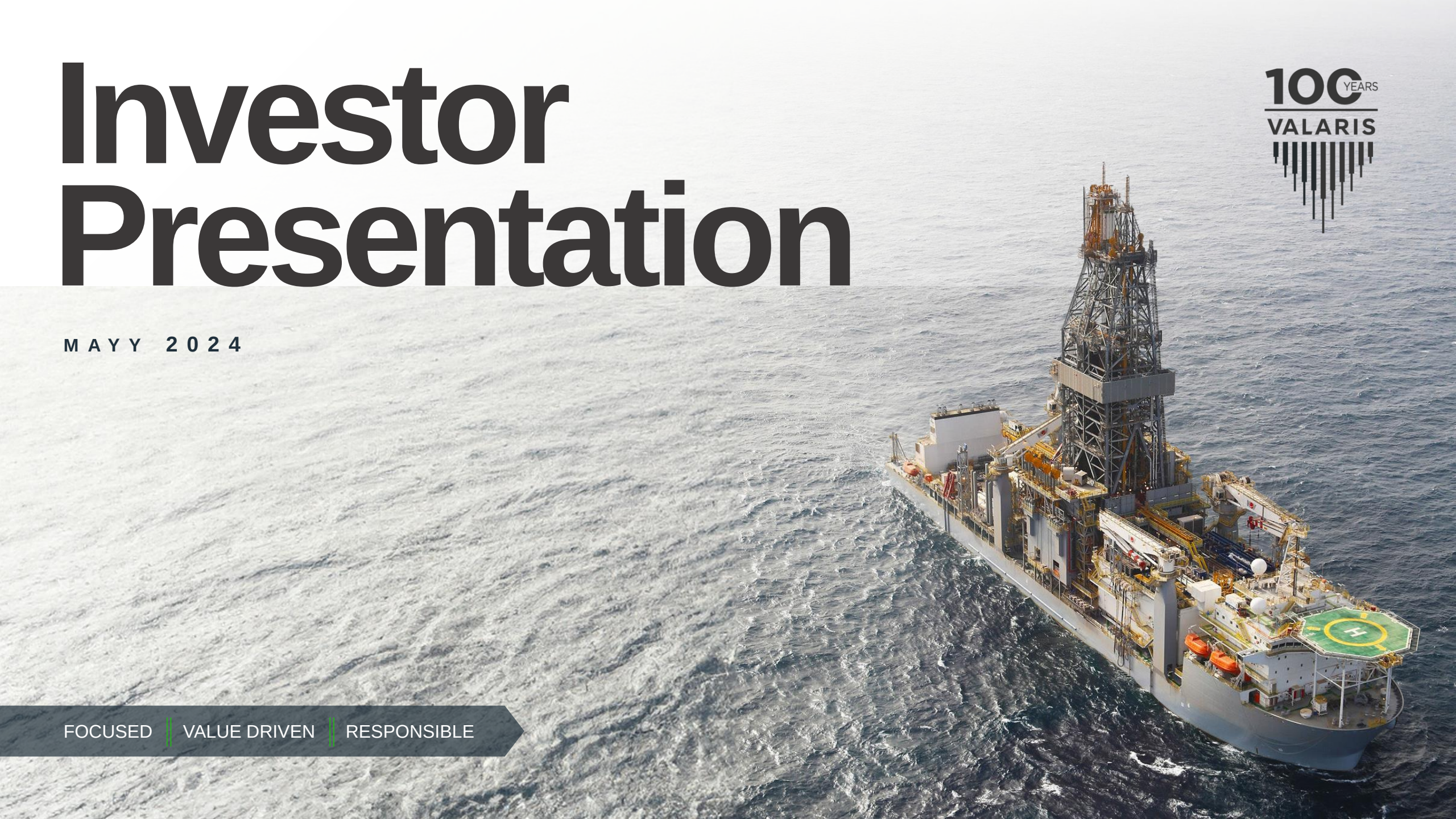
Investor Presentation

MAYY 2024



FOCUSED | VALUE DRIVEN | RESPONSIBLE

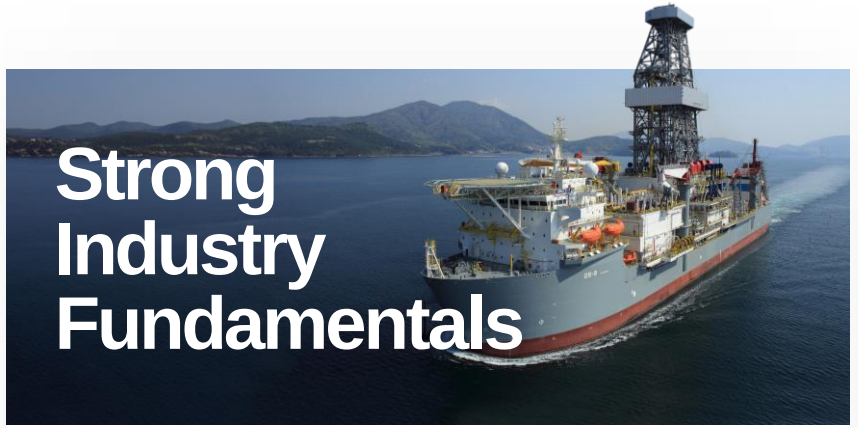
Forward-Looking Statements

Statements contained in this investor presentation 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," "likely," "plan," "project," "could," "may," "might," "should," "will" and similar words and specifically include statements regarding expected financial performance; expected utilization, day rates, revenues, operating expenses, cash flows, contract status, terms and duration, contract backlog, capital expenditures, insurance, financing and funding; the offshore drilling market, including supply and demand, customer drilling programs and the attainment of requisite permits for such programs, stacking of rigs, effects of new rigs on the market and effect of the volatility of commodity prices; expected work commitments, awards, contracts and letters of intent; scheduled delivery dates for rigs; performance of our joint ventures, including our joint venture with Saudi Aramco; timing of the delivery of the Saudi Aramco Rowan Offshore Drilling Company ("ARO") newbuild rigs and the timing of additional ARO newbuild orders; the availability, delivery, mobilization, contract commencement, availability, relocation or other movement of rigs and the timing thereof; rig reactivations; suitability of rigs for future contracts; divestitures of assets; general economic, market, business and industry conditions, including inflation and recessions, trends and outlook; general political conditions, including political tensions, conflicts and war; cybersecurity attacks and threats; impacts and effects of public health crises, pandemics and epidemics; ability to renew expiring contracts or obtain new contracts, including for VALARIS DS-13 and DS-14; future operations; increasing regulatory complexity; targets, progress, plans and goals related to sustainability matters; the outcome of tax disputes; assessments and settlements; and expense management. The forward-looking statements contained in this investor presentation are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including cancellation, suspension, renegotiation or termination of drilling contracts and programs; our ability to obtain financing, service our debt, fund capital expenditures and pursue other business opportunities; adequacy of sources of liquidity for us and our customers; future share repurchases; actions by regulatory authorities, or other third parties; actions by our security holders; internal control risk; commodity price fluctuations and volatility, customer demand, loss of a significant customer or customer contract, downtime and other risks associated with offshore rig operations; adverse weather, including hurricanes; changes in worldwide rig supply, including as a result of reactivations and newbuilds; and demand, competition and technology; supply chain and logistics challenges; consumer preferences for alternative fuels and forecasts or expectations regarding the global energy transition; increased scrutiny of our sustainability targets, initiatives and reporting and our ability to achieve such targets or initiatives; changes in customer strategy; future levels of offshore drilling activity; governmental action, civil unrest and political and economic uncertainties, including recessions, volatility affecting the banking system and financial markets, inflation and adverse changes in the level of international trade activity; terrorism, piracy and military action; risks inherent to shipyard rig reactivation, upgrade, repair, maintenance or enhancement; our ability to enter into, and the terms of, future drilling contracts; suitability of rigs for future contracts; the cancellation of letters of intent or letters of award or any failure to execute definitive contracts following announcements of letters of intent, letters of award or other expected work commitments; the outcome of litigation, legal proceedings, investigations or other claims or contract disputes; governmental regulatory, legislative and permitting requirements affecting drilling operations; our ability to attract and retain skilled personnel on commercially reasonable terms; environmental or other liabilities, risks or losses; compliance with our debt agreements and debt restrictions that may limit our liquidity and flexibility; cybersecurity risks and threats; and changes in foreign currency exchange rates. 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, which is 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.

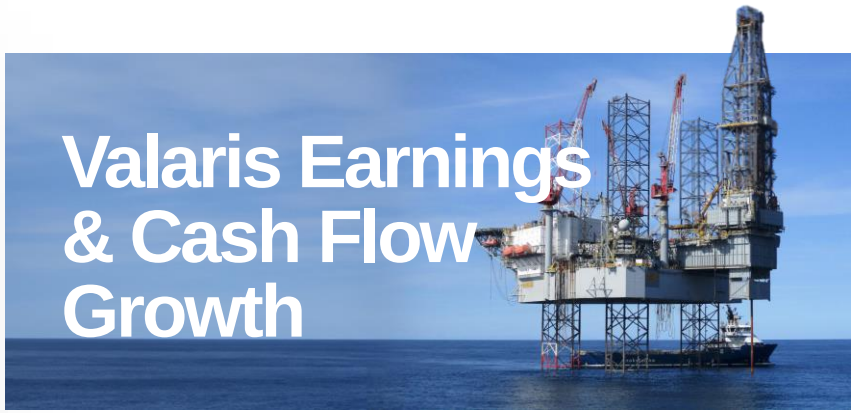
Valaris is well positioned to deliver meaningful value to shareholders



- Largest and highest specification fleet in the industry
- Presence and scale in key offshore basins, with deep customer relationships
- Strong balance sheet provides capital allocation flexibility



- Commodity supply and demand is highly constructive for our industry
- Offshore capex and demand for offshore drilling are expected to continue to increase
- Constrained rig supply dynamics are supportive of a sustained industry upcycle



- Significant growth in earnings and cash flow expected over the next few years
- Attractive investments in our fleet in near-term expected to generate meaningful returns
- Intend to return all future free cash flow to shareholders, unless there is a better or more value accretive use for it

Leading Offshore Driller



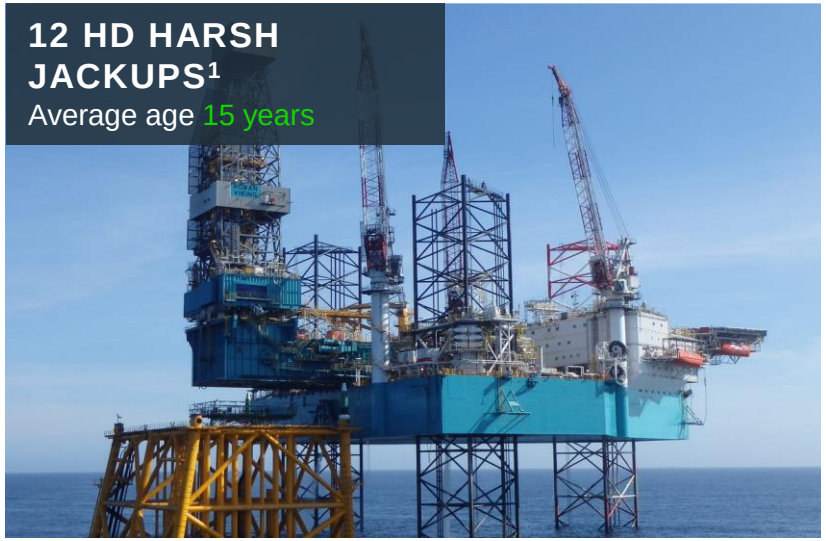
Largest fleet of modern offshore drilling rigs in the industry



13 DRILLSHIPS
Average age 8 years



5 SEMISUBMERSIBLES
Average age 12 years



12 HD HARSH JACKUPS[1]
Average age 15 years



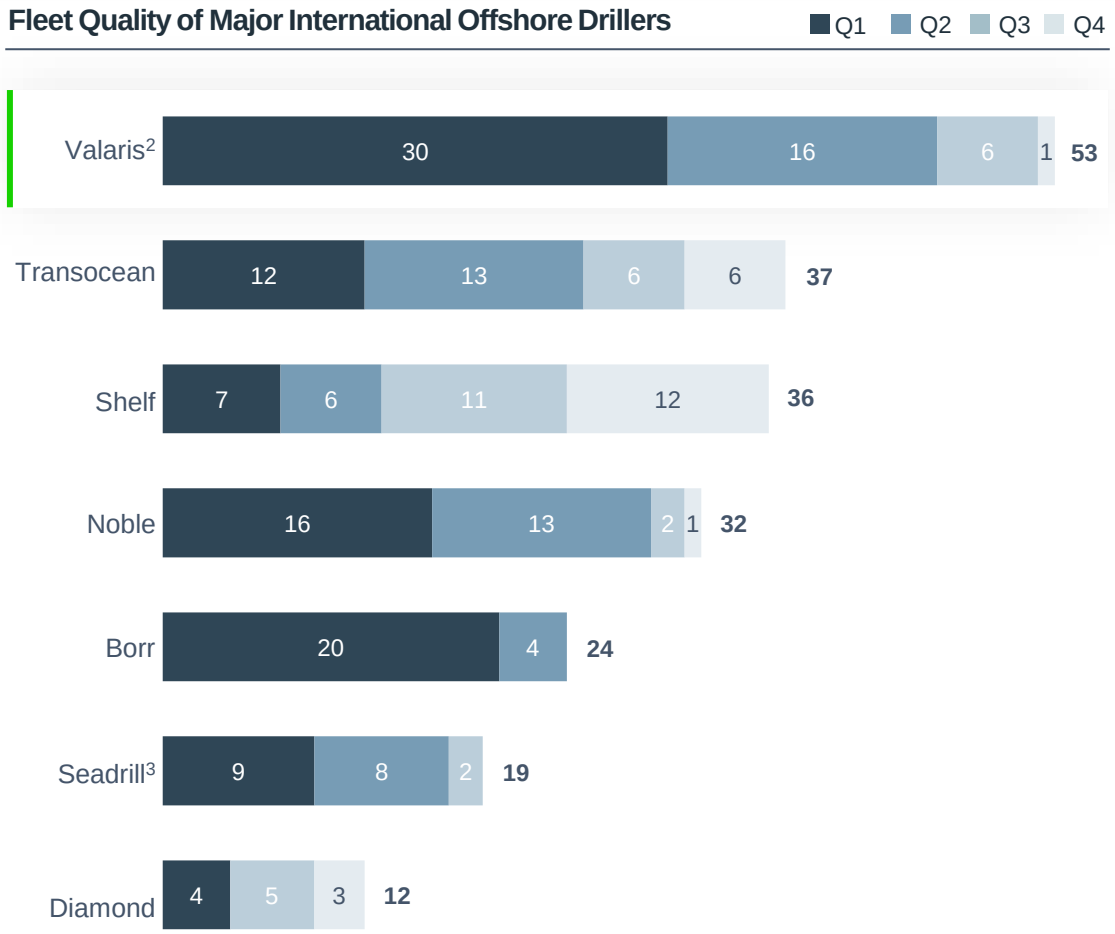
21 HD & SD MODERN JACKUPS[1]
Average age 14 years

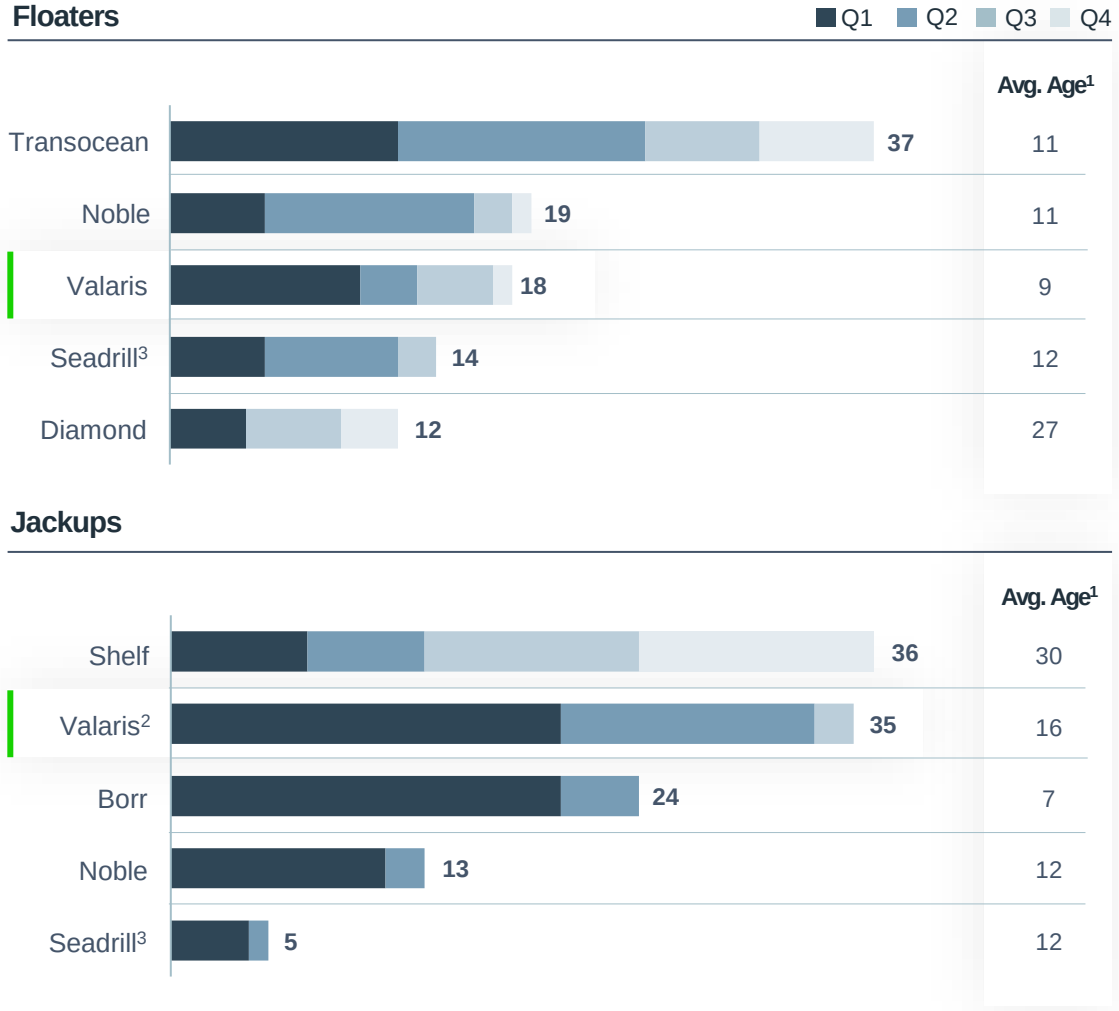


2 SD LEGACY JACKUPS[1]
Average age 42 years

1 HD = Heavy Duty; SD = Standard Duty. Heavy duty jackups are well-suited for operations in tropical revolving storm areas

Largest fleet of high-specification assets





Source: S&P Global Petrodata as of April 2024; Rystad Energy. Rigs ranked into quartiles using Rystad Rig Score (Q1 = top quartile). Floaters and jackups ranked separately.
1 Average age includes delivered rigs only; 2 Includes ten jackup rigs leased to ARO Drilling (current and future lease contracts); 3 Includes rigs owned by Seadrill Ltd

Strong customer relationships with major IOCs, NOCs and independents

Majors[1]

	Floaters	Jackups	Locations
bp	✓	✓	Brazil, Mediterranean, Southeast Asia, Trinidad
Chevron	✓		U.S. GOM
eni	✓	✓	Australia, Mexico, North Sea
Exxon	✓	✓	Australia, West Africa
Shell	✓	✓	North Sea, Southeast Asia, West Africa
TotalEnergies	✓	✓	Brazil, North Sea

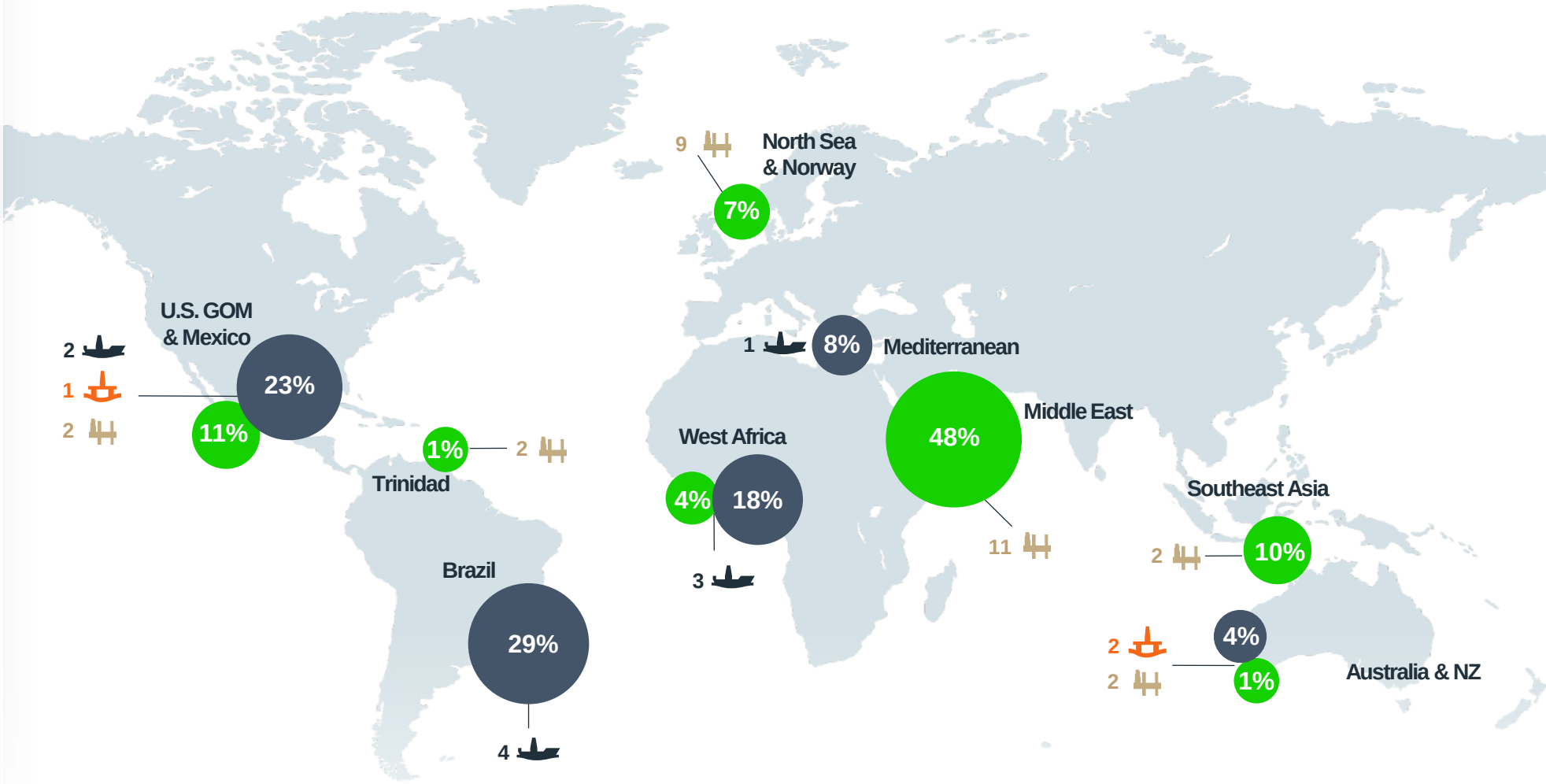
National Oil Companies and Other Select Customers[1]

	Floaters	Jackups	Locations
أرامكو السعودية saudi aramco		✓	Middle East
equinor	✓		Brazil
Harbour Energy		✓	North Sea
OXY Occidental	✓		U.S. GOM
BR PETROBRAS	✓		Brazil
Woodside	✓		Australia

VALARIS

1 All customers listed are within the top 15 customers within contract backlog as of April 30, 2024. Locations represent where rigs are currently contracted for each customer.

Focused on key basins expected to drive a large share of future demand



- % share of expected benign environment floater demand over next five years[1]
- % share of expected jackup demand over next five years[1]
- Active Drillships
- Active Semisubmersibles
- Active Jackups

VALARIS

1 Demand by country/region represents rig years as a % of total rig years for floaters and jackups, excluding China, Russia and Iran, per Rystad RigCube as of April 2024.
Note: Rigs that are currently stacked with a future contract are shown in the location of the future contract. Includes nine jackup rigs owned by Valaris that are leased to ARO Drilling in Saudi Arabia (current and future lease contracts). Excludes nine jackup rigs owned by ARO Drilling (current and future contracts) and two rigs that Valaris manages on behalf of a customer.

ARO Drilling joint venture provides strong presence in the largest jackup market in the world

ARO is an unconsolidated 50/50 JV with Saudi Aramco that owns and operates jackups in Saudi Arabia, providing a strategic partnership with the largest customer for jackups in the world

50% Equity Ownership

- ARO currently has 18 rigs contracted with Saudi Aramco, with contract backlog of ~$2.0 billion as of April 30, 2024[1]
- 20-rig newbuild program backed by long-term contracts with Saudi Aramco
- Newbuilds expected to be financed by third-party financing and ARO operating cash flow (financing secured for first two rigs – Kingdom 1 & 2)

$403M Shareholder Notes

- Valaris has shareholder notes receivable from ARO with a principal balance of $403M as of March 31, 2024

Leased Rigs

- 9 rigs owned by Valaris leased to ARO under bareboat charter agreements[2]
- Provide high levels of utilization and stable cash flows

Income Statement Highlights

2023

$497M
Revenue

$109M
EBITDA

Balance Sheet Highlights

Q1 2024

$70M
Cash

$822M
Shareholder Notes

$177M
Third-Party Debt[3]

1 Includes VALARIS 76 and Kingdom 2, which are expected to commence contracts with Saudi Aramco in 2024. Excludes VALARIS 143, which is expected to have its contract terminated in May 2024.
2 Includes VALARIS 76, which is expected to commence a lease contract with ARO in 2024. Excludes VALARIS 143, which is expected to have its contract terminated in May 2024.
3 Includes financing for Kingdom 1. Financing for Kingdom 2 secured but not yet drawn

Reduce emissions from our own operations and partner with customers

Reduce Emissions from our own Operations

Four focus areas identified to achieve this target:

1. Energy Efficient Practices
2. Energy-Saving Upgrades and Procedures
3. Biofuel Blends
4. Jackup Rig Electrification

Target to reduce emissions intensity by

10% to 20%

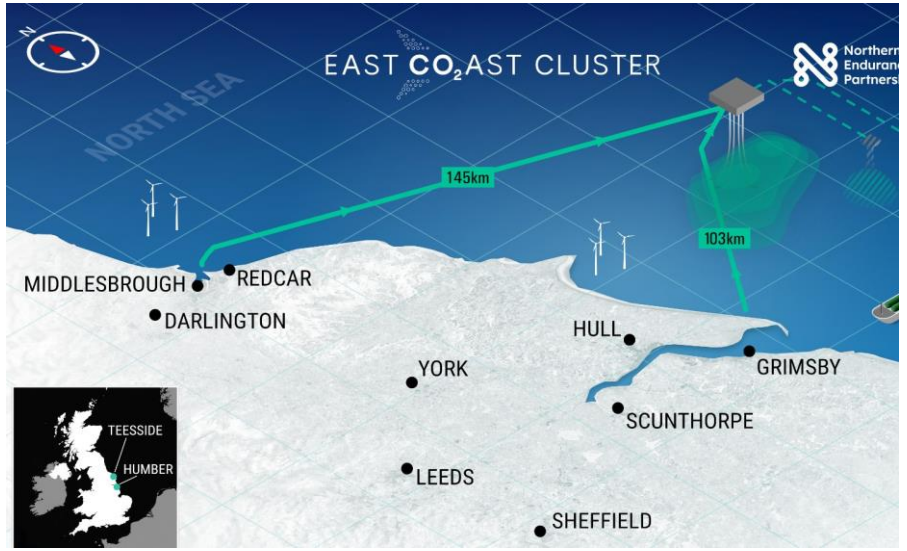
by 2030 compared to a 2019 baseline



Partner with Customers on their Energy Transition Efforts

Carbon capture and storage (CCS)

- VALARIS 247 contracted to perform CCS project offshore Australia
- VALARIS Norway worked on the Northern Endurance Partnership CCS project in the UK North Sea
- VALARIS 123 worked on the Porthos CO2 project in preparation for CO2 transport and storage offshore the Netherlands
- VALARIS 72 and 92 have performed plug and abandonment work on multiple reservoirs in the UK North Sea potentially suitable for CCS

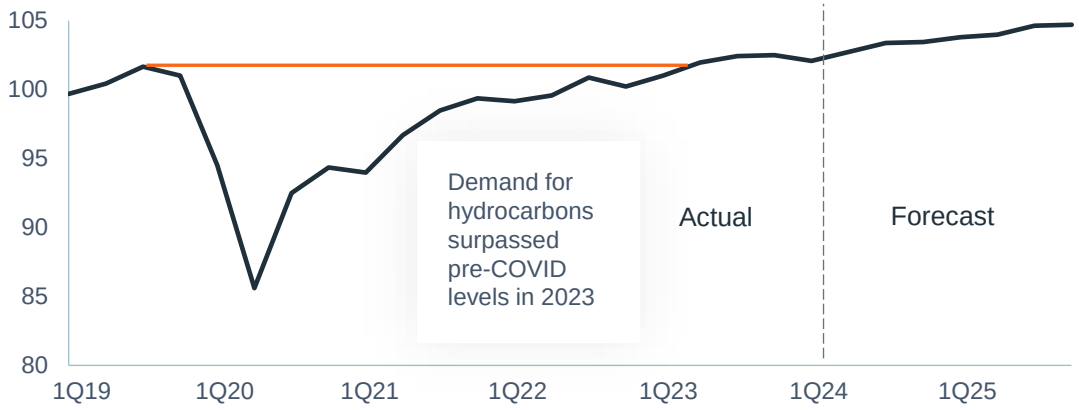


Strong Industry Fundamentals

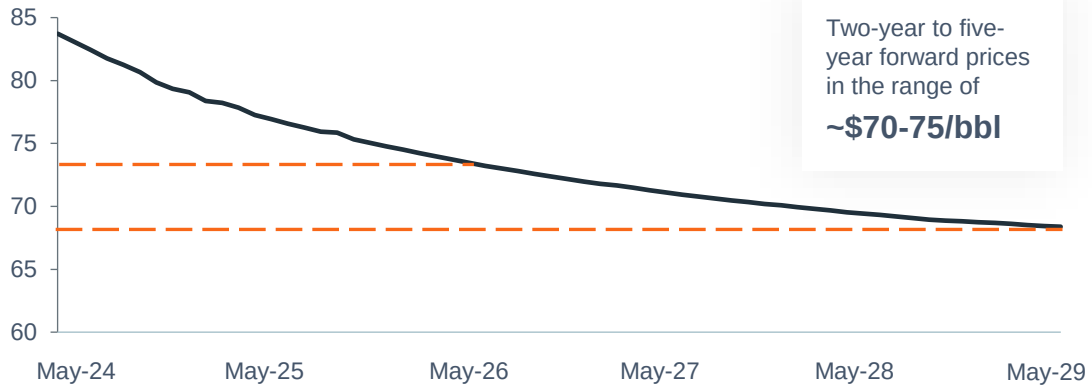


Commodity supply and demand is constructive for our industry

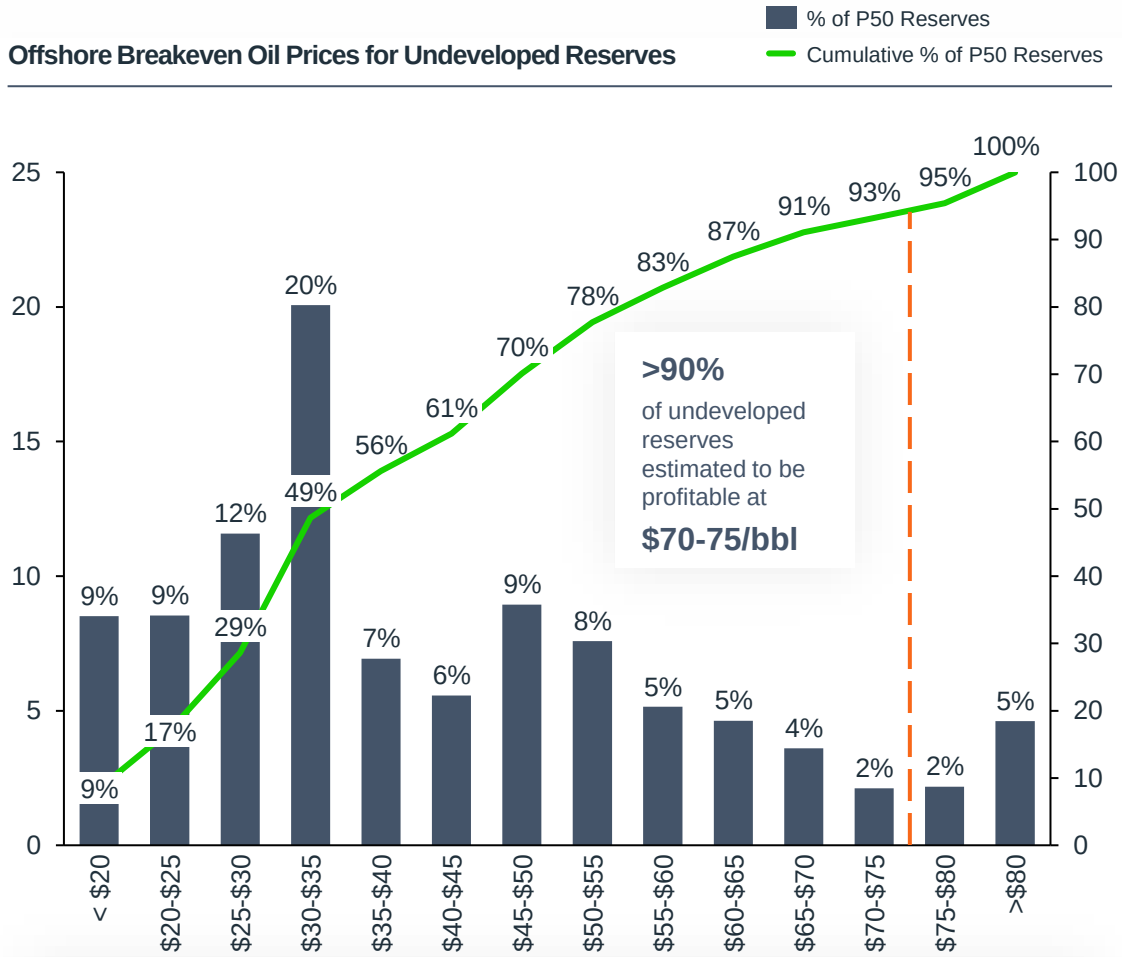
Global Liquid Fuels Consumption (Million Barrels Per Day)



Brent Crude Oil Forward Curve ($ Per Barrel)



Offshore Breakeven Oil Prices for Undeveloped Reserves



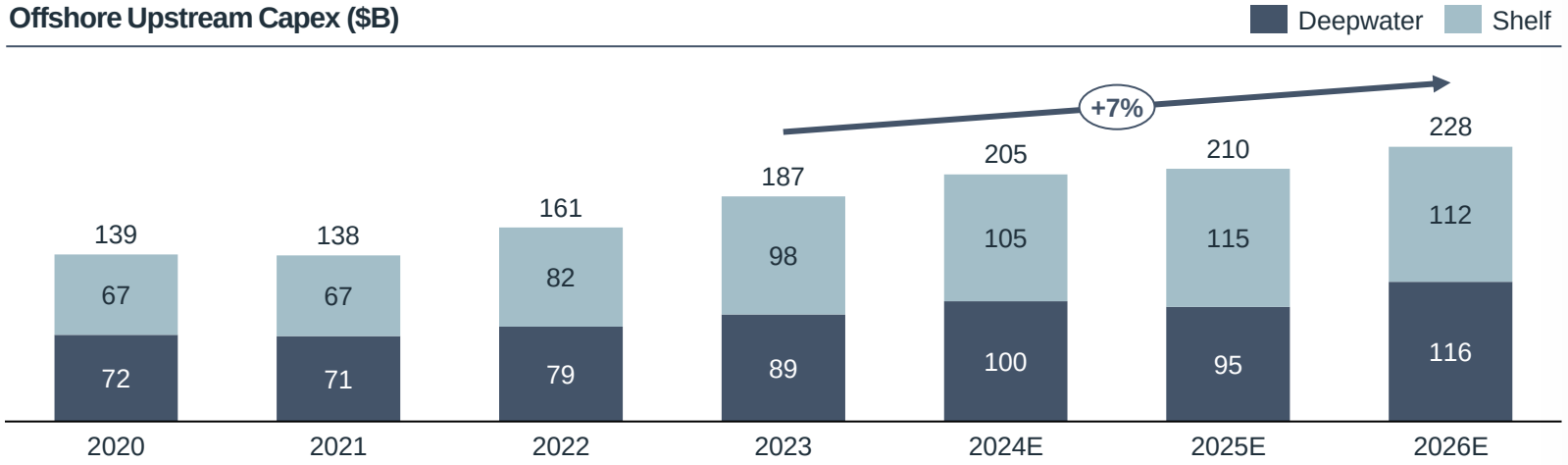
P50 reserves: reserves volume with a probability of recovery of between 50% and 90%

VALARIS

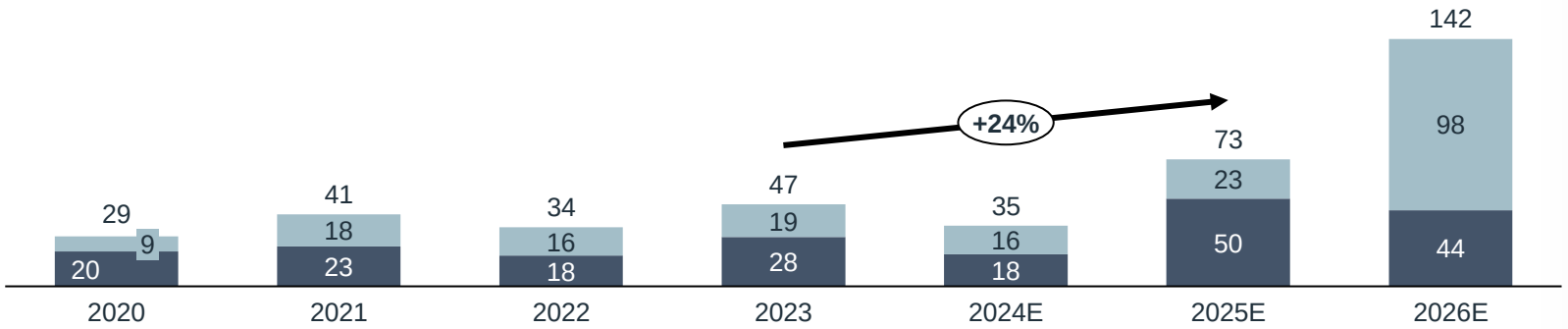
Source: EIA Short-Term Energy Outlook, April 2024; FactSet as of April 30, 2024; Rystad UCube, April 2024

Offshore upstream capex and new project sanctioning are expected to increase

Offshore Upstream Capex ($B)



Offshore Project Sanctioning ($B) – Exploration and Well Capex by Project Sanctioning Year



Growing demand for hydrocarbons, attractive project economics and low carbon emissions intensity are expected to drive increased investment in offshore projects over the next few years

Offshore upstream capex is expected to increase at a compound annual growth rate (CAGR) of 7% through 2026

Growth in offshore spending expected in both deepwater and shelf (shallow water)

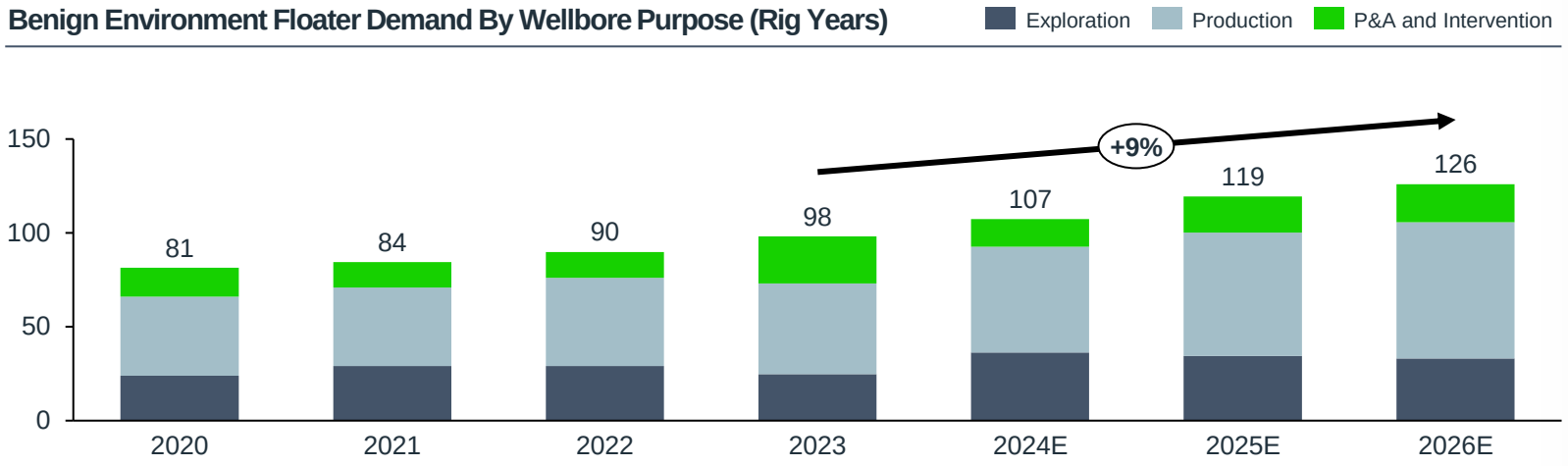
Offshore project approvals are also expected to increase meaningfully in 2025 and 2026 compared to recent years and are anticipated to be at their highest levels in more than a decade

VALARIS

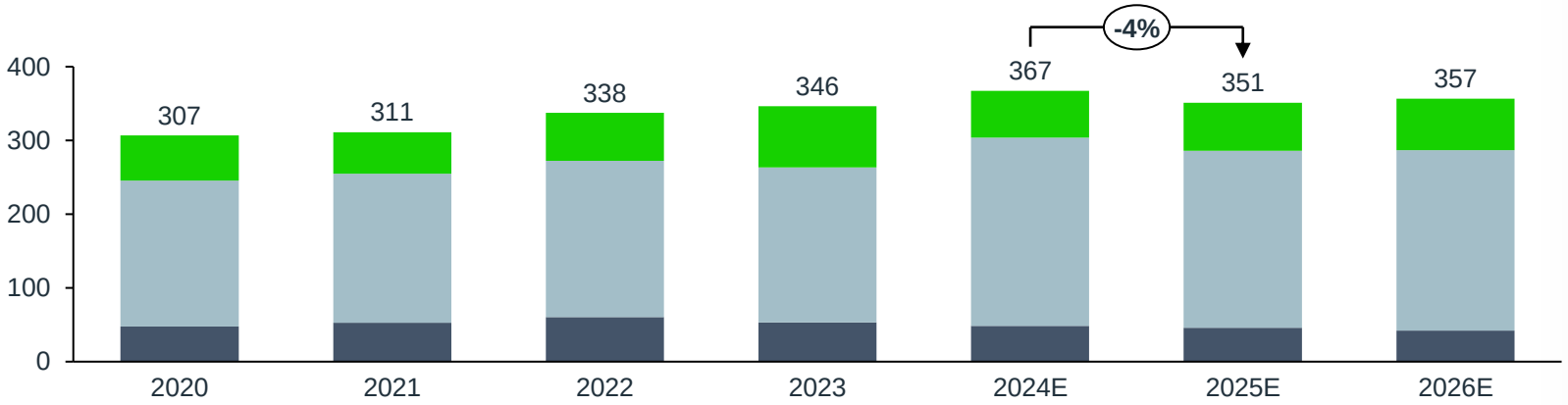
Source: Rystad UCube as of April 2024. Assumes oil price of $70/bbl

Demand for offshore drilling is expected to increase over the next several years

Benign Environment Floater Demand By Wellbore Purpose (Rig Years)



Jackup Demand By Wellbore Purpose (Rig Years)



Source: Rystad RigCube as of April 2024

Benign environment floater demand is expected to increase at a compound annual growth rate (CAGR) of 9% through 2026

Approximately 30% of floater demand through 2026 is expected to be for exploration drilling

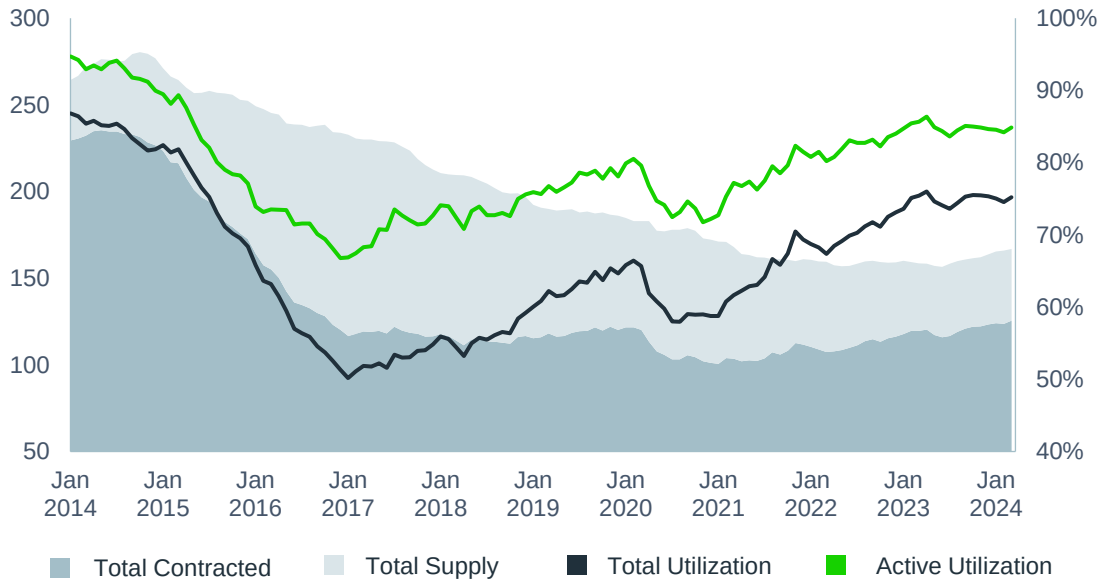
This is a strong signal of customers' conviction on the economics for deepwater projects and is positive for longer-term demand for these rigs

Jackup demand is anticipated to decrease by 4% in 2025 due to Saudi contract suspensions, before increasing again in 2026

Approximately 70% of all jackup demand through 2026 is expected to be for production drilling, including approximately 40% for infill work

Significant supply rationalization over the past several years has improved market balance

Benign Environment Floater Supply and Utilization



Benign environment floater supply has declined by

41% to 166

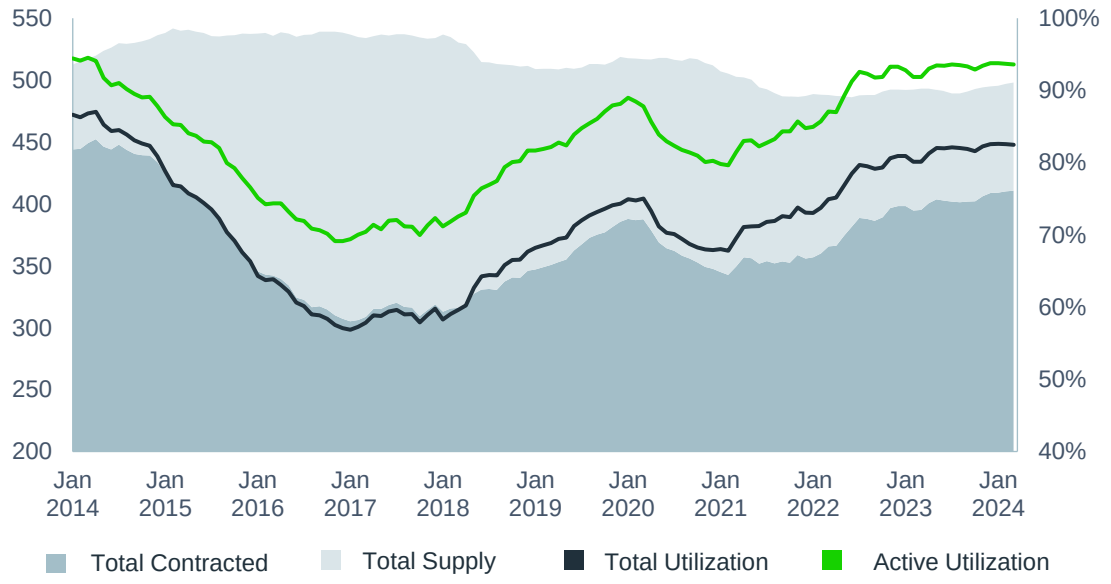
from a peak of 281 in late 2014

Majority of current supply are modern assets

Only 16%

of current supply is > 20 years of age

Jackup Supply and Utilization



Jackup supply has declined by

~8% to 497

from a peak of 542 in early 2015

Limited useful lives remaining

32%

of current supply is > 30 years of age

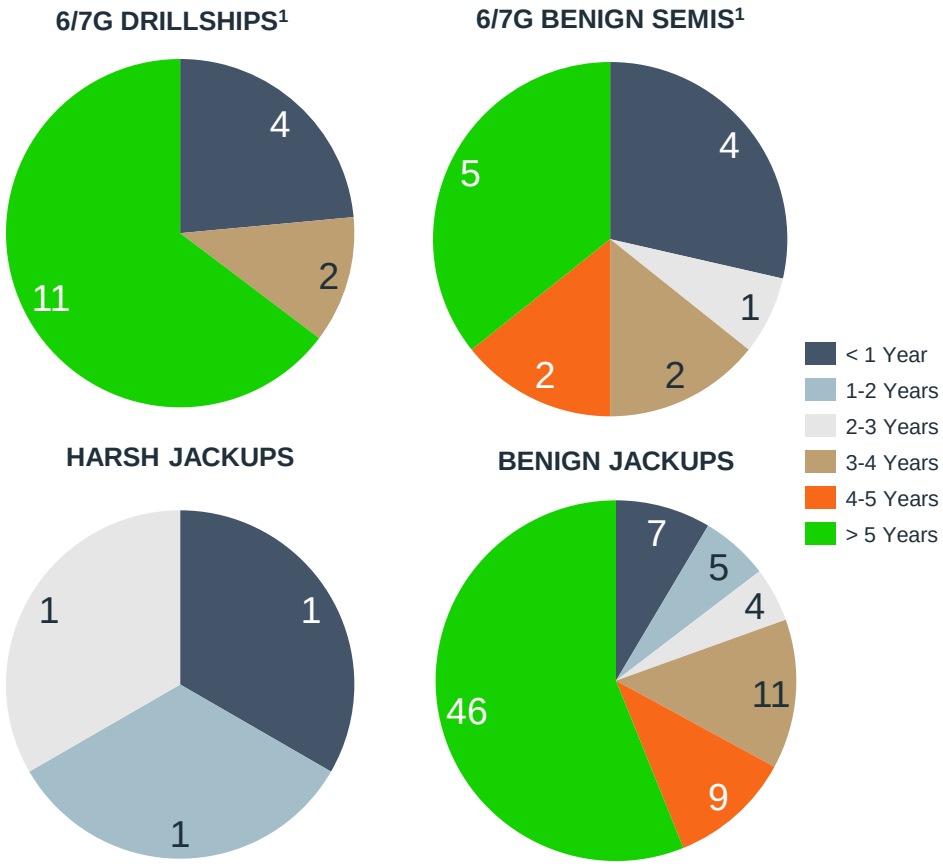
VALARIS

Source: S&P Global Petrodata as of April 2024

Active utilization currently 90%+ for drillships and benign environment jackups

Delivered Rigs	6/7G Drillships[1]	6/7G Benign Semis[2]	Harsh Jackups[2]	Benign Jackups[2]
Contracted	76	26	30	382
Available[3]	8	8	3	23
Marketed Fleet	84	34	33	405
Cold Stacked[4]	9	6	-	59
Total Fleet	93	40	33	464
Active Utilization	**90%**	**76%**	**91%**	**94%**
Total Utilization	82%	65%	91%	82%
Newbuilds[5]	7	3	5	12

Time Stacked – Available And Cold Stacked Rigs



Source: S&P Global Petrodata, April 2024
1 6th and 7th generation drillships and benign semisubmersibles as classified by S&P Global Petrodata
2 Market category field used to categorize rigs as harsh or benign environment
3 Idle rigs categorized as "Available" if they are considered "Marketed" in S&P Global Petrodata and included in rig supply for marketed utilization
4 Idle rigs categorized as "Cold Stacked" if they are considered "Not Marketed" in S&P Global Petrodata and excluded from rig supply for marketed utilization
5 Newbuilds include 1 benign jackup that has a future contract. It is not included in the contracted rig count in the table

VALARIS

Supply dynamics are supportive of a sustained upcycle



FLOATERS

Benign environment floater **supply has declined by 41%** to 166 from a peak of 281 in late 2014

Available capacity is shrinking, with approximately 10 drillships across the stacked and newbuild fleet that are considered likely reactivation candidates (includes VALARIS DS-11, DS-13 and DS-14)

These rigs expected to be reactivated/delivered only when demand supports incremental supply

Given high expected costs and lack of shipyard capacity, **another newbuild cycle is unlikely**



JACKUPS

Jackup **supply has declined by 8%** to 497 from a peak of 542 in early 2015

32% of current supply is > 30 years of age with limited useful lives remaining

Many of the ~85 warm and cold stacked jackups are not competitive:

- 60 are > 30 years of age | 46 have been stacked > five years
- 70 are in the bottom half of global fleet rankings
- Only 11 stacked rigs are not included in any of the above three categories

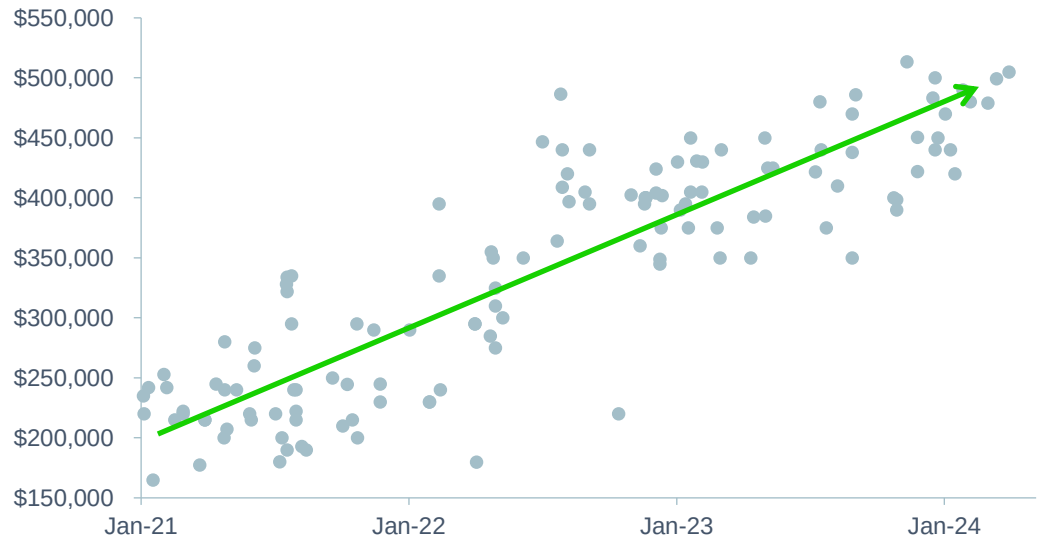
Available jackup supply in the shipyards continues to decline

VALARIS

Source: S&P Global Petrodata as of April 2024

Day rates have increased meaningfully since early 2021

Day Rates for 6th & 7th Generation Drillship Fixtures[1]



Average day rates have increased

>2x

since early 2021

Leading-edge day rates are

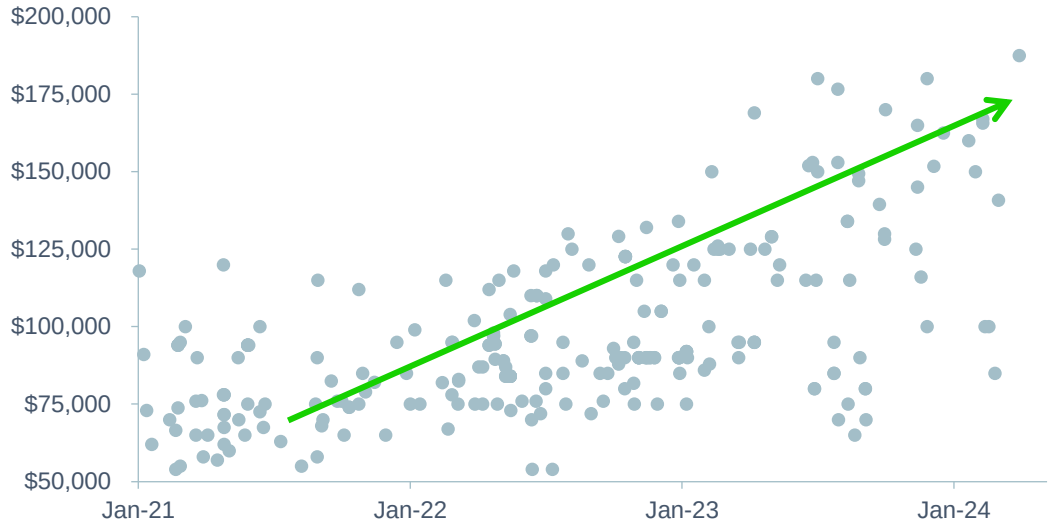
≥$450K

per day

Active utilization for 6th and 7th generation drillships

≥90%

Day Rates for Benign Environment Jackup Fixtures[2]



Average day rates have increased

~2x

since mid-2021

Leading-edge day rates in several regions are

≥$150K

per day

Active utilization for benign jackups

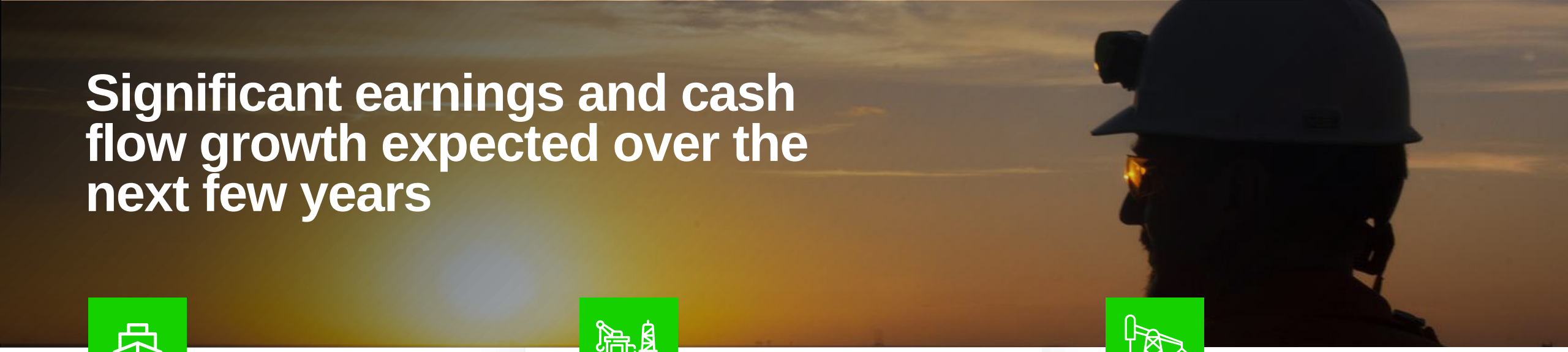
>90%

VALARIS

Source: S&P Global Petrodata as of April 2024; Valaris analysis.
1 6th & 7th generation drillships per S&P Global Petrodata. Excludes priced options. Excludes fixtures awarded for work in India.
2 Excludes priced options and owner operated fixtures. Excludes fixtures awarded for work in India and harsh environment locations, e.g., Norway and the North Sea.

Valaris Earnings & Cash Flow Growth





Significant earnings and cash flow growth expected over the next few years

Rigs Recontracting at Higher Day Rates

Most of Valaris' floaters currently on legacy day rate contracts in the low to mid $200Ks

Leading edge floater day rates are >$450K/d

Seven floaters expected to recontract at meaningfully higher market rates by year-end 2025

Impact of Recent and Ongoing Reactivations

VALARIS DS-8 and DS-17 commenced contracts offshore Brazil at day rates in the mid $400Ks

VALARIS DS-7 expected to commence attractive contract offshore West Africa in 2Q 2024

Well-positioned for follow on work in key floater basins offshore Brazil and West Africa

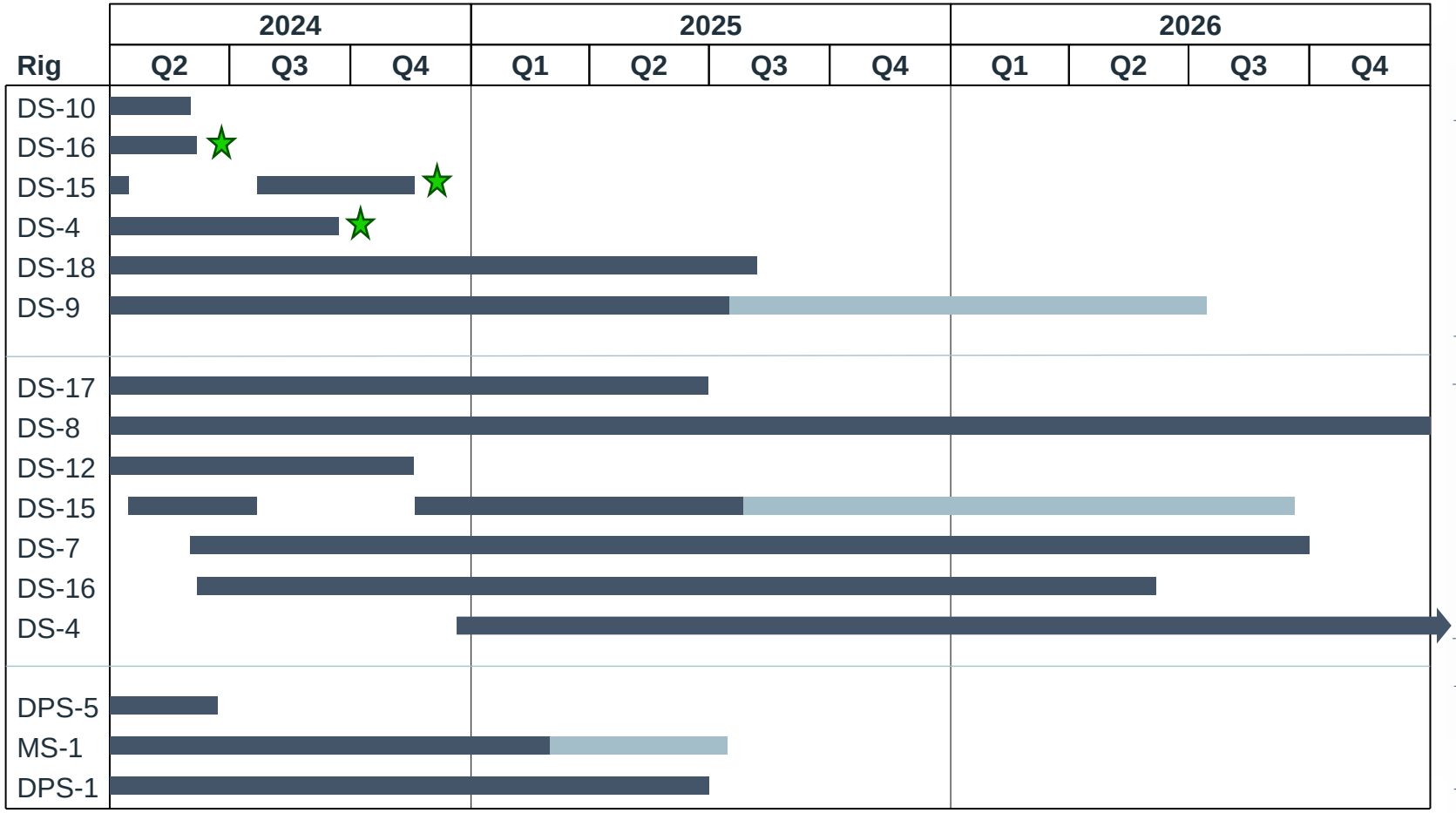
Additional Operating Leverage

Three uncontracted stacked 7th generation drillships: VALARIS DS-11, DS-13 and DS-14

We will be disciplined in waiting for the right opportunities to reactivate these rigs

Investments in our fleet in near-term expected to generate meaningful returns

Earnings from floater fleet expected to increase meaningfully as rigs reprice to market rates

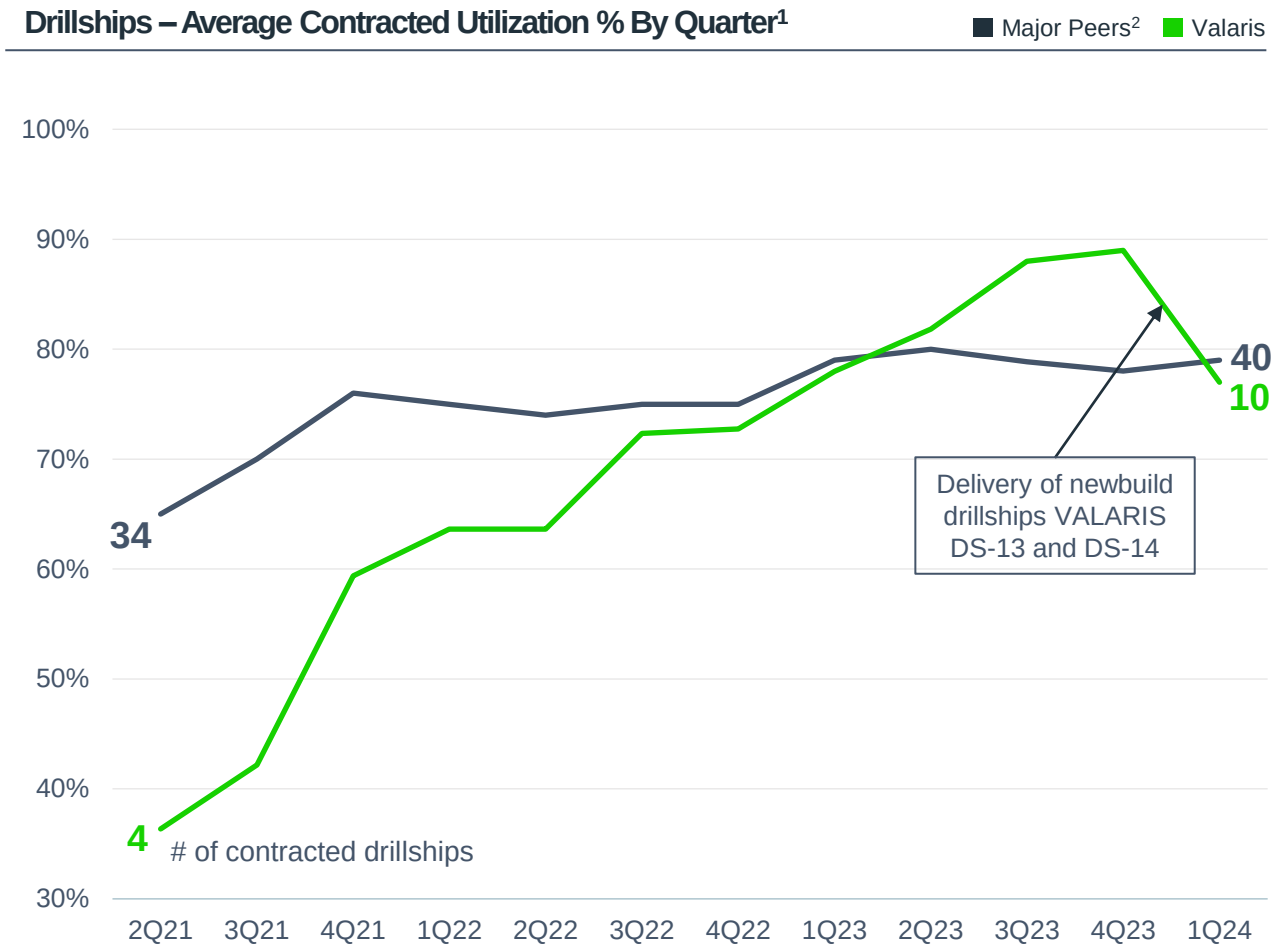


	Avg. Day Rate[1]	Contract Backlog
Legacy Drillship Contracts	**$247,000**	**$300 Million**
Recent Drillship Contracts	**$457,000**	**$1.9 Billion**
Semisubmersibles	**$231,000**	**$181 Million**

Firm term or estimated duration of contracted wells Unexercised priced options Rig has a future contract at higher day rate

1 Average day rate in contract backlog for groups of rigs as of April 30, 2024, calculated using firm term or estimated duration of contracted wells only (excludes options not yet exercised). Includes operating day rate and lump sum fees recognized in revenues, e.g. for mobilization or capital upgrades.

Proven track record of winning attractive contracts for drillships requiring reactivation



6 contracts won for stacked drillships since relisting in May 2021

Contributed to drillship backlog increasing by **~13x**

From ~$160M

To **~$2.2B**[3]

Most recent reactivation contracts for VALARIS DS-7, DS-8 and DS-17:

- Expected to generate meaningful return on reactivation costs over initial contract term
- Include significant upfront payments from customers
- Contribute to meaningful increase in expected earnings in 2024 and 2025

Source: S&P Global Petrodata

1 Contracted utilization % includes rigs currently under contract and rigs with future contracts (per S&P Global Petrodata)

2 Major peers comprises Diamond, Noble, Seadrill and Transocean and includes former Aquadrill, Maersk Drilling and Pacific Drilling rigs for the period presented

Additional operating leverage from three stacked high-specification 7th generation drillships

Strong pipeline of long-term programs provides attractive opportunities for VALARIS DS-11, DS-13 and DS-14 to be contracted

- Among the highest specification drillships in the global fleet
- All three rigs equipped with two BOPs – preferred by customers globally
- Expect that stacked and newbuild 7th generation drillships will be required to meet growing demand
- Disciplined approach to reactivations – we will only reactivate the rigs once we have secured attractive contracts
- Strong track record of executing drillship reactivation projects

Key Technical Specifications

7th Generation Drillships
ASSET TYPE

Dual Equipped
BOP STATUS

40,000 Feet
RATED DRILLING DEPTH

2.5 Million lbs
HOOKLOAD

5.5 MW
THRUSTER CAPACITY



Significant earnings potential and cash flow from Valaris fleet

Total Rigs	Rigs Under Contract or with Future Contract	Illustrative Annual Earnings and Cash Flow from Valaris Fleet[1]			
		Illustrative Scenario	**A**	**B**	**C**
13	10	Drillship Day Rates	$400K	$450K	$500K
5	3	Benign Semisubmersible Day Rates	$300K	$350K	$400K
12	9	HD Harsh Environment Jackup Day Rates[2]	$125K	$150K	$175K
21	16	HD & SD Modern Jackup Day Rates[2]	$100K	$125K	$150K
51	38	Fleet Utilization	70%	75%	80%
		Operating Margin[3]	**~$1,210M**	**~$1,830M**	**~$2,520M**
		Onshore Costs (G&A and Support)[4]	~$240M	~$240M	~$240M
		EBITDAR[5]	**~$970M**	**~$1,590M**	**~$2,280M**
		Other Cash Uses[6]	~$410M	~$520M	~$630M
		Free Cash Flow	**~$560M**	**~$1,070M**	**~$1,650M**

1 This slide is not intended to reflect guidance, but rather illustrative scenarios using a range of day rates and levels of utilization. Calculations are based on the total number of rigs in each asset category. Excludes two standard duty legacy jackups on the basis that these rigs will likely be retired upon completion of current contracts. 2 HD = Heavy Duty; SD = Standard Duty. Heavy duty jackups are well-suited for operations in tropical revolving storm areas. 3 Daily operating costs are based on current handrail operating costs for the fleet excluding additional services. Assumes full operating cost for 50% of idle periods and preservation stack cost for 50% of idle periods. 4 Onshore support costs based on 2023 actual costs. 5 EBITDAR is earnings before interest, tax, depreciation, amortization and reactivation costs. 6 Other cash uses include estimates for cash interest, cash taxes and maintenance and enhancement capital expenditures, but exclude changes in working capital.

Value-driven approach to capital allocation



Maintain a Strong Balance Sheet

Committed to maintaining a conservative balance sheet with low leverage

Provides capital allocation flexibility

1.1x net leverage[1] | $884 million liquidity[2]

Pursue Accretive Investments in our Fleet and/or Strategic Growth Opportunities

Near-term investments in our fleet expected to generate attractive returns

6 drillship reactivations completed or in progress; 3 stacked 7th generation drillships remaining

Pursue strategic growth opportunities if value-enhancing and accretive to our shareholders

Return Free Cash Flow to Shareholders

Intend to return all future free cash flow to shareholders unless there is a better or more value accretive use for it

$200 million of shares repurchased in 2023

Share repurchase authorization increased to $600 million from $300 million in Feb 2024

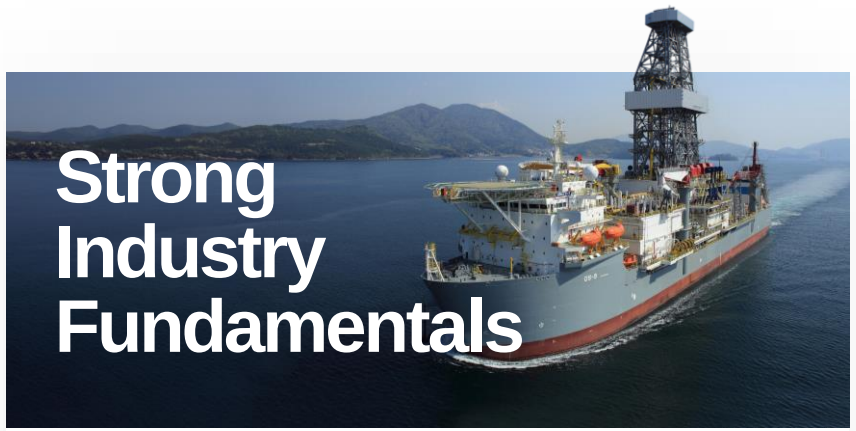
VALARIS

1 Net leverage calculated using 2024 mean EBITDA estimate per FactSet as of April 30, 2024, and March 31, 2024, balance sheet
2 As of March 31, 2024

Valaris is well positioned to deliver meaningful value to shareholders



- Largest and highest specification fleet in the industry
- Presence and scale in key offshore basins, with deep customer relationships
- Strong balance sheet provides capital allocation flexibility



- Commodity supply and demand is highly constructive for our industry
- Offshore capex and demand for offshore drilling are expected to continue to increase
- Constrained rig supply dynamics are supportive of a sustained industry upcycle



- Significant growth in earnings and cash flow expected over the next few years
- Attractive investments in our fleet in near-term expected to generate meaningful returns
- Intend to return all future free cash flow to shareholders, unless there is a better or more value accretive use for it

Appendix



Contract Backlog as of April 30, 2024

Contract Backlog

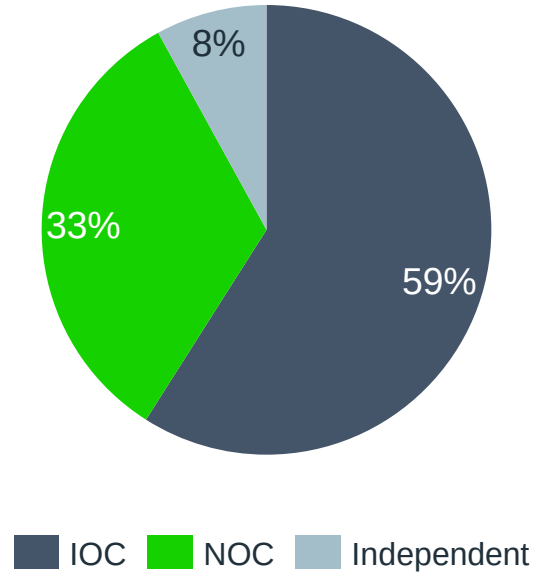
Contract Backlog[1] [2] ($ millions)	2024	2025	2026+	Total
Drillships	$ 720.9	$ 870.9	$ 632.1	$ 2,223.9
Semis	127.3	53.4	-	180.7
Floaters	**$ 848.2**	**$ 924.3**	**$ 632.1**	**$ 2,404.6**
HD Harsh Environment	$ 257.8	$ 196.5	$ 152.7	$ 607.0
HD & SD Modern	147.0	154.5	147.6	449.1
SD Legacy	39.5	35.2	54.1	128.8
Jackups	**$ 444.3**	**$ 386.2**	**$ 354.4**	**$ 1,184.9**
Other[3]	**$ 125.0**	**$ 142.1**	**$ 160.6**	**$ 427.7**
Total	**$ 1,417.5**	**$ 1,452.6**	**$ 1,147.1**	**$ 4,017.2**

ARO Drilling[4]	2024	2025	2026+	Total
Owned Rigs	$ 240.4	$ 362.0	$ 796.5	$ 1,398.9
Leased Rigs	216.1	174.9	192.3	583.3
Total	**$ 456.5**	**$ 536.9**	**$ 988.8**	**$ 1,982.2**

Contracted Days[1] [2]	2024	2025	2026+
Drillships	2,098	2,260	1,493
Semis	548	240	-
Floaters	**2,646**	**2,500**	**1,493**
HD Harsh Environment	2,084	1,351	920
HD & SD Modern	1,384	1,095	967
SD Legacy	494	412	637
Jackups	**3,962**	**2,858**	**2,524**
Other[3]	**2,644**	**2,457**	**2,549**
Total	**9,252**	**7,815**	**6,566**

Average Day Rates[1] [2]	2024	2025	2026+
Drillships	$ 344,000	$ 385,000	$ 423,000
Semis	232,000	223,000	-
Floaters	**$ 321,000**	**$ 370,000**	**$ 423,000**
HD Harsh Environment	$ 124,000	$ 145,000	$ 166,000
HD & SD Modern	106,000	141,000	153,000
SD Legacy	80,000	85,000	85,000
Jackups	**$ 112,000**	**$ 135,000**	**$ 140,000**

Contract Backlog by Customer Type



(1) Contract backlog, contracted days and average day rates as of April 30, 2024. (2) Contract backlog and average day rates exclude certain types of non-recurring revenues such as lump sum mobilization payments. Contract backlog and contracted days include backlog and days when a rig is under suspension. Average day rates are adjusted to exclude suspension backlog and days. (3) Other represents contract backlog and contracted days related to bareboat charter agreements and management services contracts. (4) ARO Drilling contract backlog as of April 30, 2024. HD = Heavy Duty; SD = Standard Duty. Heavy duty jackups are well-suited for operations in tropical revolving storm areas

Valaris owns 50% of joint venture with Saudi Aramco, the world's largest jackup customer



9

Leased Jackups[1]

- Day rates set by an agreed pricing mechanism
- Valaris receives bareboat charter fee based on % of rig-level EBITDA

Owned Jackups 7

- Rigs contracted for three or five-year terms for at least an aggregate of 15 years from JV inception
- Rigs contribute to ARO Drilling results, of which Valaris recognizes 50% of net income

20

Newbuild Jackups

- Initial 8-year contracts; day rate based on 6-year EBITDA payback mechanism[2]
- Further 8-year contracts; day rate set by market pricing mechanism and re-priced every 3 years
- Kingdom 1 delivered and commenced contract in 4Q23
- Kingdom 2 expected to be delivered and commence contract in 2Q24
- Rigs contribute to ARO Drilling results, of which Valaris recognizes 50% of net income

1 Includes VALARIS 76, which is expected to commence a contract with Saudi Aramco in 2024. Excludes VALARIS 143, which is expected to have its contract terminated in May 2024.
2 Down payment on each newbuild rig is no more than 25% before delivery

Non-GAAP Reconciliations

(In millions)

ARO		Year-Ended December 31, 2023
Net income	$	2.5
Add (subtract):		
Income tax expense		8.3
Other expense, net		31.8
Operating income	$	42.6
Add (subtract):		
Depreciation expense		65.9
EBITDA	$	108.5


100 YEARS
VALARIS
FOCUSED
VALUE DRIVEN
RESPONSIBLE