UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to_____

Commission File Number 1-8097

Valaris Limited

(Exact name of registrant as specified in its charter)

Bermuda	**98-1589854**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Richmond House, 12 Par-la-Ville Road	
Hamilton Bermuda	**HM 08**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **+44 (0) 20 7659 4660**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker Symbol(s)	Name of each exchange on which registered
Common Shares, $0.01 par value share	VAL	New York Stock Exchange
Warrants to purchase Common Shares	VAL WS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 29, 2026, there were 69,443,058 Common Shares of the registrant outstanding.

VALARIS LIMITED
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FOR THE QUARTER ENDED SEPTEMBER 30, 2026

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FORWARD-LOOKING STATEMENTS

Statements contained in this report 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 (the "Exchange Act"). Forward-looking statements include words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "likely," "outlook," "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; our expectations regarding the timing, completion and anticipated benefits of the pending business combination (the "Business Combination") with Transocean Ltd.; the offshore drilling market, including supply and demand, customer drilling 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; the availability, delivery, mobilization, contract commencement or relocation or other movement of rigs and the timing thereof; rig reactivations, enhancement, upgrade or repair and timing and cost thereof; the suitability of rigs for future contracts; performance and expected benefits of our joint ventures, including our joint venture with Saudi Arabian Oil Company ("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; divestitures of assets; general market, business and industry conditions, trends and outlook; general political conditions, including political tensions, conflicts and war; the impacts and effects of public health crises, pandemics and epidemics; future operations; the effectiveness of our cybersecurity programs; uncertainty around the use and impacts of artificial intelligence ("AI") applications; expectations regarding our sustainability targets and strategy; the impact of increasing regulatory complexity; the outcome of tax disputes, assessments and settlements; expense management; and the likely outcome of litigation, legal proceedings, investigations or insurance or other claims or contract disputes and the timing thereof.

Such statements are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including:

- our ability to complete the Business Combination as timely as expected or at all, the impact of the significant management time and resources expended in an effort to complete the Business Combination, any disruptions to our relationships with third parties and employees or negative publicity or legal proceedings related to the Business Combination or disruptions to our ongoing operations, and uncertainty regarding the outcome of the Business Combination;
- delays in contract commencement dates or cancellation, suspension, renegotiation or termination with or without cause of drilling contracts or drilling programs as a result of general or industry-specific economic conditions, regulatory changes, mechanical difficulties, performance, delays in the delivery of critical drilling equipment, failure of the customer to receive final investment decision (FID) for which the drilling rig was contracted or other reasons;
- changes in worldwide rig supply and demand, competition or technology;
- general economic and business conditions, including recessions, inflation, volatility affecting the banking system and financial markets, changing tariff and tax policies, trade disputes and adverse changes in the level of international trade activity;
- requirements to make significant expenditures in connection with customer drilling requirements, joint ventures, rig reactivations and to comply with governing laws or regulations in the regions we operate;
- loss of a significant customer or customer contract, as well as customer consolidation and changes to customer strategy, including focusing on renewable energy projects;
- our ability to attract and retain skilled personnel on commercially reasonable terms, whether due to labor regulations, rising wages, unionization, or otherwise, or to retain employees;

- the occurrence of cybersecurity incidents, attacks or other breaches to our information technology systems, including our rig operating systems;
- the adequacy of sources of liquidity for us and our customers;
- compliance with our debt agreements and debt restrictions that may limit our liquidity and flexibility;
- our ability to obtain financing, service our debt, fund capital expenditures and pursue other business opportunities;
- risks inherent to drilling rig repairs, modifications, upgrades or reactivations, unexpected delays in equipment delivery, engineering, design or commissioning issues following delivery, or changes in the commencement, completion or service dates;
- our ability to generate operational efficiencies from our shared services center and potential risks relating to the processing of transactions and recording of financial information;
- downtime and other risks associated with offshore rig operations, including rig or equipment failure, damage and other unplanned repairs, the limited availability of transport vessels, hazards, self-imposed drilling limitations and other delays due to severe storms and hurricanes and the limited availability or high cost of insurance coverage for certain offshore perils, such as hurricanes in the Gulf of America or associated removal of wreckage or debris;
- our customers cancelling or shortening the duration of our drilling contracts, cancelling future drilling programs and seeking pricing and other contract concessions from us;
- decreases in levels of drilling activity and capital expenditures by our customers, whether as a result of the global capital markets and liquidity, prices of oil and natural gas, changes in tax policy (such as the United Kingdom's (the "U.K.") windfall tax on oil and gas producers in the British North Sea), climate change concerns or otherwise, which may cause us to idle, stack or retire additional rigs;
- impacts and effects of public health crises, pandemics and epidemics, the related public health measures implemented by governments worldwide, the duration and severity of an outbreak and its impact on global oil demand, the volatility in prices for oil and natural gas and the extent of disruptions to our operations;
- disruptions to the operations and business of our key customers, suppliers and other counterparties, including impacts affecting our supply chain and logistics;
- governmental action, terrorism, cyber-attacks, piracy, military action and political and economic uncertainties, including civil unrest, political demonstrations, mass strikes, or an escalation or additional outbreak of armed hostilities or other crises in oil or natural gas producing areas (including conflicts in the Middle East and potential disruptions to key shipping lanes such as the Strait of Hormuz), which may result in expropriation, nationalization, confiscation or deprivation or destruction of our assets; suspension and/or termination of contracts based on force majeure events or adverse environmental safety events; or volatility in prices of oil and natural gas;
- risks associated with operations in non-U.S. jurisdictions and the expansion into new geographical markets;
- risks and challenges resulting from the use of AI by us, third-party service providers or our competitors;
- disputes over production levels among members of the Organization of Petroleum Exporting Countries and other oil and gas producing nations ("OPEC+"), or changes in the composition of OPEC+, including the withdrawal of member countries, which could result in increased supply and/or volatility in prices for oil and natural gas that could affect the markets for our services;
- our ability to enter into, and the terms of, future drilling contracts for rigs currently idled and for rigs whose contracts are expiring;

- 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, including any inability to collect receivables or resolve significant contractual or day rate disputes, and any renegotiation, nullification, cancellation or breach of contracts with customers or other parties;
- internal control risk due to changes in management, hiring of employees, employee reductions and our shared service center;
- governmental regulatory, legislative and permitting requirements affecting drilling operations, including limitations on drilling locations, limitations on new oil and gas leasing in United States (the "U.S.") federal lands and waters, and legislative or regulatory measures to limit or reduce greenhouse gas emissions;
- governmental policies that could reduce demand for hydrocarbons, including mandating or incentivizing the conversion from internal-combustion-engine-powered vehicles to electric-powered vehicles;
- forecasts or expectations regarding the global energy transition, including consumer preferences for alternative fuels and electric-powered vehicles, as part of the global energy transition;
- increased scrutiny from regulators, market and industry participants, stakeholders and others in regard to our sustainability practices and reporting;
- our ability to achieve our sustainability aspirations, targets, goals and commitments, or the impact of any changes to such matters;
- potential impacts on our business resulting from climate change, and the impact on our business from climate change-related physical changes or changes in weather patterns;
- new and future regulatory, legislative or permitting requirements, future lease sales, changes in laws, rules and regulations that have or may impose increased financial responsibility, additional oil spill abatement contingency plan capability requirements and other governmental actions that may result in claims of force majeure or otherwise adversely affect our existing drilling contracts, operations or financial results;
- environmental or other liabilities, risks, damages or losses, whether related to storms, hurricanes or other weather-related events (including wreckage or debris removal), collisions, groundings, blowouts, fires, explosions, cyber-attacks, terrorism or otherwise, for which insurance coverage and contractual indemnities may be insufficient, unenforceable or otherwise unavailable;
- tax matters, including our effective tax rates, tax positions, results of audits, changes in tax laws (including global minimum tax initiatives), treaties and regulations, tax assessments and liabilities for taxes;
- our ability to realize the expected benefits of our joint venture with Saudi Aramco, including our ability to fund any required capital contributions or to enforce any payment obligations of the joint venture pursuant to outstanding shareholder notes receivable and benefits of our other joint ventures;
- the potentially dilutive impacts of outstanding warrants;
- the costs, disruption and diversion of our management's attention associated with campaigns by activist securityholders; and
- adverse changes in foreign currency exchange rates.

In addition to the numerous risks, uncertainties and assumptions described above, you should also carefully read and consider "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I and "Item 1A. Risk Factors" in Part II of this report, and "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 annual report on Form 10-K for the year ended December 31, 2025, which is available on the U.S. Securities and Exchange Commission website at www.sec.gov. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

PART I - FINANCIAL INFORMATION

Item 1. ***Financial Statements***

VALARIS LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
OPERATING REVENUES				
Revenues (exclusive of reimbursable revenues)	$ 555.6	$ 555.6	$ 1,488.0	$ 1,705.7
Reimbursable revenues	38.0	40.1	110.2	125.9
Total operating revenues	593.6	595.7	1,598.2	1,831.6
OPERATING EXPENSES				
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	379.9	367.6	1,100.7	1,096.8
Reimbursable expenses	37.4	38.0	105.5	119.5
Total contract drilling expenses (exclusive of depreciation)	417.3	405.6	1,206.2	1,216.3
Depreciation	47.3	37.1	134.6	105.7
General and administrative	25.7	26.9	78.2	70.1
Merger and integration expenses	15.5	—	40.5	—
Other operating loss, net	3.0	—	0.2	7.8
Total operating expenses	508.8	469.6	1,459.7	1,399.9
EQUITY IN EARNINGS (LOSSES) OF ARO	(3.5)	4.4	13.9	5.9
OPERATING INCOME	81.3	130.5	152.4	437.6
OTHER INCOME (EXPENSE)				
Interest income	16.3	22.6	49.6	52.1
Interest expense, net	(24.9)	(24.9)	(73.2)	(74.0)
Other, net	28.7	87.7	63.6	100.2
Total other income	20.1	85.4	40.0	78.3
INCOME BEFORE INCOME TAXES	101.4	215.9	192.4	515.9
PROVISION FOR INCOME TAXES				
Current income tax expense	8.9	29.4	50.2	81.1
Deferred income tax expense (benefit)	45.8	(0.8)	66.5	172.5
Total provision for income taxes	54.7	28.6	116.7	253.6
NET INCOME	46.7	187.3	75.7	262.3
NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(0.6)	0.8	4.4	3.0
NET INCOME ATTRIBUTABLE TO VALARIS	$ 46.1	$ 188.1	$ 80.1	$ 265.3
EARNINGS PER SHARE				
Basic	$ 0.66	$ 2.66	$ 1.16	$ 3.74
Diluted	$ 0.66	$ 2.65	$ 1.14	$ 3.73
WEIGHTED-AVERAGE SHARES OUTSTANDING				
Basic	69.4	70.7	69.3	70.9
Diluted	70.3	71.0	70.3	71.2

The accompanying notes are an integral part of these condensed consolidated financial statements.

VALARIS LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
NET INCOME	$ 46.7	$ 187.3	$ 75.7	$ 262.3
OTHER COMPREHENSIVE INCOME (LOSS), NET				
Net reclassification adjustment for amounts recognized in net income as a component of net periodic pension benefit	(0.2)	(0.2)	(0.6)	(0.6)
Foreign currency translation adjustments	(0.2)	1.2	3.2	4.3
NET OTHER COMPREHENSIVE INCOME (LOSS)	(0.4)	1.0	2.6	3.7
COMPREHENSIVE INCOME	46.3	188.3	78.3	266.0
COMPREHENSIVE (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(0.6)	0.8	4.4	3.0
COMPREHENSIVE INCOME ATTRIBUTABLE TO VALARIS	$ 45.7	$ 189.1	$ 82.7	$ 269.0

The accompanying notes are an integral part of these condensed consolidated financial statements.

VALARIS LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except par value amounts)

	September 30, 2026	December 31, 2025
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 525.1	$ 599.4
Accounts receivable, net	538.1	474.8
Assets held for sale	2.0	6.4
Other current assets	193.2	144.7
Total current assets	1,258.4	1,225.3
PROPERTY AND EQUIPMENT, AT COST	2,889.5	2,598.3
Less accumulated depreciation	630.3	509.5
Property and equipment, net	2,259.2	2,088.8
LONG-TERM NOTES RECEIVABLE FROM ARO	363.4	345.0
INVESTMENT IN ARO	135.7	121.8
DEFERRED TAX ASSETS	1,298.9	1,364.2
OTHER ASSETS	166.9	159.7
Total assets	$ 5,482.5	$ 5,304.8
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable - trade	$ 393.7	$ 348.2
Accrued liabilities and other	375.1	343.4
Total current liabilities	768.8	691.6
LONG-TERM DEBT	1,088.5	1,086.0
DEFERRED TAX LIABILITIES	30.9	29.7
OTHER LIABILITIES	325.6	325.8
Total liabilities	2,213.8	2,133.1
COMMITMENTS AND CONTINGENCIES (Note 11)		
VALARIS SHAREHOLDERS' EQUITY		
Common Shares, $0.01 par value, 700.0 shares authorized, 76.6 and 76.4 shares issued, 69.4 and 69.2 shares outstanding as of September 30, 2026 and December 31, 2025, respectively	0.8	0.8
Preference shares, $0.01 par value, 150.0 shares authorized, no shares issued as of September 30, 2026 and December 31, 2025	—	—
Stock warrants	16.4	16.4
Additional paid-in capital	1,153.6	1,134.9
Retained earnings	2,461.8	2,381.7
Accumulated other comprehensive income	63.5	60.9
Treasury shares, at cost, 7.2 shares as of September 30, 2026 and December 31, 2025	(425.1)	(425.1)
Total Valaris shareholders' equity	3,271.0	3,169.6
NONCONTROLLING INTERESTS	(2.3)	2.1
Total shareholders' equity	3,268.7	3,171.7
Total liabilities and shareholders' equity	$ 5,482.5	$ 5,304.8

The accompanying notes are an integral part of these condensed consolidated financial statements.

VALARIS LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
OPERATING ACTIVITIES		
Net income	$ 75.7	$ 262.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	134.6	105.7
Deferred income tax expense	66.5	172.5
Net gain on sale of property	(63.6)	(117.4)
Share-based compensation expense	26.2	18.4
Accretion of discount on Notes Receivable from ARO	(18.4)	(18.5)
Equity in earnings of ARO	(13.9)	(5.9)
Recovery of bad debt expense	(10.6)	(0.6)
Other operating loss, net	0.2	7.8
Changes in deferred costs	(38.7)	9.1
Changes in contract liabilities	26.7	(39.3)
Changes in contract assets	(11.6)	(5.5)
Other	2.4	6.7
Changes in operating assets and liabilities	(4.9)	91.8
Contributions to pension plans and other post-retirement benefits	(15.3)	(13.1)
Net cash provided by operating activities	155.3	474.0
INVESTING ACTIVITIES		
Additions to property and equipment	(328.0)	(237.2)
Proceeds from disposition of assets	102.6	136.3
Net cash used in investing activities	(225.4)	(100.9)
FINANCING ACTIVITIES		
Payments related to tax withholdings for share-based awards	(7.5)	(3.1)
Payments for share repurchases	—	(75.0)
Other	1.7	—
Net cash used in financing activities	(5.8)	(78.1)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(75.9)	295.0
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	617.5	380.5
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 541.6	$ 675.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

VALARIS LIMITED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 - Unaudited Condensed Consolidated Financial Statements

We prepared the accompanying condensed consolidated financial statements of Valaris Limited and its subsidiaries (the "Company," "Valaris," "our," "we" or "us") in accordance with accounting principles generally accepted in the United States of America ("GAAP"), pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") included in the instructions to Form 10-Q and Article 10 of Regulation S-X. The financial information included in this report is unaudited but, in our opinion, includes all adjustments (consisting of normal recurring adjustments) that are necessary for a fair presentation of our financial position, results of operations and cash flows for the interim periods presented. The December 31, 2025 Condensed Consolidated Balance Sheet data was derived from our 2025 audited consolidated financial statements but does not include all disclosures required by GAAP. The preparation of our condensed consolidated financial statements requires us to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the related revenues and expenses and disclosures of gain and loss contingencies as of the date of the financial statements. Actual results could differ from those estimates.

Results of operations for the three and nine months ended September 30, 2026 are not necessarily indicative of the results of operations that will be realized for the year ending December 31, 2026, or for any future period. We recommend these condensed consolidated financial statements be read in conjunction with our annual report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026 (our "Annual Report").

Pending Business Combination with Transocean

On February 9, 2026, we entered into a business combination agreement (the "Business Combination Agreement") with Transocean Ltd., a Swiss corporation ("Transocean"), under which Transocean will acquire all of the issued and outstanding common shares of Valaris in exchange for shares of Transocean at an exchange ratio of 15.235 Transocean shares for each common share of Valaris (the "Business Combination"). In addition, Warrants that are outstanding as of immediately prior to the transaction closing date will be assumed by Transocean and remain outstanding and be exercisable for the Fundamental Transaction Consideration (as defined in the Warrant Agreement, dated as of April 30, 2021, by and between Valaris and the warrant agent named therein) multiplied by the number of Valaris common shares for which each warrant is exercisable immediately prior to the transaction closing date. The Business Combination will be effected by way of a court-approved scheme of arrangement between Valaris and the holders of the Valaris common shares pursuant to section 99 of the Companies Act 1981 of Bermuda, as amended. Upon completion and on a fully diluted basis assuming conversion to shares of Transocean’s exchangeable bonds due 2029, Transocean shareholders would own approximately 53% of the combined company, with Valaris shareholders owning the remaining 47%.

Completion of the Business Combination is subject to customary closing conditions, including (i) the receipt of the requisite approvals of the Valaris shareholders and the Transocean shareholders, (ii) the granting of the sanction order on terms consistent with the Business Combination Agreement, (iii) the Transocean shares issued pursuant to the Business Combination Agreement having been approved for listing on the NYSE, subject to official notice of issuance, (iv) certain regulatory approvals having been obtained or any applicable waiting period having expired or been terminated (which is expected to be satisfied by November 3, 2026), (v) no governmental authority within applicable jurisdictions having enacted or issued any law or order preventing or prohibiting the consummation of the Business Combination and (vi) the absence of a Transocean Material Adverse Effect or a Valaris Material Adverse Effect (each as defined within the Business Combination Agreement). Under certain specified circumstances in which the Business Combination Agreement is terminated, we would be required to pay to Transocean a termination fee equal to $173.0 million.

Shareholder meetings for both Valaris and Transocean are scheduled for November 24, 2026, and a hearing before the Supreme Court of Bermuda to sanction the Business Combination is scheduled for November 26, 2026. Subject to receipt of the requisite shareholder and court approvals, and satisfaction of the remaining closing conditions, the Business Combination is expected to close on or about December 1, 2026.

In connection with the Business Combination, we incurred professional fees and other costs of $15.5 million and $40.5 million for the three and nine months ended September 30, 2026, respectively, which are included within Merger and integration expenses in the Condensed Consolidated Statements of Operations.

Summary of Significant Accounting Policies

Please refer to "Note 1. Description of the Business and Summary of Significant Accounting Policies" of our Consolidated Financial Statements from our Annual Report for the discussion of our significant accounting policies. Certain previously reported amounts have been reclassified to conform to the current year presentation.

New Accounting Pronouncements

Accounting Pronouncements to be Adopted

Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures - In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("Update 2024-03"), which requires companies to disclose additional information for certain relevant expense categories in the Statements of Operations and within the notes to the financial statements. Update 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted and can be applied either prospectively to financial statements issued for reporting periods after the effective date, or retrospectively to prior periods which are presented in the financial statements. We are currently assessing the impact of the requirements on our condensed consolidated financial statements and disclosures, but do not expect the adoption of Update 2024-03 to result in a change in recognition or measurement of expenses within our consolidated financial statements.

With the exception of the updated standard discussed above, there have been no accounting pronouncements issued and not yet effective that have significance, or potential significance, to our condensed consolidated financial statements.

Note 2 - Revenue from Contracts with Customers

Under our drilling contracts with customers, we provide a drilling rig and drilling services, including rig crews, on a day rate contract basis. We receive a daily rate that may vary between the full rate and zero rate throughout the duration of the contractual term, depending on the operations of the rig. We also may receive lump-sum fees or similar compensation generally for the mobilization, demobilization, and capital upgrades of our rigs. Our customers bear substantially all of the costs of constructing the well and supporting drilling operations, as well as the economic risk relative to the success of the well.

Our drilling service provided under each drilling contract is a single performance obligation satisfied over time and comprised of a series of distinct time increments, or service periods. Total revenue is determined for each individual drilling contract by estimating both fixed and variable consideration expected to be earned over the contract term. Fixed consideration generally relates to activities such as mobilization, demobilization and capital upgrades of our rigs that are not distinct performance obligations within the context of our contracts and is recognized on a straight-line basis over the contract term. Variable consideration generally relates to distinct service periods during the contract term and is recognized in the period when the services are performed.

The remaining duration of our drilling contracts based on those in place as of September 30, 2026 was between approximately 1 month and 4 years.

Contract Assets and Liabilities

Contract assets represent amounts recognized as revenue but for which the right to invoice the customer is dependent upon our future performance. Once the previously recognized revenue is invoiced, the corresponding contract asset, or a portion thereof, is transferred to accounts receivable.

Contract liabilities generally represent fees received for mobilization, capital upgrades or in the case of our 50/50 unconsolidated joint venture with Saudi Aramco, represent the difference between the amounts billed under the bareboat charter arrangements and lease revenues earned. See "Note 3 – *Equity Method Investment in ARO*" for additional details regarding our balances with ARO.

Contract assets and liabilities are presented net on our Condensed Consolidated Balance Sheets on a contract-by-contract basis. Current contract assets and liabilities are included in Other current assets and Accrued liabilities and other, respectively, and noncurrent contract assets and liabilities are included in Other assets and Other liabilities, respectively, on our Condensed Consolidated Balance Sheets.

The following table summarizes our contract assets and contract liabilities (in millions):

	September 30, 2026	December 31, 2025
Current contract assets	$ 13.2	$ 4.3
Noncurrent contract assets	$ 15.5	$ 12.8
Current contract liabilities (deferred revenues)	$ 129.9	$ 87.7
Noncurrent contract liabilities (deferred revenues)	$ 78.1	$ 63.2

Changes in contract assets and liabilities during the period are as follows (in millions):

	Contract Assets	Contract Liabilities
Balance as of December 31, 2025	$ 17.1	$ 150.9
Revenue recognized in advance of right to bill customer	16.7	—
Increase due to revenue deferred during the period	—	151.1
Decrease due to amortization of deferred revenue that was included in the beginning contract liability balance	—	(69.6)
Decrease due to amortization of deferred revenue added during the period	—	(24.4)
Decrease due to transfer to receivables and payables during the period	(5.1)	—
Balance as of September 30, 2026	$ 28.7	$ 208.0

Deferred Contract Costs

Costs incurred for upfront rig mobilizations and certain contract preparations are attributable to our future performance obligation under each respective drilling contract. These costs are deferred and amortized on a straight-line basis over the contract term. Deferred contract costs are included in Other current assets and Other assets on our Condensed Consolidated Balance Sheets and totaled $75.8 million and $36.6 million as of September 30, 2026 and December 31, 2025, respectively. During the three and nine months ended September 30, 2026, amortization of such costs totaled $18.1 million and $50.6 million, respectively. During the three and nine months ended September 30, 2025, amortization of such costs totaled $9.1 million and $30.7 million, respectively.

Deferred Certification Costs

We must obtain certifications from various regulatory bodies in order to operate our drilling rigs and must maintain such certifications through periodic inspections and surveys. The costs incurred in connection with maintaining such certifications, including inspections, tests, surveys and drydock, and other compliance costs, are deferred and amortized on a straight-line basis over the corresponding certification periods. Deferred regulatory certification and compliance costs were included in Other current assets and Other assets on our Condensed Consolidated Balance Sheets and totaled $7.1 million and $7.6 million as of September 30, 2026 and December 31, 2025, respectively. During the three and nine months ended September 30, 2026, amortization of such costs totaled $1.4 million and $5.1 million, respectively. During the three and nine months ended September 30, 2025, amortization of such costs totaled $1.9 million and $6.3 million, respectively.

Future Amortization of Contract Liabilities and Deferred Costs

The table below reflects the expected future amortization of our contract liabilities and deferred costs recorded as of September 30, 2026. In the case of our contract liabilities related to our bareboat charter arrangements with ARO, the contract liability is not amortized and as such, the amount is reflected in the table below at the end of the current lease term. See "Note 3 - *Equity Method Investment in ARO*" for additional information on ARO and related arrangements.

	(In millions)				
	Remaining 2026	**2027**	**2028**	**2029 and Thereafter**	**Total**
Amortization of contract liabilities	$ 47.3	$ 93.9	$ 21.4	$ 45.4	$ 208.0
Amortization of deferred costs	$ 22.7	$ 46.7	$ 12.9	$ 0.6	$ 82.9

Note 3 - Equity Method Investment in ARO

Background

ARO is a 50/50 unconsolidated joint venture between the Company and Saudi Aramco that owns and operates jackup drilling rigs in Saudi Arabia. As of September 30, 2026, ARO owned nine jackup rigs, had ordered four newbuild jackup rigs and leased seven rigs from us through bareboat charter arrangements (the "Lease Agreements") whereby substantially all operating costs are incurred by ARO.

The shareholder agreement governing the joint venture (the "Shareholder Agreement") specifies that ARO shall purchase 20 newbuild jackup rigs. Under this program, two newbuild jackups have been built and are in service, two are currently under construction (Kingdom 3 and Kingdom 4, which were ordered in October 2024 and November 2025, respectively) and two additional newbuild jackups were ordered in August 2026 (Kingdom 5 and Kingdom 6). In connection with these plans, we have a potential obligation to fund ARO for newbuild jackup rigs. See "Note 11 - *Contingencies*" for additional information.

Equity in earnings (losses) of ARO

We account for our interest in ARO using the equity method of accounting and only recognize our portion of ARO's net income (loss), adjusted for basis differences as discussed below, which is included in Equity in earnings (losses) of ARO in our Condensed Consolidated Statements of Operations.

Our equity method investment in ARO was recorded at its estimated fair value in fresh start accounting upon emergence from bankruptcy in 2021. We computed the difference between the fair value of ARO's net assets and the carrying value of those net assets in ARO's U.S. GAAP financial statements ("basis differences") at that date. These basis differences primarily related to ARO's long-lived assets and the recognition of intangible assets associated with certain of ARO's drilling contracts that were determined to have favorable terms relative to market terms as of the measurement date.

Basis differences are amortized over the remaining life of the assets or liabilities to which they relate and are recognized as an adjustment to the Equity in earnings (losses) of ARO in our Condensed Consolidated Statements of Operations. The amortization of those basis differences is combined with our 50% interest in ARO's net income (loss). A reconciliation of those components is presented below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
50% interest in ARO net income (loss) [1]	$ (6.6)	$ 1.2	$ 4.5	$ (3.6)
Amortization of basis differences	3.1	3.2	9.4	9.5
Equity in earnings (losses) of ARO	$ (3.5)	$ 4.4	$ 13.9	$ 5.9

[1] The 50% interest in ARO net income for the nine months ended September 30, 2026 includes the recognition of $14.3 million in additional income, which represents our proportionate share of adjustments recorded by ARO during the completion of its 2025 financial statements subsequent to the issuance of our Annual Report.

Related-Party Transactions

Revenues recognized by us related to the Lease Agreements are included within Revenues (exclusive of reimbursable revenues) and revenues related to certain reimbursable expenses in accordance with the Lease Agreements are recognized within Reimbursable revenues in our Condensed Consolidated Statements of Operations and were as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues (exclusive of reimbursable revenues) from Lease Agreements	$ 13.5	$ 22.5	$ 46.8	$ 52.9
Reimbursable revenues from Lease Agreements	—	—	10.2	—
Total operating revenues from Lease Agreements	$ 13.5	$ 22.5	$ 57.0	$ 52.9

Our balances related to the ARO lease agreements were as follows (in millions):

	September 30, 2026	December 31, 2025
Accounts receivable	$ 38.1	$ 47.8
Contract assets [1]	$ —	$ 2.0
Contract liabilities [1]	$ 37.0	$ 16.3
Accounts payable [1]	$ 30.8	$ 61.8

[1] The per day bareboat charter amount in the Lease Agreements is subject to adjustment based on actual performance of the respective rig and therefore, the corresponding contract assets and contract liabilities are subject to adjustment during the lease term. Upon completion of the lease term, such amounts become a payable to or a receivable from ARO. In addition, the accounts payable balance includes amounts owed to ARO for certain reimbursable costs.

During 2017 and 2018, the Company contributed assets to ARO in exchange for a 10-year shareholder notes receivable due from ARO (the "Notes Receivable from ARO"), which bear interest based on a one-year term Secured Overnight Financing Rate ("SOFR"), set as of the end of the year prior to the applicable year, plus 2.10%. The Notes Receivable from ARO were adjusted to their estimated fair value in fresh start accounting in 2021 and the resulting discount to the principal amount is being amortized using the effective interest method to interest income over the remaining terms of the notes.

The principal amount and discount of the Notes Receivable from ARO were as follows (in millions):

	September 30, 2026	December 31, 2025
Principal amount	$ 400.7	$ 400.7
Discount	(37.3)	(55.7)
Carrying value	$ 363.4	$ 345.0
Interest receivable [1] [2]	$ 16.8	$ —

[1] Our interest receivable from ARO is included in Accounts receivable, net in our Condensed Consolidated Balance Sheets.

[2] The 2025 interest on the Notes Receivable from ARO of approximately $24.1 million was paid in kind in December 2025 by increasing the principal balance of the Notes Receivable from ARO.

Interest income earned on the Notes Receivable from ARO was as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Interest income	$ 5.7	$ 10.0	$ 16.8	$ 18.0
Non-cash amortization [1]	6.2	6.2	18.4	18.5
Total interest income on the Notes Receivable from ARO	$ 11.9	$ 16.2	$ 35.2	$ 36.5

[1] Represents the amortization of the discount on the Notes Receivable from ARO using the effective interest method to interest income over the term of the notes.

Note 4 - Fair Value Measurements

The carrying values and estimated fair values of certain of our financial instruments were as follows (in millions):

	September 30, 2026		December 31, 2025	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
2030 Second Lien Notes [1]	$ 1,088.5	$ 1,125.2	$ 1,086.0	$ 1,144.9
Notes Receivable from ARO [2]	$ 363.4	$ 411.5	$ 345.0	$ 403.8

[1] The estimated fair value of the 2030 Second Lien Notes (as defined in "Note 8 - *Debt*") was determined using quoted market prices, which are level 1 inputs.

[2] The estimated fair value of the Notes Receivable from ARO was estimated using an income approach to value the forecasted cash flows attributed to the Notes Receivable from ARO using a discount rate based on a comparable yield with a country-specific risk premium, which are considered to be level 2 inputs.

The estimated fair values of our cash and cash equivalents, restricted cash, accounts receivable and trade payables approximated their carrying values as of September 30, 2026 and December 31, 2025.

Note 5 - Property and Equipment

Property and equipment consisted of the following (in millions):

	September 30, 2026	December 31, 2025
Drilling rigs and equipment	$ 2,239.7	$ 1,958.8
Work-in-progress	600.0	590.3
Other	49.8	49.2
Total property and equipment, at cost	$ 2,889.5	$ 2,598.3

While taking into account certain restrictions on the sales of assets under our Indenture dated as of April 19, 2023 and within the Business Combination Agreement, as part of our strategy, we may act opportunistically from time to time to sell assets to enhance shareholder value. Gains and losses recognized on sale of assets are recognized in Other, net on the Condensed Consolidated Statements of Operations. Additionally, we may consider retiring assets that no longer meet our standards for economic returns. Non-cash losses on impairment and any gains on remeasurement of assets held for sale are recognized within Other operating (income) loss on the Condensed Consolidated Statements of Operations.

Sale of VALARIS 111

In September 2026, we entered into an agreement to sell VALARIS 111, a rig within our Jackups segment, for recycling for $1.7 million. Under the terms of the agreement, we retained the right to terminate the purchase and sale agreement within 30 days following receipt of the proceeds. On September 30, 2026, we completed the sale and received $1.7 million of cash proceeds. As of September 30, 2026, the net book value of the rig was classified as held for sale due to the cancellation option.

In October 2026, we entered into an agreement to sell the rig to another buyer for conversion to a mobile offshore production unit for cash proceeds of $10.5 million. As such, we rescinded the purchase and sale agreement with the initial buyer and made a payment of approximately $3.0 million in accordance with the termination provisions within the agreement. The sale to the new buyer was completed in October and we recognized a pre-tax gain of approximately $8.0 million in the fourth quarter.

Sale of VALARIS MS-1

In September 2026, we entered into an agreement to sell VALARIS MS-1, our only remaining semisubmersible rig within our Floaters segment, for recycling for total cash proceeds of $11.0 million. In connection with this sale, we recognized a non-cash loss on impairment of $3.0 million during the three months ended September 30, 2026 and the rig was removed from service.

Sale of VALARIS 109

In July 2026, we sold VALARIS 109, a rig within our Jackups segment. The rig was sold for cash proceeds of $34.0 million, resulting in the recognition of a pre-tax gain of $31.3 million in the third quarter of 2026.

Sale of VALARIS 104

In June 2026, we sold VALARIS 104, a rig within our Jackups segment, for alternative use. The rig was sold for cash proceeds of $40.0 million, resulting in the recognition of a pre-tax gain of $36.6 million in the second quarter of 2026.

Sale of VALARIS DPS-1

In the fourth quarter of 2025, we approved a plan to retire VALARIS DPS-1, a semisubmersible rig within our Floaters segment. VALARIS DPS-1 was reclassified from Property and equipment, net to Assets held for sale on our Consolidated Balance Sheets during the fourth quarter of 2025.

In connection with the held-for-sale classification of VALARIS DPS-1, we recognized a non-cash loss on impairment of $15.8 million during 2025, resulting in a $6.4 million carrying value as of December 31, 2025, which was determined using a probability-weighted market approach based on transactions involving comparable assets, non-binding independent broker quotes and management assumptions, all of which were considered Level 3 inputs due to the level of estimation involved.

Assets held for sale are remeasured at each reporting period for changes in estimated fair value less costs to sell, however, any related gains recognized cannot exceed the previous impairment losses taken for the specified disposal group. As such, we reassessed the fair value of VALARIS DPS-1 during the first quarter of 2026 utilizing a market approach based on a preliminary sale agreement, which was considered a Level 3 input due to the level of estimation involved since the sale had not yet been completed at the time of our analysis. In connection with this, we recognized a $2.8 million gain on remeasurement of our asset held for sale during the first quarter of 2026.

In the second quarter of 2026, VALARIS DPS-1 was sold for recycling and removed from service for total cash proceeds of $10.1 million. No additional gain or loss was recognized upon completion of this sale.

Sale of VALARIS 247

In the third quarter of 2025, we sold VALARIS 247, a rig within our Jackups segment, and collected cash proceeds of approximately $108.0 million. We recognized a pre-tax gain of $88.4 million in connection with the sale.

Sale of Other Retired Semis

In the first quarter of 2025, we approved a plan to retire three semisubmersible rigs within our Floaters segment, VALARIS DPS-3, VALARIS DPS-5, and VALARIS DPS-6 (collectively, the "Retired Semis"). In April 2025, the Retired Semis were sold for recycling and permanently removed from service for total cash proceeds of $10.0 million.

In connection with the retirement of the Retired Semis, during the first quarter of 2025, we recognized a non-cash loss on impairment of $7.8 million, which represented the amount of carrying value that exceeded the disposal group's aggregate fair value less costs to sell. We estimated the fair value using a market approach based on the preliminary sale agreement for the Retired Semis, which is considered a Level 3 input due to the level of estimation involved since the sale had not yet been completed at the time of our analysis.

Sale of VALARIS 75

In the first quarter of 2025, VALARIS 75, a rig within our Jackups segment which had an immaterial net book value, was sold resulting in a pre-tax gain on sale of $23.0 million. Of the proceeds, $14.0 million was collected upon closing, $5.0 million was collected in January 2026 and the remaining $5.0 million is expected to be received on the second anniversary of the closing.

Sale of Angola Office Building

In the first quarter of 2025, we sold an office building in Angola for cash proceeds of $5.2 million, resulting in a pre-tax gain on sale of $4.0 million. Of the proceeds, approximately $2.5 million was collected during the fourth quarter of 2024 and $2.7 million was collected during the first quarter of 2025.

Note 6 - Pension and Other Post-retirement Benefits

We have defined-benefit pension plans and retiree medical plans that provide post-retirement health and life insurance benefits.

The components of net periodic pension and retiree medical (income) loss were as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Interest cost	$ 7.4	$ 7.8	$ 22.2	$ 23.2
Expected return on plan assets	(8.2)	(7.4)	(24.4)	(21.9)
Amortization of net gain	(0.2)	(0.2)	(0.6)	(0.6)
Net periodic pension and retiree medical (income) loss [1]	$ (1.0)	$ 0.2	$ (2.8)	$ 0.7

[1] Included in Other, net in our Condensed Consolidated Statements of Operations.

Note 7 - Earnings Per Share

Basic earnings per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding during the period. Weighted-average shares outstanding used in our computation of diluted EPS is calculated using the treasury stock method and includes the effect of all potentially dilutive stock equivalents, including warrants, restricted stock unit awards and performance stock unit awards.

The following table is a reconciliation of the weighted-average shares used in our basic and diluted EPS computations for the three and nine months ended September 30, 2026 and 2025 (in millions), except per share amounts:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Income attributable to our shares	$ 46.1	$ 188.1	$ 80.1	$ 265.3
Weighted average shares outstanding:				
Basic	69.4	70.7	69.3	70.9
Effect of stock equivalents	0.9	0.3	1.0	0.3
Diluted	70.3	71.0	70.3	71.2
EARNINGS PER SHARE:				
Basic	$ 0.66	$ 2.66	$ 1.16	$ 3.74
Diluted	$ 0.66	$ 2.65	$ 1.14	$ 3.73

Anti-dilutive share awards totaling 246,000 and 135,000 were excluded from the computation of diluted EPS for the three and nine months ended September 30, 2026, respectively.

Anti-dilutive shares totaling 227,000 and 258,000 were excluded from the computation of diluted EPS for the three and nine months ended September 30, 2025, respectively.

We had 5,470,742 warrants outstanding (the "Warrants") as of September 30, 2026 to purchase common shares of Valaris Limited (the "Common Shares"), which are exercisable for one Common Share per Warrant at an initial exercise price of $131.88 per Warrant and expire on April 29, 2028. The exercise of these Warrants into Common Shares would have a dilutive effect to the holdings of Valaris Limited's existing shareholders. These Warrants are anti-dilutive for all periods presented.

Note 8 - Debt

2030 Second Lien Notes

In April 2023, the Company and Valaris Finance Company LLC (“Valaris Finance”), a wholly-owned subsidiary, issued and sold, at par, $700.0 million aggregate principal amount of Second Lien Notes (the "Initial Second Lien Notes"). In August 2023, the Company and Valaris Finance issued, at 100.75% of par, an additional $400.0 million aggregate principal amount of Second Lien Notes (the "Additional Notes"). The Initial Second Lien Notes and the Additional Notes form a single series and are collectively referred to as the "2030 Second Lien Notes."

The 2030 Second Lien Notes were issued under the Indenture, dated as of April 19, 2023 (the "Indenture"), and will mature on April 30, 2030. The 2030 Second Lien Notes bear an interest rate of 8.375% per annum and interest is payable semi-annually in arrears on April 30 and October 30 of each year. The 2030 Second Lien Notes are fully and unconditionally guaranteed, jointly and severally, on a senior secured basis by certain subsidiaries of the Company.

As of September 30, 2026, we were in compliance in all material respects with our covenants under the Indenture.

2028 Credit Agreement

In April 2023, the Company entered into a senior secured revolving credit agreement (the "2028 Credit Agreement") which provides for commitments permitting borrowings of up to $375.0 million. Permitted borrowings under the 2028 Credit Agreement may be increased, subject to the agreement of lenders to provide such additional commitments and the satisfaction of certain conditions, by an additional $200.0 million pursuant to the terms of the 2028 Credit Agreement, and includes a $150.0 million sublimit for the issuance of letters of credit. Valaris Finance and certain other subsidiaries of the Company guarantee the Company's obligations under the 2028 Credit Agreement, and the lenders have a first priority lien on the assets securing the 2028 Credit Agreement. The 2028 Credit Agreement is scheduled to mature on April 3, 2028.

Amounts borrowed under the 2028 Credit Agreement are subject to an interest rate per annum equal to, at our option, either (a) a base rate determined as the greatest of (i) a prime rate, (ii) the federal funds rate plus 0.5% and (iii) Term SOFR (as defined in the 2028 Credit Agreement) for a one month interest period plus 1.1% (such base rate to be subject to a 1% floor) or (b) Term SOFR plus 0.10% (subject to a 0% floor), plus, in each case of clauses (a) and (b) above, an applicable margin ranging from 1.50% to 3.00% and 2.50% to 4.00%, respectively, based on the credit ratings that are one notch higher than the corporate family ratings provided by Standard & Poor's Financial Services LLC ("S&P") and Moody's Investors Service, Inc. ("Moody's") with respect to Valaris Limited.

Additionally, we are required to pay a quarterly commitment fee to the lenders under the 2028 Credit Agreement with respect to the average daily unutilized commitments thereunder at a rate ranging from 0.375% to 0.75% depending on the credit ratings that are one notch higher than the corporate family ratings provided by S&P and Moody's with respect to Valaris Limited. With respect to each letter of credit issued pursuant to the 2028 Credit Agreement, we are required to pay a letter of credit fee equal to the applicable margin in effect for Term SOFR loans and a fronting fee in an amount to be mutually agreed between us and the issuer of such letter of credit.

As of September 30, 2026, we were in compliance in all material respects with our covenants under the 2028 Credit Agreement. We had no amounts outstanding under the 2028 Credit Agreement as of September 30, 2026.

Note 9 - Shareholders' Equity

Activity in our various shareholders' equity accounts for the three and nine months ended September 30, 2026 and 2025 were as follows (in millions):

	Shares Issued	Par Value	Additional Paid-in Capital	Warrants	Retained Earnings	AOCI	Treasury Shares	Non-controlling Interest
BALANCE, December 31, 2025	76.4	$ 0.8	$ 1,134.9	$ 16.4	$ 2,381.7	$ 60.9	$ (425.1)	$ 2.1
Net loss	—	—	—	—	(16.4)	—	—	(1.6)
Share-based compensation cost	—	—	6.4	—	—	—	—	—
Shares issued under share-based compensation plans, net	0.1	—	—	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Shares withheld for taxes on vesting of share-based awards	—	—	(1.4)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	3.2	—	—
BALANCE, March 31, 2026	76.5	$ 0.8	$ 1,139.9	$ 16.4	$ 2,365.3	$ 63.9	$ (425.1)	$ 0.5
Net income (loss)	—	—	—	—	50.4	—	—	(3.4)
Share-based compensation cost	—	—	9.2	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Shares withheld for taxes on vesting of share-based awards	—	—	(0.1)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	0.2	—	—
BALANCE, June 30, 2026	76.5	$ 0.8	$ 1,149.0	$ 16.4	$ 2,415.7	$ 63.9	$ (425.1)	$ (2.9)
Net income	—	—	—	—	46.1	—	—	0.6
Share-based compensation cost	—	—	10.6	—	—	—	—	—
Shares issued under share-based compensation plans, net	0.1	—	—	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Shares withheld for taxes on vesting of share-based awards	—	—	(6.0)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	(0.2)	—	—
BALANCE, September 30, 2026	76.6	$ 0.8	$ 1,153.6	$ 16.4	$ 2,461.8	$ 63.5	$ (425.1)	$ (2.3)

	Shares Issued	Par Value	Additional Paid-in Capital	Warrants	Retained Earnings	AOCI	Treasury Shares	Non-controlling Interest
BALANCE, December 31, 2024	76.2	$ 0.8	$ 1,113.3	$ 16.4	$ 1,398.9	$ 34.2	$ (325.1)	$ 5.8
Net loss	—	—	—	—	(37.9)	—	—	(1.3)
Share-based compensation cost	—	—	5.6	—	—	—	—	—
Shares issued under share-based compensation plans, net	0.1	—	—	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Shares withheld for taxes on vesting of share-based awards	—	—	(0.3)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	1.3	—	—
BALANCE, March 31, 2025	76.3	$ 0.8	$ 1,118.6	$ 16.4	$ 1,361.0	$ 35.3	$ (325.1)	$ 4.5
Net income (loss)	—	—	—	—	115.1	—	—	(0.9)
Share-based compensation cost	—	—	6.0	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Foreign currency translation adjustments	—	—	—	—	—	1.8	—	—
BALANCE, June 30, 2025	76.3	$ 0.8	$ 1,124.6	$ 16.4	$ 1,476.1	$ 36.9	$ (325.1)	$ 3.6
Net income (loss)	—	—	—	—	188.1	—	—	(0.8)
Share-based compensation cost	—	—	6.8	—	—	—	—	—
Shares issued under share-based compensation plans, net	0.1	—	—	—	—	—	—	—
Net changes in pension and other postretirement benefits	—	—	—	—	—	(0.2)	—	—
Repurchase of Common Shares	—	—	—	—	—	—	(75.0)	—
Shares withheld for taxes on vesting of share-based awards	—	—	(2.8)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	—	1.2	—	—
BALANCE, September 30, 2025	76.4	$ 0.8	$ 1,128.6	$ 16.4	$ 1,664.2	$ 37.9	$ (400.1)	$ 2.8

Share Repurchase Program

Our board of directors has authorized a share repurchase program (the "Share Repurchase Program") under which we may purchase up to $600.0 million of our outstanding Common Shares. The Share Repurchase Program does not have a fixed expiration, may be modified, suspended or discontinued at any time and any repurchases made pursuant to the Share Repurchase Program are subject to compliance with applicable covenants and restrictions under our financing agreements and the Business Combination Agreement.

There were no share repurchases during each of the three and nine months ended September 30, 2026. The following table summarizes shares repurchased, aggregate cost and the average per share price (in millions, except average per share price) for the three and nine months ended September 30, 2025:

	Three Months Ended September 30,	Nine Months Ended September 30,
	2025	
Shares repurchased	1.5	1.5
Aggregate cost	$ 75.0	$ 75.0
Average price per share	$ 48.88	$ 48.88

As of September 30, 2026, we had approximately $175.0 million available for share repurchases pursuant to the Share Repurchase Program.

Note 10 - Income Taxes

We calculate our tax provision by applying the estimated annual effective tax rate for the full fiscal year to pre-tax income or loss, excluding discrete items. The consolidated effective tax rate for the three and nine months ended September 30, 2026, excluding the impact of discrete tax items, was 20.1% and 21.1%, respectively. The discrete tax expense for these periods primarily related to rig sales, partially offset by the resolution of prior period tax matters. See "Note 5 - *Property and Equipment*" for further disclosures regarding rigs sold during the period.

The consolidated effective tax rate for the three and nine months ended September 30, 2025, excluding the impact of discrete tax items, was 14.1% and 14.8%, respectively. The discrete tax items for the nine months ended September 30, 2025, primarily related to the establishment of the valuation allowance on deferred tax assets. During the first quarter of 2025, we recognized $168.8 million of deferred tax expense related to the establishment of this valuation allowance, which resulted from a change in estimated future taxable income in a certain operating jurisdiction in connection with the retirement of the Retired Semis. We intend to maintain this valuation allowance until there is sufficient evidence to support a reversal of the allowance. The timing and amount of future valuation allowance reductions are subject to future levels of contracting and profitability achieved or by the expiration of the related deferred tax assets. See "Note 5 - *Property and Equipment*" for further disclosure regarding the Retired Semis.

Malaysia Tax Assessment

In February 2024, one of our Malaysian subsidiaries received an unfavorable court decision regarding a tax assessment for the 2012-2017 tax years totaling approximately MYR117.0 million (approximately $29.0 million converted at current quarter-end exchange rates), including a late payment penalty. In July 2024, we received a payment demand from the Malaysian tax authority for the full assessment amount. In order to further contest the assessment, we made payments of approximately $8.0 million and $18.0 million in the first quarter of 2025 and in 2024, respectively, for aggregate total payments of $26.0 million. These payments are included within Other assets in the Condensed Consolidated Balance Sheets. We have not recorded a liability for uncertain tax positions as of September 30, 2026, related to this assessment based on a more-likely-than-not threshold. We believe our tax returns are materially correct as filed and will vigorously contest this assessment.

Australian Tax Assessment

In December 2024, we reached a settlement agreement with the Australian tax authorities regarding tax assessments which related to the examination of certain of our tax returns for the years 2011 through 2016. In connection with this agreement, during the first quarter of 2025, we received refunds (including interest) totaling A$42.0 million (approximately $26.0 million at then-current exchange rates).

Note 11 - Contingencies

ARO Newbuild Funding Obligations

In connection with our 50/50 unconsolidated joint venture, we have a potential obligation to fund ARO for newbuild jackup rigs. The Shareholder Agreement specifies that ARO shall purchase 20 newbuild jackup rigs. The joint venture partners intend for the newbuild jackup rigs to be financed out of available cash on hand and from ARO's operations and/or funds available from third-party financing. The first two newbuild jackups, Kingdom 1 and Kingdom 2, were delivered and commenced operations in 2023 and 2024, respectively.

In October 2024 and November 2025, ARO ordered the third and fourth newbuild jackups, Kingdom 3 and Kingdom 4, respectively, for a purchase price of approximately $300.0 million each. ARO paid a 25% down payment from cash on hand for Kingdom 3 and Kingdom 4. In August 2026, ARO ordered the fifth and sixth newbuild jackups, Kingdom 5 and Kingdom 6, for a purchase price of approximately $360.0 million each, with each order requiring a 25% down payment. ARO paid $45.0 million, representing 50% of the required down payment for Kingdom 5, using a combination of cash on hand and borrowings under ARO's revolving credit facility. The remaining $45.0 million down payment for Kingdom 5 and the full $90.0 million down payment for Kingdom 6 are expected to be paid in the fourth quarter of 2026 with cash from third-party financing or additional borrowings under ARO's revolving credit facility. The final payment for each newbuild rig will be due upon delivery.

In the event ARO has insufficient cash or is unable to obtain third-party financing, each partner may periodically be required to make additional capital contributions to ARO, up to a maximum aggregate contribution of $1.25 billion from each partner to fund the newbuild program. Beginning with the delivery of the second newbuild, each partner's commitment is reduced by the lesser of the actual cost of each newbuild rig or $250.0 million, on a proportionate basis. Following the delivery of Kingdom 2, our commitment to fund the newbuild program has been reduced to $1.1 billion.

Letters of Credit and Surety Bonds

In the ordinary course of business with customers and others, we have entered into letters of credit and surety bonds to guarantee our performance as it relates to our drilling contracts, contract bidding, customs duties, tax appeals and other obligations in various jurisdictions. Letters of credit and surety bonds outstanding as of September 30, 2026 totaled $113.7 million and are issued under facilities provided by various banks and other financial institutions, but none were issued under the 2028 Credit Agreement. Obligations under these letters of credit and surety bonds are not normally called, as we typically comply with the underlying performance requirements. As of September 30, 2026, we had collateral deposits in the amount of $14.8 million with respect to these agreements.

Other Matters

In addition to the foregoing, we are named defendants or parties in certain other lawsuits, claims or proceedings incidental to our business and are involved from time to time as parties to governmental investigations or proceedings, including matters related to taxation, arising in the ordinary course of business. Although the outcome of such lawsuits or other proceedings cannot be predicted with certainty and the amount of any liability that could arise with respect to such lawsuits or other proceedings cannot be predicted accurately, we do not expect these matters to have a material adverse effect on our financial position, operating results and cash flows.

Note 12 - Segment Information

Our business consists of four operating segments: (1) Floaters, which includes our drillships and semisubmersible rigs, (2) Jackups, (3) ARO and (4) Other, which consists of management services on rigs owned by third parties and the activities associated with our arrangements with ARO under the Lease Agreements. Floaters, Jackups and ARO are also reportable segments.

Our chief operating decision maker ("CODM") assesses segment performance based on their review of the operating income (loss) of each segment, which measures profitability after deducting normal operating costs. Components within operating income (loss), such as revenues and contract drilling expenses, are used to monitor actual performance against budget and monthly forecasted results for each segment. Further, the CODM utilizes revenue to derive a segment’s asset utilization, average daily revenue and revenue efficiency. Using these metrics, the CODM can identify potentially underperforming segments and develop strategies to increase profits or reduce costs, make investment decisions and allocate resources as needed. The disaggregated segment information, as presented in the tables below, aligns with the segment level information that is regularly provided to the CODM.

Our onshore support costs included within Contract drilling expenses are not allocated to our operating segments for purposes of measuring segment operating income (loss) and as such, those costs are included in “Reconciling Items.” Further, General and administrative expenses, Depreciation expense and Merger and integration expenses incurred by our corporate office are not allocated to our operating segments for purposes of measuring segment operating income (loss) and are included in "Reconciling Items." We measure segment assets as Property and equipment, net.

The full operating results included below for ARO are not included within our consolidated results and thus are deducted under "Reconciling Items" and replaced with our equity in earnings (losses) of ARO. See "Note 3 - *Equity Method Investment in ARO*" for additional information on ARO and related arrangements. Similarly, the Property and equipment, net balances presented below for ARO are not included within our Condensed Consolidated Balance Sheets and thus are also deducted under "Reconciling Items."

Segment information for the three and nine months ended September 30, 2026 and 2025 are presented below (in millions):

Three Months Ended September 30, 2026

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues:						
Revenues (exclusive of reimbursable revenues)	$ 346.0	$ 171.2	$ 144.9	$ 38.4	$ (144.9)	$ 555.6
Reimbursable revenues	13.3	17.6	—	7.1	—	38.0
Total operating revenues	359.3	188.8	144.9	45.5	(144.9)	593.6
Operating expenses:						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	188.8	129.2	91.7	20.8	(50.6)	379.9
Reimbursable expenses	12.9	16.5	—	8.0	—	37.4
Total contract drilling expenses (exclusive of depreciation)	201.7	145.7	91.7	28.8	(50.6)	417.3
Depreciation	17.7	16.2	28.8	8.1	(23.5)	47.3
General and administrative	—	—	7.7	—	18.0	25.7
Merger and integration expenses	—	—	—	—	15.5	15.5
Other operating loss	3.0	—	—	—	—	3.0
Total operating expenses	222.4	161.9	128.2	36.9	(40.6)	508.8
Equity in losses of ARO	—	—	—	—	(3.5)	(3.5)
Operating income	$ 136.9	$ 26.9	$ 16.7	$ 8.6	$ (107.8)	$ 81.3
Property and equipment, net	$ 1,346.4	$ 641.9	$ 1,311.3	$ 217.5	$ (1,257.9)	$ 2,259.2
Capital expenditures	$ 60.3	$ 35.1	$ 69.5	$ 25.7	$ (69.0)	$ 121.6

Three Months Ended September 30, 2025

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues:						
Revenues (exclusive of reimbursable revenues)	$ 293.0	$ 216.7	$ 156.8	$ 45.9	$ (156.8)	$ 555.6
Reimbursable revenues	9.9	20.4	—	9.8	—	40.1
Total operating revenues	302.9	237.1	156.8	55.7	(156.8)	595.7
Operating expenses:						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	187.7	124.8	91.6	16.3	(52.8)	367.6
Reimbursable expenses	9.4	18.9	—	9.7	—	38.0
Total contract drilling expenses (exclusive of depreciation)	197.1	143.7	91.6	26.0	(52.8)	405.6
Depreciation	15.5	15.3	28.4	3.0	(25.1)	37.1
General and administrative	—	—	5.5	—	21.4	26.9
Total operating expenses	212.6	159.0	125.5	29.0	(56.5)	469.6
Equity in earnings of ARO	—	—	—	—	4.4	4.4
Operating income	$ 90.3	$ 78.1	$ 31.3	$ 26.7	$ (95.9)	$ 130.5
Property and equipment, net	$ 1,201.3	$ 628.9	$ 1,199.7	$ 145.4	$ (1,140.9)	$ 2,034.4
Capital expenditures	$ 37.6	$ 28.9	$ 10.9	$ —	$ (7.6)	$ 69.8

Nine Months Ended September 30, 2026

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues:						
Revenues (exclusive of reimbursable revenues)	$ 817.6	$ 550.4	$ 399.2	$ 120.0	$ (399.2)	$ 1,488.0
Reimbursable revenues	29.3	45.8	—	35.1	—	110.2
Total operating revenues	846.9	596.2	399.2	155.1	(399.2)	1,598.2
Operating expenses:						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	507.3	401.9	238.4	70.9	(117.8)	1,100.7
Reimbursable expenses	28.3	42.4	—	34.8	—	105.5
Total contract drilling expenses (exclusive of depreciation)	535.6	444.3	238.4	105.7	(117.8)	1,206.2
Depreciation	50.6	48.9	75.7	20.4	(61.0)	134.6
General and administrative	—	—	25.4	—	52.8	78.2
Merger and integration expenses	—	—	—	—	40.5	40.5
Other operating loss, net	0.2	—	—	—	—	0.2
Total operating expenses	586.4	493.2	339.5	126.1	(85.5)	1,459.7
Equity in earnings of ARO	—	—	—	—	13.9	13.9
Operating income	$ 260.5	$ 103.0	$ 59.7	$ 29.0	$ (299.8)	$ 152.4
Property and equipment, net	$ 1,346.4	$ 641.9	$ 1,311.3	$ 217.5	$ (1,257.9)	$ 2,259.2
Capital expenditures	$ 174.0	$ 79.7	$ 141.1	$ 72.3	$ (139.1)	$ 328.0

Nine Months Ended September 30, 2025

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues:						
Revenues (exclusive of reimbursable revenues)	$ 968.7	$ 614.6	$ 431.4	$ 122.4	$ (431.4)	$ 1,705.7
Reimbursable revenues	26.0	74.1	—	25.8	—	125.9
Total operating revenues	994.7	688.7	431.4	148.2	(431.4)	1,831.6
Operating expenses:						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	568.0	365.8	273.6	49.7	(160.3)	1,096.8
Reimbursable expenses	24.4	69.6	—	25.5	—	119.5
Total contract drilling expenses (exclusive of depreciation)	592.4	435.4	273.6	75.2	(160.3)	1,216.3
Depreciation	44.3	42.6	86.6	8.6	(76.4)	105.7
General and administrative	—	—	18.4	—	51.7	70.1
Other operating loss	7.8	—	—	—	—	7.8
Total operating expenses	644.5	478.0	378.6	83.8	(185.0)	1,399.9
Equity in earnings of ARO	—	—	—	—	5.9	5.9
Operating income	$ 350.2	$ 210.7	$ 52.8	$ 64.4	$ (240.5)	$ 437.6
Property and equipment, net	$ 1,201.3	$ 628.9	$ 1,199.7	$ 145.4	$ (1,140.9)	$ 2,034.4
Capital expenditures	$ 89.8	$ 138.9	$ 33.0	$ —	$ (24.5)	$ 237.2

Information about Geographic Areas

As of September 30, 2026, the geographic distribution of our and ARO's drilling rigs was as follows:

	Floaters	Jackups	Other	Total Valaris[1]	ARO
Middle East & Africa	5	5	7	17	9
Europe	3	10	—	13	—
North & South America	5	3	—	8	—
Asia & Pacific Rim	—	3	—	3	—
Total	13	21	7	41	9

(1) In September 2026, we sold VALARIS 111 for recycling and transferred possession of the rig to the buyer. Accordingly, the rig is excluded from the fleet table above as of September 30, 2026. However, due to a termination right stipulated within the sale agreement, the rig remained on our balance sheet and was classified as held for sale as of September 30, 2026. See "Note 5 - *Property and Equipment*" for additional information regarding the sale of VALARIS 111.

We provide management services in the Gulf of America on two rigs owned by a third party not included in the table above.

ARO has ordered four newbuild jackups (two which are under construction in the Middle East and two which were ordered in August 2026) that are not included in the table above.

Note 13 - Supplemental Financial Information

Condensed Consolidated Balance Sheet Information

Accounts receivable, net, consisted of the following (in millions):

	September 30, 2026	December 31, 2025
Trade	$ 502.4	$ 424.1
Income tax receivables [1]	6.5	49.8
Other	34.2	15.8
	543.1	489.7
Allowance for doubtful accounts [2]	(5.0)	(14.9)
	$ 538.1	$ 474.8

[1] We received U.S. income tax refunds totaling approximately $43.0 million during the nine months ended September 30, 2026.

[2] During the second quarter of 2026, we recognized an $11.7 million reversal of previously recognized bad debt expense in connection with a favorable legal settlement resulting in the collection of outstanding customer invoices from 2020.

Other current assets consisted of the following (in millions):

	September 30, 2026	December 31, 2025
Deferred costs	$ 62.0	$ 37.7
Prepaid taxes	61.1	58.2
Prepaid expenses	22.0	13.3
Other	48.1	35.5
	$ 193.2	$ 144.7

Accrued liabilities and other consisted of the following (in millions):

	September 30, 2026	December 31, 2025
Current contract liabilities (deferred revenues)	$ 129.9	$ 87.7
Personnel costs	73.9	81.6
Income and other taxes payable	61.8	73.9
Accrued interest	38.4	15.4
Lease liabilities	27.9	35.6
Accrued claims	14.8	21.3
Other	28.4	27.9
	$ 375.1	$ 343.4

Other liabilities consisted of the following (in millions):

	September 30, 2026	December 31, 2025
Unrecognized tax benefits (inclusive of interest and penalties)	$ 136.6	$ 136.2
Noncurrent contract liabilities (deferred revenues)	78.1	63.2
Pension and other post-retirement benefits	50.8	68.3
Lease liabilities	41.3	37.3
Other	18.8	20.8
	$ 325.6	$ 325.8

Condensed Consolidated Statements of Operations Information

Other, net consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net gain on sale of property	$ 27.5	$ 89.5	$ 63.6	$ 117.4
Net foreign currency exchange gains (losses)	0.3	(1.8)	(3.1)	(16.1)
Net periodic pension and retiree medical income (loss)	1.0	(0.2)	2.8	(0.7)
Other income (expense)	(0.1)	0.2	0.3	(0.4)
	$ 28.7	$ 87.7	$ 63.6	$ 100.2

Condensed Consolidated Statement of Cash Flows Information

The following table provides a reconciliation of the amount of cash and cash equivalents and restricted cash reported within the Condensed Consolidated Balance Sheets that sum to the total of the same such amounts shown within the Condensed Consolidated Statements of Cash Flows (in millions):

	September 30, 2026	December 31, 2025
Cash and cash equivalents	$ 525.1	$ 599.4
Restricted cash—current [(1)]	5.9	7.0
Restricted cash—non-current [(1)]	10.6	11.1
	$ 541.6	$ 617.5

(1) Restricted cash consists primarily of collateral on letters of credit of $14.8 million and $16.3 million as of September 30, 2026 and December 31, 2025, respectively. Restricted cash—current is included in Other current assets and Restricted cash—non-current is included in Other assets in our Condensed Consolidated Balance Sheets. See "Note 11 - *Contingencies*" for more information regarding our letters of credit.

Concentration of Risk

Credit Risk - We are exposed to credit risk relating to our cash and cash equivalents and receivables from customers. Our cash and cash equivalents are primarily held by various well-capitalized and credit-worthy financial institutions. We monitor the credit ratings of these institutions and limit the amount of exposure to any one institution and therefore, do not believe a significant credit risk exists for these balances. We mitigate our credit risk relating to receivables from customers, which consist primarily of major international, government-owned and independent oil and gas companies, by performing ongoing credit evaluations. We also maintain reserves for potential credit losses, which generally have been within our expectations.

Customer Concentration - Consolidated revenues with customers that individually contributed 10% or more of revenue in either of the three and nine months ended September 30, 2026 and 2025 were as follows:

	Three Months Ended							
	September 30, 2026				September 30, 2025			
	Floaters	Jackups	Other	Total	Floaters	Jackups	Other	Total
BP plc ("BP")	6 %	4 %	5 %	15 %	5 %	3 %	6 %	14 %
Petróleo Brasileiro S.A. ("Petrobras")	13 %	— %	— %	13 %	13 %	— %	— %	13 %
Azule Energy ("Azule")	7 %	4 %	— %	11 %	7 %	4 %	— %	11 %
Equinor ASA ("Equinor")	10 %	— %	— %	10 %	6 %	— %	— %	6 %
Other customers [1]	25 %	24 %	2 %	51 %	20 %	33 %	3 %	56 %
	61 %	32 %	7 %	100 %	51 %	40 %	9 %	100 %

	Nine Months Ended							
	September 30, 2026				September 30, 2025			
	Floaters	Jackups	Other	Total	Floaters	Jackups	Other	Total
Petrobras	15 %	— %	— %	15 %	13 %	— %	— %	13 %
BP	4 %	5 %	6 %	15 %	4 %	3 %	5 %	12 %
Azule	9 %	4 %	— %	13 %	7 %	3 %	— %	10 %
Equinor	8 %	— %	— %	8 %	6 %	— %	— %	6 %
Other customers [1]	17 %	28 %	4 %	49 %	24 %	32 %	3 %	59 %
	53 %	37 %	10 %	100 %	54 %	38 %	8 %	100 %

[1] Other customers includes customers that individually contributed to less than 10% of our total revenues.

Geographic Concentration - For purposes of our geographic disclosure, we attribute revenues to the geographic location where such revenues are earned. Consolidated revenues for locations that individually had 10% or more of revenue were as follows (in millions):

	Three Months Ended							
	September 30, 2026				September 30, 2025			
	Floaters	Jackups	Other	Total	Floaters	Jackups	Other	Total
Brazil	$ 137.1	$ —	$ —	$ 137.1	$ 144.5	$ —	$ —	$ 144.5
Angola	81.1	22.7	—	103.8	65.0	23.0	—	88.0
United Kingdom	—	93.4	—	93.4	—	99.4	—	99.4
Gulf of America	40.9	—	31.6	72.5	48.9	—	32.4	81.3
Australia	—	16.3	—	16.3	40.0	25.9	—	65.9
Other countries [1]	100.2	56.4	13.9	170.5	4.5	88.8	23.3	116.6
	$ 359.3	$ 188.8	$ 45.5	$ 593.6	$ 302.9	$ 237.1	$ 55.7	$ 595.7

	Nine Months Ended							
	September 30, 2026				September 30, 2025			
	Floaters	Jackups	Other	Total	Floaters	Jackups	Other	Total
Brazil	$ 361.2	$ —	$ —	$ 361.2	$ 462.7	$ —	$ —	$ 462.7
Angola	225.8	69.5	—	295.3	149.5	48.6	—	198.1
United Kingdom	—	287.5	—	287.5	—	297.9	—	297.9
Gulf of America	122.7	1.0	96.0	219.7	180.0	—	93.2	273.2
Australia	—	48.5	—	48.5	117.6	111.5	—	229.1
Other countries [1]	137.2	189.7	59.1	386.0	84.9	230.7	55.0	370.6
	$ 846.9	$ 596.2	$ 155.1	$ 1,598.2	$ 994.7	$ 688.7	$ 148.2	$ 1,831.6

[1] Other countries includes locations that individually contributed to less than 10% of our total revenues.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and related notes thereto included in "Item 1. Financial Statements" and with our annual report on Form 10-K for the year ended December 31, 2025. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under "Risk Factors" in Item 1A of our annual report and elsewhere in this quarterly report. See "Forward-Looking Statements."

EXECUTIVE SUMMARY

Our Business

We are a leading provider of offshore contract drilling services to the international oil and gas industry with operations in almost every major offshore market across six continents. Our fleet of offshore drilling rigs is among the largest in the world and includes one of the highest specification ultra-deepwater fleets, as well as a leading premium jackup fleet. As of November 3, 2026, we own 41 rigs, including 13 drillships and 28 jackup rigs, and a 50% equity interest in ARO, our 50/50 unconsolidated joint venture with Saudi Aramco, which owns an additional nine rigs.

Pending Business Combination with Transocean

On February 9, 2026, Valaris and Transocean Ltd. ("Transocean"), entered into a Business Combination Agreement under which Transocean will acquire all of the issued and outstanding common shares of Valaris in exchange for shares of Transocean at an exchange ratio of 15.235 Transocean shares for each Valaris common share (the "Business Combination"). Upon completion and on a fully diluted basis assuming conversion to shares of Transocean's exchangeable bonds due 2029, Transocean shareholders would own approximately 53% of the combined company, with Valaris shareholders owning the remaining 47%. The completion of the Business Combination is subject to customary closing conditions, including shareholder approvals. All required regulatory approvals have been obtained and applicable regulatory waiting periods are expected to expire or terminate.

Shareholder meetings for both Valaris and Transocean are scheduled for November 24, 2026, and a hearing before the Supreme Court of Bermuda to sanction the Business Combination is scheduled for November 26, 2026. Subject to receipt of the requisite shareholder and court approvals, and satisfaction of the remaining closing conditions, the Business Combination is expected to close on or about December 1, 2026.

See "Note 1 - *Unaudited Condensed Consolidated Financial Statements - Pending Business Combination with Transocean*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding the Business Combination.

Our Industry

The offshore drilling industry is cyclical and primarily influenced by global energy demand, oil and gas supply dynamics, geopolitical factors and customer capital allocation decisions. Periods of oil oversupply generally place downward pressure on commodity prices, while periods of undersupply can result in higher and more volatile oil prices, influencing investment decisions across the upstream sector. While the oil market began the year in a period of oversupply, the ongoing conflicts in the Middle East have reduced supply and increased uncertainty and volatility in global energy markets. The conflicts have also reinforced the strategic importance of energy security and market participants generally expect the global oil and gas market to tighten over the next few years, driven by past underinvestment in upstream development and slowing production growth from non-OPEC sources. Industry studies, including those published by the International Energy Agency and the U.S. Energy Information Administration, indicate that substantial upstream investment is required to offset natural field declines and maintain existing production levels.

Against this backdrop, customers continue to emphasize the need for sustained investment in oil and gas to support secure, reliable and affordable energy supply, with increasing focus on offshore developments, particularly in deepwater. Compared to other sources of supply, deepwater projects typically offer large resource potential, competitive project economics and lower carbon intensity per barrel. Despite near-term commodity price uncertainty, customers are continuing to advance long-cycle offshore developments. Industry participants anticipate increased deepwater project sanctioning over the next five years across greenfield, brownfield and exploration opportunities. According to Rystad Energy estimates, approximately 65% of this expected activity is associated with projects with breakeven oil prices below $50 per barrel and approximately 80% is associated with projects with breakeven prices below $60 per barrel.

Operating results in the offshore drilling industry are directly related to the demand for and the available supply of drilling rigs, each of which affects rig utilization and day rates. While the balance of rig supply and demand can vary somewhat between regions, significant variations between most regions are generally short-term due to rig mobility. Rig attrition in the industry over the last decade, particularly for floaters, has resulted in a smaller global fleet of rigs that is available to meet customer demand.

Inflationary pressures impact our cost base, resulting in increased personnel costs as well as in the prices of goods and services required to operate our rigs or execute capital projects. Additionally, the weakening of the U.S. dollar against foreign currencies may increase costs in certain foreign jurisdictions in which we operate. We expect that our costs will continue to rise in the near term, particularly given the higher oil prices and potential impact of increased tariffs on global trade, and although certain of our long-term contracts contain provisions for escalating costs, we cannot predict with certainty our ability to successfully claim recoveries of higher costs from our customers under these contractual stipulations.

Conflicts in the Middle East

Our operations and assets located in the Middle East have been subject to elevated geopolitical risk due to ongoing conflicts and military activity in the region. As a result, our operating income was negatively impacted by approximately $24.0 million and $62.0 million for the three and nine months ended September 30, 2026, respectively. These impacts primarily reflected incremental costs and lower revenues associated with project delays for VALARIS 250 and VALARIS 116 (approximately $15.0 million and $29.0 million for the three and nine months ended September 30, 2026, respectively), which were undergoing planned maintenance and contract preparation projects in shipyards located in the region beginning in late 2025, and incremental costs to maintain insurance coverage for war-related risks for jackups that we operate in the region (approximately $7.0 million and $26.0 million for the three and nine months ended September 30, 2026, respectively). The adverse impacts began to moderate during the third quarter of 2026 as VALARIS 250 and VALARIS 116 recommenced their bareboat charter contracts in July and September, respectively.

The geopolitical environment in the Middle East remains volatile, and if the ongoing conflicts persist or escalate, including a further expansion of hostilities, the negative impact on our operating income could be significantly higher than amounts incurred to date and could also adversely affect the operating performance of ARO. A further escalation of conflict could result in additional military actions, economic sanctions or other governmental measures, including attacks on energy infrastructure and disruptions to regional ports or further restrictions on maritime traffic through key waterways such as the Strait of Hormuz. Continued disruptions or closures affecting ports or key waterways, through which a substantial portion of the region's maritime traffic and energy-related logistics transit, could materially affect our ability, and that of ARO, to mobilize assets, transport personnel and supplies, or perform drilling and related services in a timely and cost-effective manner.

In addition, any such escalation could lead to further increases in insurance premiums, reductions in coverage limits or scope or the unavailability of coverage, as well as limitations on vessel access or port services, delays in customs and regulatory approvals, supply chain disruptions and increased security-related expenditures. These risks could result in prolonged rig downtime, including for rigs operated by ARO, contract suspensions or terminations, delayed commencement of contracted operations, loss of revenue, impairment of assets or additional force majeure claims by us or our customers. Ongoing or future instability in the region, including actions taken in response to geopolitical developments, could materially and adversely affect our operating costs, financial condition, and results of operations.

Backlog

Our contract drilling backlog reflects commitments represented by signed drilling contracts and is calculated by multiplying the contracted operating day rate by the contract period. The contracted day rate excludes certain types of lump sum fees for rig mobilization, demobilization, contract preparation, as well as customer reimbursables and bonus opportunities. Our backlog excludes ARO's backlog but includes backlog from our rigs leased to ARO at the contractual lease rates, which are subject to adjustment under the terms of the shareholder agreement governing the joint venture (the "Shareholder Agreement").

The ARO backlog presented below is 100% of ARO's backlog and is inclusive of backlog on both ARO owned rigs and rigs leased from us. As an unconsolidated 50/50 joint venture, when ARO realizes revenue from its backlog, 50% of the earnings thereon would be reflected in our results in Equity in earnings of ARO in our Condensed Consolidated Statements of Operations. The earnings from ARO backlog with respect to rigs leased from us will be net of, among other things, payments to us under bareboat charters for those rigs. See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information.

The following table summarizes our and 100% of ARO's contract backlog of business as of November 2, 2026 and February 17, 2026 (in millions):

	November 2, 2026	February 17, 2026
Floaters [1]	$ 2,904.1	$ 3,030.8
Jackups [2]	1,166.7	1,125.8
Other [3]	679.3	515.7
Total	$ 4,750.1	$ 4,672.3
ARO [4]	$ 2,198.6	$ 2,011.3

[1] The decrease for Floaters is primarily due to revenues realized, partially offset by a contract extension for VALARIS DS-4, a two-well contract for VALARIS DS-18 and a one-well contract extension for VALARIS DS-12, which resulted in incremental aggregate backlog of approximately $545.0 million.

[2] The increase for Jackups is primarily due to various contract awards and extensions executed, which resulted in incremental aggregate backlog of approximately $445.0 million, partially offset by revenues realized.

[3] Other includes the backlog for our managed rig services and the bareboat charter backlog for the jackup rigs leased to ARO in order for ARO to fulfill certain of its drilling contracts with Saudi Aramco. The increase in Other primarily relates to the execution of three-year service contracts for both of our managed rigs, which resulted in incremental aggregate backlog of approximately $290.0 million.

[4] The increase for ARO is primarily due to three-year contract extensions for five ARO-owned rigs.

BUSINESS ENVIRONMENT

Floaters

Within the floater segment, utilization for the global marketed drillship fleet was approximately 90% as of September 30, 2026 and included 10 drillships across the industry that were not working at quarter-end due to gaps between contracts. Market conditions are expected to continue to improve as these rigs commence new contracts with nine of these 10 rigs scheduled to return to work during 2026 or in early 2027, including VALARIS DS-18. Some customers continue to favor more technically capable and efficient assets, particularly to support complex deepwater developments. Seventh-generation drillships may be preferred and have achieved higher utilization and stronger day rates relative to older assets, a trend that is expected to continue. We believe we are well positioned with 12 of 13 of our drillships being seventh-generation units, although we continue to face competition from other types of floaters, including those of older generations.

Utilization for benign environment semisubmersibles continues to be lower than for drillships. In response to these market conditions, we retired three benign environment semisubmersibles in 2025 and sold VALARIS DPS-1 and VALARIS MS-1 for recycling in April and September 2026, respectively. As a result, we no longer have any semisubmersible rigs in our floater fleet.

From a supply perspective, rig attrition over the past decade has resulted in a reduced global floater fleet to meet customer demand. The supply of benign environment floaters, such as those in our fleet, has decreased by more than 45% from a peak of approximately 280 rigs in 2014 to 148 rigs as of September 30, 2026. This decrease is primarily attributable to rig retirements, including 17 benign environment floaters retired since the beginning of 2025. Further, given the expected high construction cost and lack of shipyard capacity, we do not believe that current market conditions are supportive of floater newbuild construction.

Jackups

Global jackup utilization remained solid at approximately 90% as of September 30, 2026, driven primarily by demand from national oil companies focused on energy security and infrastructure development. However, ongoing conflicts in the Middle East have disrupted offshore operations in certain parts of the region and uncertainty remains regarding when operating conditions will fully normalize, which may impact the timing of future work programs in the region.

From a supply perspective, as of September 30, 2026, there were 489 jackups in the global fleet, with 28% of the current jackup fleet being more than 40 years of age with limited useful lives remaining. Further, we believe that some of the jackups that are currently idle are not competitive, either due to their age or the length of time stacked. Expenditures required to reactivate some of these rigs may prove cost prohibitive and drilling contractors may instead elect to scrap certain rigs.

RESULTS OF OPERATIONS

Management believes the comparison of the most recently completed quarter to the immediately preceding quarter provides more relevant information needed to understand and analyze the business. As such, as permitted under applicable SEC rules, we have elected to discuss any material changes in our results of operations by including a comparison of our most recently completed fiscal quarter ended September 30, 2026 (the "current quarter") to the immediately preceding fiscal quarter ended June 30, 2026 (the "preceding quarter"). We also discuss any material changes in our results of operations for the nine months ended September 30, 2026 (the "current year period") compared to the corresponding period of the preceding fiscal year (the "prior year period"), as required under the applicable SEC rules.

For the purposes of our discussion below, we refer to Revenues (exclusive of reimbursable revenues) and Contract drilling expenses (exclusive of depreciation and reimbursable expenses) as "revenues" and "contract drilling expenses", respectively. We typically receive reimbursements from our customers for purchases of supplies, equipment and incremental services provided at their request. These reimbursements and the related costs incurred are recognized on a gross basis within Reimbursable revenues and Reimbursable expenses, respectively. Changes within these line items generally do not have a material effect on our operating results or cash flows.

Three Months Ended September 30, 2026 Compared to Three Months Ended June 30, 2026

The following table summarizes our Condensed Consolidated Results of Operations for the three months ended September 30, 2026 and June 30, 2026 (in millions, except percentages):

	Three Months Ended			
	September 30, 2026	June 30, 2026	Change	% Change
Operating revenues				
Revenues (exclusive of reimbursable revenues)	$ 555.6	$ 502.3	$ 53.3	11 %
Reimbursable revenues	38.0	36.9	1.1	3 %
Total operating revenues	593.6	539.2	54.4	10 %
Operating expenses				
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	379.9	380.4	(0.5)	— %
Reimbursable expenses	37.4	35.1	2.3	7 %
Total contract drilling expenses (exclusive of depreciation)	417.3	415.5	1.8	— %
Depreciation	47.3	44.6	2.7	6 %
General and administrative	25.7	27.2	(1.5)	(6)%
Merger and integration expenses	15.5	11.4	4.1	36 %
Other operating loss	3.0	—	3.0	NM
Total operating expenses	508.8	498.7	10.1	2 %
Equity in earnings (losses) of ARO	(3.5)	10.6	(14.1)	(133)%
Operating income	81.3	51.1	30.2	59 %
Other income, net	20.1	29.5	(9.4)	(32)%
Provision for income taxes	54.7	33.6	21.1	63 %
Net income	46.7	47.0	(0.3)	(1)%
Net (income) loss attributable to noncontrolling interests	(0.6)	3.4	(4.0)	(118)%
Net income attributable to Valaris	$ 46.1	$ 50.4	$ (4.3)	(9)%

NM - Not meaningful

Revenues increased in the current quarter compared to the preceding quarter, partially driven by incremental revenues of $52.3 million for VALARIS DS-10 and VALARIS DS-15, which completed shipyard projects and commenced new contracts in June and September, respectively. For the remaining fleet, we had a $14.7 million increase in average daily revenues, primarily driven by VALARIS DS-9, which commenced a new contract at a higher day rate in the current quarter, partially offset by a $11.1 million net decrease from fewer operating days relative to the preceding quarter, largely attributable to downtime for repairs and scheduled maintenance for various rigs in the current quarter, including VALARIS 249 which was in the shipyard for scheduled maintenance ahead of its next contract.

Contract drilling expense remained relatively flat in the current quarter compared to the preceding quarter, largely attributable to a $6.5 million decrease in insurance expense related to war-risk insurance costs, primarily due to the negotiation of longer-term insurance policies at reduced rates late in the preceding quarter for certain jackup rigs operating in the Middle East, $4.3 million of lower repair and maintenance costs associated with VALARIS 250 and VALARIS 116, which were undergoing scheduled maintenance through the preceding quarter and recommenced operations in the current quarter, and a $3.4 million decrease in personnel-related costs. These decreases were largely offset by an $11.7 million increase in expense resulting from the reversal of previously recognized bad debt expense in the preceding quarter following a favorable legal settlement and the associated collection of outstanding customer invoices from 2020.

Merger and integration expenses increased in the current quarter compared to the preceding quarter, primarily due to higher professional fees incurred in connection with the pending Business Combination.

Other operating loss for the current quarter includes a $3.0 million non-cash loss on impairment recognized in connection with the retirement and sale of VALARIS MS-1 for recycling in September 2026. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding the sale of VALARIS MS-1.

Equity in earnings (losses) of ARO decreased compared to the preceding quarter, primarily due to the non-recurring recognition of $14.3 million in additional income in the preceding quarter, which represents our proportionate share of adjustments recorded by ARO during the completion of its 2025 financial statements subsequent to the issuance of our annual report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026 (our "Annual Report"). See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding our investment in ARO.

Other income (expense), net, decreased primarily due to $10.2 million of lower pre-tax gains recognized on the sale of assets in the current quarter relative to the preceding quarter.

The consolidated effective tax rates, excluding the impact of discrete tax items, for the current quarter and preceding quarter were 20.1% and 19.8%, respectively. Discrete tax items during the current quarter were primarily related to rig sales, partially offset by the resolution of prior period tax matters. Discrete tax items during the preceding quarter were primarily related to the resolution of prior period tax matters.

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

The following table summarizes our Condensed Consolidated Results of Operations for the nine months ended September 30, 2026 and 2025 (in millions, except percentages):

	Nine Months Ended			
	September 30, 2026	**September 30, 2025**	**Change**	**% Change**
Operating revenues				
Revenues (exclusive of reimbursable revenues)	$ 1,488.0	$ 1,705.7	$ (217.7)	(13)%
Reimbursable revenues	110.2	125.9	(15.7)	(12)%
Total operating revenues	1,598.2	1,831.6	(233.4)	(13)%
Operating expenses				
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	1,100.7	1,096.8	3.9	— %
Reimbursable expenses	105.5	119.5	(14.0)	(12)%
Total contract drilling expenses (exclusive of depreciation)	1,206.2	1,216.3	(10.1)	(1)%
Depreciation	134.6	105.7	28.9	27 %
General and administrative	78.2	70.1	8.1	12 %
Merger and integration expenses	40.5	—	40.5	NM
Other operating loss, net	0.2	7.8	(7.6)	(97)%
Total operating expenses	1,459.7	1,399.9	59.8	4 %
Equity in earnings of ARO	13.9	5.9	8.0	136 %
Operating income	152.4	437.6	(285.2)	(65)%
Other income, net	40.0	78.3	(38.3)	(49)%
Provision for income taxes	116.7	253.6	(136.9)	(54)%
Net income	75.7	262.3	(186.6)	(71)%
Net loss attributable to noncontrolling interests	4.4	3.0	1.4	47 %
Net income attributable to Valaris	$ 80.1	$ 265.3	$ (185.2)	(70)%

NM - Not meaningful

Revenues decreased compared to the prior year period, partially driven by lower operating revenues of $163.9 million for VALARIS 247, VALARIS DPS-1 and VALARIS MS-1, which completed their contracts in the second half of 2025 and were subsequently sold in August 2025, April 2026 and September 2026, respectively. For the remaining fleet, we had a net decrease of $116.7 million from fewer operating days, primarily attributable to certain floaters which were either preparing for contracts or warm stacked between contracts during the current year period. These decreases were partially offset by a net increase of $59.1 million from higher average daily revenues as a result of various rigs working under higher day rate contracts compared to the prior year period.

Contract drilling expense remained relatively flat compared to the prior year period, primarily due to higher repair and maintenance costs of $67.3 million, largely attributable to various rigs which were undergoing scheduled maintenance and upgrade projects and/or repairs in the current year period, and a $23.0 million increase in insurance expenses primarily to maintain coverage for war-related risks for certain rigs within our Jackups and Other fleets which are located in the Middle East. Further contributing to the increase were $7.3 million from higher onshore support costs incurred in the current year period, partially driven by higher compensation costs related to our long-term incentive plans, and $3.8 million from higher amortization of mobilization costs as a result of various rigs mobilizing and commencing new contracts since the end of the prior year period. There was also a net $5.4 million increase attributable to non-recurring items, comprised of a $17.1 million accrual reversal in the prior year period related to a favorable arbitration outcome for a previously disclosed patent license litigation, partially offset by an $11.7 million reversal of previously recognized bad debt expense during the current year period in connection with a favorable legal settlement resulting in the collection of outstanding customer invoices from 2020. These increases were partially offset by lower operating costs of $103.8 million for rigs which have been sold.

Depreciation expense increased primarily due to new assets placed in service since the prior year period, including those related to rigs that underwent capital upgrades.

General and administrative expense increased primarily due to $5.2 million of higher compensation costs related to our long-term incentive plans and $1.3 million of higher professional fees compared to the prior year period.

Merger and integration expenses were $40.5 million for the nine months ended September 30, 2026 primarily due to professional fees incurred in connection with the pending Business Combination.

Other operating loss, net, includes non-cash losses on impairments and related gains on remeasurements of our assets which are classified as held for sale. During the current year period, we recognized a net $0.2 million other operating loss relating to the sales of VALARIS MS-1 and VALARIS DPS-1. In connection with retirement and sale of VALARIS DPS-3, VALARIS DPS-5 and VALARIS DPS-6 (collectively, the "Retired Semis") in 2025, we recognized a non-cash loss on impairment of $7.8 million during the prior year period. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding the Retired Semis, VALARIS DPS-1 and VALARIS MS-1.

Equity in earnings of ARO increased compared to the prior year period, primarily due to the recognition of $14.3 million of additional income, which represents our proportionate share of adjustments recorded by ARO during the completion of its 2025 financial statements subsequent to the issuance of our Annual Report. See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding our investment in ARO.

Other income, net, decreased primarily due to $53.8 million of lower pre-tax gains recognized on the sale of assets, which were partially offset by $13.0 million of favorable foreign currency exchange rate fluctuations relative to the prior year period.

The consolidated effective tax rates, excluding the impact of discrete tax items, for the nine months ended September 30, 2026 and prior year period were 21.1% and 14.8%, respectively. Discrete tax items during the nine months ended September 30, 2026 were primarily related to rig sales, partially offset by the resolution of prior period tax matters. Discrete tax items during the prior year period were primarily attributable to the establishment of a $168.8 million valuation allowance in connection with the retirement of the Retired Semis.

Rig Counts, Utilization and Average Daily Revenue

The following table summarizes the total and active offshore drilling rigs for Valaris and ARO as of the following dates:

	September 30, 2026	June 30, 2026	September 30, 2025
Total Fleet			
Floaters [1]	13	14	15
Jackups [2] [3]	21	23	26
Other [4]	7	7	7
Total Fleet - Valaris	41	44	48
ARO [5]	9	9	9
Active Fleet [6]			
Floaters [7]	10	11	12
Jackups [8]	17	17	17
Other [4]	7	7	7
Active Fleet - Valaris	34	35	36
ARO [5]	9	9	9

[1] During the second and third quarter of 2026, we sold VALARIS DPS-1 and VALARIS MS-1, respectively, for recycling.

[2] During the second and third quarter of 2026, we sold VALARIS 104 and VALARIS 109, respectively. During the fourth quarter of 2025, we sold VALARIS 102 and VALARIS 145.

[3] In September 2026, we sold VALARIS 111 for recycling and transferred possession of the rig to the buyer. Accordingly, the rig is excluded from the fleet table above as of September 30, 2026. However, due to a termination right stipulated within the sale agreement, the rig remained on our balance sheet and was classified as held for sale as of September 30, 2026. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding the sale of VALARIS 111.

[4] This represents the jackup rigs leased to ARO through bareboat charter agreements whereby substantially all operating costs are incurred by ARO. Rigs leased to ARO operate under long-term contracts with Saudi Aramco.

[5] This represents the jackup rigs owned by ARO, which are operating under long-term contracts with Saudi Aramco. This table does not include four ARO newbuild jackups — two that are under construction in the Middle East and two that were ordered in August 2026.

[6] Active fleet represents rigs that are not preservation stacked or classified as held for sale and includes rigs that are in the process of being reactivated.

[7] During the fourth quarter of 2025, we classified VALARIS DPS-1 as held for sale, removing it from the active fleet. The rig was sold in the second quarter of 2026. During the third quarter of 2026, we sold VALARIS MS-1.

[8] During the third quarter of 2025, we sold VALARIS 247.

We provide management services in the Gulf of America on two rigs owned by a third-party that are not included in the table above.

Operating results for our contract drilling services segment are largely dependent on two primary revenue metrics: utilization and day rates. The following table summarizes our and ARO's rig utilization and average daily revenue by reportable segment:

	Three Months Ended		Nine Months Ended	
	September 30, 2026	June 30, 2026	September 30, 2026	September 30, 2025
Rig Utilization - Total Fleet [1]				
Floaters	58 %	47 %	46 %	57 %
Jackups	64 %	64 %	65 %	60 %
Other [2]	89 %	78 %	81 %	100 %
Total Valaris	67 %	61 %	62 %	66 %
ARO	89 %	77 %	82 %	87 %
Rig Utilization - Active Fleet [1]				
Floaters	75 %	62 %	60 %	76 %
Jackups	85 %	90 %	90 %	91 %
Other [2]	89 %	78 %	81 %	100 %
Total Valaris	83 %	79 %	79 %	88 %
ARO	89 %	77 %	82 %	87 %
Average Daily Revenue [3]				
Floaters	$ 469,000	$ 451,000	$ 455,000	$ 381,000
Jackups	131,000	134,000	134,000	137,000
Other [2]	52,000	53,000	57,000	50,000
Total Valaris	$ 200,000	$ 189,000	$ 187,000	$ 180,000
ARO	$ 111,000	$ 113,000	$ 112,000	$ 113,000

[1] Rig utilization for the total fleet and active fleet are derived by dividing the operating days by the number of days in the period for the total fleet and active fleet, respectively. Active fleet represents rigs that are not preservation stacked or classified as held for sale and includes rigs that are in the process of being reactivated. Operating days equals the total number of days that rigs have earned and recognized day rate revenue, including days associated with compensated downtime and mobilizations and excluding suspension periods. When revenue is deferred and amortized over a future period, for example, when we receive fees while mobilizing to commence a new contract or while being upgraded in a shipyard, the related days are excluded from operating days.

[2] Includes our two management services contracts and our rigs leased to ARO under bareboat charter contracts.

[3] Average daily revenue is derived by dividing Revenues (exclusive of reimbursable revenues), excluding contract termination fees, by the aggregate number of operating days.

Operating Income by Segment

Our business consists of four operating segments: (1) Floaters, which includes our drillships and semisubmersible rigs, (2) Jackups, (3) ARO and (4) Other, which consists of management services on rigs owned by third parties and the activities associated with our arrangements with ARO under the bareboat charter arrangements (the "Lease Agreements"). Floaters, Jackups and ARO are also reportable segments.

Our onshore support costs included within Contract drilling expenses are not allocated to our operating segments for purposes of measuring segment operating income (loss) and as such, those costs are included in “Reconciling Items." Further, General and administrative expense, Depreciation expense and Merger and integration expenses incurred by our corporate office are not allocated to our operating segments for purposes of measuring segment operating income (loss) and are included in "Reconciling Items."

Because ARO is a 50/50 unconsolidated joint venture, its full operating results included below are not included within our consolidated results and thus are deducted under "Reconciling Items" and replaced with our equity in earnings of ARO. See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information.

Segment information for the current quarter and preceding quarter is as follows (in millions):

Three Months Ended September 30, 2026

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues						
Revenues (exclusive of reimbursable revenues)	$ 346.0	$ 171.2	$ 144.9	$ 38.4	$ (144.9)	$ 555.6
Reimbursable revenues	13.3	17.6	—	7.1	—	38.0
Total operating revenues	359.3	188.8	144.9	45.5	(144.9)	593.6
Operating expenses						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	188.8	129.2	91.7	20.8	(50.6)	379.9
Reimbursable expenses	12.9	16.5	—	8.0	—	37.4
Total contract drilling expenses (exclusive of depreciation)	201.7	145.7	91.7	28.8	(50.6)	417.3
Depreciation	17.7	16.2	28.8	8.1	(23.5)	47.3
General and administrative	—	—	7.7	—	18.0	25.7
Merger and integration expenses	—	—	—	—	15.5	15.5
Other operating loss	3.0	—	—	—	—	3.0
Total operating expenses	222.4	161.9	128.2	36.9	(40.6)	508.8
Equity in losses of ARO	—	—	—	—	(3.5)	(3.5)
Operating income	$ 136.9	$ 26.9	$ 16.7	$ 8.6	$ (107.8)	$ 81.3

Three Months Ended June 30, 2026

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues						
Revenues (exclusive of reimbursable revenues)	$ 279.0	$ 183.4	$ 126.9	$ 39.9	$ (126.9)	$ 502.3
Reimbursable revenues	11.0	13.8	—	12.1	—	36.9
Total operating revenues	290.0	197.2	126.9	52.0	(126.9)	539.2
Operating expenses						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	167.9	143.9	71.6	27.4	(30.4)	380.4
Reimbursable expenses	10.5	12.7	—	11.9	—	35.1
Total contract drilling expenses (exclusive of depreciation)	178.4	156.6	71.6	39.3	(30.4)	415.5
Depreciation	17.2	16.2	22.0	6.1	(16.9)	44.6
General and administrative	—	—	10.6	—	16.6	27.2
Merger and integration expenses	—	—	—	—	11.4	11.4
Total operating expenses	195.6	172.8	104.2	45.4	(19.3)	498.7
Equity in earnings of ARO	—	—	—	—	10.6	10.6
Operating income	$ 94.4	$ 24.4	$ 22.7	$ 6.6	$ (97.0)	$ 51.1

Three Months Ended September 30, 2026 Compared to Three Months Ended June 30, 2026

Floaters

Floater revenues increased $67.0 million, or 24%, for the current quarter compared to the preceding quarter, primarily driven by incremental revenues of $52.3 million for VALARIS DS-10 and VALARIS DS-15, which completed shipyard projects and commenced new contracts in June and September, respectively. Further contributing to the increase were $8.4 million from higher average daily revenues for the remaining fleet, primarily attributable to VALARIS DS-9, which commenced a new contract at a higher day rate in the current quarter, and a net $6.2 million from more operating days, primarily driven by VALARIS DS-12, which commenced its contract in April relative to a full quarter of operations in the current quarter.

Floater contract drilling expense increased $20.9 million, or 12%, for the current quarter compared to the preceding quarter, primarily due to an $11.7 million increase in expense resulting from the reversal of previously recognized bad debt expense in the preceding quarter following a favorable legal settlement and the associated collection of outstanding customer invoices from 2020. Further contributing to the increase were $5.2 million of higher amortized mobilization costs and $2.3 million of higher personnel-related costs, both of which were largely attributable to rigs commencing new contracts since late in the preceding quarter.

Jackups

Jackup revenues decreased $12.2 million, or 7%, for the current quarter compared to the preceding quarter, primarily due to a net decrease of $13.7 million from fewer operating days, largely driven by VALARIS 249, which entered the shipyard early in the current quarter for scheduled maintenance projects ahead of its next contract, and certain rigs in the North Sea which were mobilizing between contracts in the current quarter.

Jackup contract drilling expense decreased $14.7 million, or 10%, for the current quarter compared to the preceding quarter, primarily due to $5.8 million of lower mobilization costs, largely driven by VALARIS 106, which mobilized to the shipyard for leg repairs in the preceding quarter and lower amortized mobilization costs for other rigs. Further contributing to the decrease was $5.6 million of lower personnel-related costs primarily attributable to rigs that were undergoing scheduled maintenance and repairs in the current quarter. In addition, we had a $4.4 million decrease in insurance expense related to war-risk insurance costs, primarily due to the negotiation of longer-term insurance policies at reduced rates late in the preceding quarter for certain jackup rigs operating in the Middle East. These decreases were partially offset by a $3.1 million increase in repair and maintenance costs, largely driven by VALARIS 249.

ARO

The operating revenues of ARO reflect revenues earned under drilling contracts with Saudi Aramco for both the ARO-owned jackup rigs and the rigs leased from us. Contract drilling expenses are inclusive of the bareboat charter fees for the rigs leased from us. See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on ARO.

ARO revenue increased $18.0 million, or 14%, for the current quarter compared to the preceding quarter, primarily due to a net increase of $16.7 million from more operating days, largely driven by certain rigs, including VALARIS 250 and VALARIS 116, which recommenced operations during the current quarter following scheduled maintenance and contract preparations in the preceding quarter.

ARO contract drilling expense increased $20.1 million, or 28%, for the current quarter compared to the preceding quarter primarily due to an aggregate $15.4 million of non-recurring adjustments which reduced expense in the preceding quarter that were recorded by ARO in connection with the finalization of its 2025 financial statements during the preceding quarter and $6.2 million of increased bareboat charter expenses for VALARIS 250 and VALARIS 116 during the current quarter.

ARO depreciation expense increased $6.8 million, or 31%, for the current quarter compared to the preceding quarter primarily due to new assets placed in service for certain rigs that underwent capital upgrades.

Other

Other revenue decreased $1.5 million, or 4%, for the current quarter compared to the preceding quarter, primarily driven by the recognition of $6.1 million of compensation from ARO recognized in the preceding quarter for certain contractual obligations relating to a previously terminated bareboat charter, largely offset by higher revenues for VALARIS 250 and VALARIS 116, which recommenced operations during the current quarter.

Other contract drilling expense decreased $6.6 million, or 24%, for the current quarter compared to the preceding quarter, primarily due to lower repair and maintenance costs of $4.3 million as a result of VALARIS 250 and VALARIS 116 completing their scheduled maintenance and contract preparations during the current quarter, and a $2.1 million decrease in insurance expense related to war-risk insurance costs for VALARIS 250 and VALARIS 116, which are operating in the Middle East.

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

Segment information for the nine months ended September 30, 2026 and 2025 is as follows (in millions):

Nine Months Ended September 30, 2026

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues:						
Revenues (exclusive of reimbursable revenues)	$ 817.6	$ 550.4	$ 399.2	$ 120.0	$ (399.2)	$ 1,488.0
Reimbursable revenues	29.3	45.8	—	35.1	—	110.2
Total operating revenues	846.9	596.2	399.2	155.1	(399.2)	1,598.2
Operating expenses:						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	507.3	401.9	238.4	70.9	(117.8)	1,100.7
Reimbursable expenses	28.3	42.4	—	34.8	—	105.5
Total contract drilling expenses (exclusive of depreciation)	535.6	444.3	238.4	105.7	(117.8)	1,206.2
Depreciation	50.6	48.9	75.7	20.4	(61.0)	134.6
General and administrative	—	—	25.4	—	52.8	78.2
Merger and integration expenses	—	—	—	—	40.5	40.5
Other operating loss, net	0.2	—	—	—	—	0.2
Total operating expenses	586.4	493.2	339.5	126.1	(85.5)	1,459.7
Equity in earnings of ARO	—	—	—	—	13.9	13.9
Operating income	$ 260.5	$ 103.0	$ 59.7	$ 29.0	$ (299.8)	$ 152.4

Nine Months Ended September 30, 2025

	Floaters	Jackups	ARO	Other	Reconciling Items	Consolidated Total
Operating revenues						
Revenues (exclusive of reimbursable revenues)	$ 968.7	$ 614.6	$ 431.4	$ 122.4	$ (431.4)	$ 1,705.7
Reimbursable revenues	26.0	74.1	—	25.8	—	125.9
Total operating revenues	994.7	688.7	431.4	148.2	(431.4)	1,831.6
Operating expenses						
Contract drilling expenses (exclusive of depreciation and reimbursable expenses)	568.0	365.8	273.6	49.7	(160.3)	1,096.8
Reimbursable expenses	24.4	69.6	—	25.5	—	119.5
Total contract drilling expenses (exclusive of depreciation)	592.4	435.4	273.6	75.2	(160.3)	1,216.3
Depreciation	44.3	42.6	86.6	8.6	(76.4)	105.7
General and administrative	—	—	18.4	—	51.7	70.1
Other operating loss	7.8	—	—	—	—	7.8
Total operating expenses	644.5	478.0	378.6	83.8	(185.0)	1,399.9
Equity in earnings of ARO	—	—	—	—	5.9	5.9
Operating income	$ 350.2	$ 210.7	$ 52.8	$ 64.4	$ (240.5)	$ 437.6

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

Floaters

Floater revenues decreased $151.1 million, or 16%, during the nine months ended September 30, 2026 compared to the prior year period, partially driven by lower operating revenues of $112.3 million for VALARIS DPS-1 and VALARIS MS-1, which completed their contracts and were sold for recycling since the end of the prior year period. For the remaining fleet, we had a net decrease of $76.6 million from fewer operating days, largely attributable to various rigs which were either preparing for contracts or warm stacked between contracts during the current year period, partially offset by a net increase of $45.6 million from higher average daily revenues for various drillships which were operating under higher day rate contracts relative to the prior year period.

Floater contract drilling expense decreased $60.7 million, or 11%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to lower operating costs of $81.3 million for rigs which have been sold since the prior year period. For the remaining fleet, there were lower personnel-related costs of $11.1 million, largely driven by rigs that were warm-stacked or preparing for contracts during the current year period, and lower amortized mobilization costs of $4.0 million. These decreases were partially offset by a $32.1 million increase in repair and maintenance costs, primarily attributable to rigs which were undergoing scheduled maintenance and upgrade projects during the current year period. Further contributing to the offsetting increase was a net $5.4 million increase attributable to non-recurring items, comprised of a $17.1 million accrual reversal in the prior year period related to a favorable arbitration outcome for a previously disclosed patent license litigation, partially offset by an $11.7 million reversal of previously recognized bad debt expense during the current year period in connection with the execution of a favorable settlement resulting in the collection of outstanding customer invoices from 2020.

Floater depreciation expense increased $6.3 million, or 14%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to new assets placed in service for certain rigs that underwent capital upgrades.

Other operating loss, net, for the current year period is comprised of a non-cash loss on impairment of $3.0 million related to the retirement and sale of VALARIS MS-1 for recycling in September 2026 and a gain on remeasurement of VALARIS DPS-1 (which was classified as held for sale during the first quarter of 2026) of $2.8 million during the first quarter of 2026. For the prior year period, other operating loss includes a $7.8 million non-cash loss on impairment recognized in connection with retirement and sale of VALARIS DPS-3, VALARIS DPS-5 and VALARIS DPS-6 (collectively, the "Retired Semis") in 2025. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding the Retired Semis, VALARIS DPS-1 and VALARIS MS-1.

Jackups

Jackup revenues decreased $64.2 million, or 10%, during the nine months ended September 30, 2026 compared to the prior year period, largely driven by lower operating revenues of $51.6 million for VALARIS 247, which completed its contract and was sold during the third quarter of 2025. For the remaining fleet, we had a net decrease of $13.7 million from average daily revenues, primarily due to certain jackups in the North Sea providing lower day rate accommodation services during the current year period.

Jackup contract drilling expense increased $36.1 million, or 10%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to $22.6 million of higher repair and maintenance costs, largely attributable to scheduled maintenance for VALARIS 117 and VALARIS 249 and unplanned leg repairs for VALARIS 106, and $19.0 million of incremental insurance expenses to maintain coverage for war-related risks for certain rigs which are located in the Middle East. Further contributing to the increase were $9.6 million of higher mobilization costs, primarily due to the mobilization of VALARIS 106 to the shipyard and higher amortized mobilization costs for other rigs during the current year period, and $8.3 million of higher personnel-related costs, partially driven by wage increases in certain regions. These increases were partially offset by lower operating costs of $22.5 million for VALARIS 247.

Jackup depreciation expense increased $6.3 million, or 15%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to new assets placed in service for certain rigs that underwent capital upgrades.

ARO

ARO revenue decreased $32.2 million, or 7%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to a net decrease of $79.0 million from fewer operating days, largely driven by certain rigs, including VALARIS 250 and VALARIS 116, which were undergoing planned maintenance and contract preparation projects during the current year period. This decrease was partially offset by incremental revenues of $29.5 million for VALARIS 76, which commenced a new contract in December 2025, and a net increase of $16.7 million from higher average daily revenues as a result of the commencement of five long-term contract extensions during 2025 at higher day rates than those previously earned.

ARO contract drilling expense decreased $35.2 million, or 13%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to lower operating costs of $51.6 million for VALARIS 250 and VALARIS 116, which were in the shipyard for scheduled maintenance projects in the current year period. Further contributing to the decrease was an aggregate $15.4 million of non-recurring adjustments recorded by ARO in connection with the finalization of its 2025 financial statements during the current year period. These decreases were partially offset by incremental operating costs of $20.2 million for VALARIS 76 compared to the prior year period and $11.6 million of higher bareboat charter lease expense for five of our leased rigs which commenced long-term bareboat charter lease extensions at higher rates during 2025.

ARO depreciation expense decreased $10.9 million, or 13%, comparing the two periods, primarily due to assets that were fully depreciated since the prior year period.

Other

Other revenue remained relatively flat during the nine months ended September 30, 2026 compared to the prior year period, primarily due to a net decrease in lease revenue of $35.7 million for VALARIS 250 and VALARIS 116, which were undergoing planned maintenance and contract preparation projects during much of the current year period, largely offset by $18.8 million of incremental lease revenue from the commencement of operations for VALARIS 76 in December 2025 and a net increase of $4.7 million in lease revenue for the remaining leased rigs. Further contributing to the offset were $6.1 million of compensation from ARO recognized in the current year period for certain contractual obligations relating to a previously terminated bareboat charter and $3.7 million of higher revenue for our managed rigs.

Other contract drilling expense increased $21.2 million, or 43%, during the nine months ended September 30, 2026 compared to the prior year period, primarily due to a $12.6 million increase in repair and maintenance costs, largely driven by planned maintenance and contract preparation projects for VALARIS 250 and VALARIS 116, and a $4.0 million increase in insurance expenses to maintain coverage for war-related risks for VALARIS 250 and VALARIS 116, which are located in the Middle East.

Other depreciation expense increased $11.8 million, or 137%, relative to the prior year period, primarily due to capital upgrades placed in service since the end of the prior year period.

Other Income (Expense)

The following table summarizes other income (expense) (in millions):

	Three Months Ended		Nine Months Ended	
	September 30, 2026	June 30, 2026	September 30, 2026	September 30, 2025
Net gain on sale of property	$ 27.5	$ 37.7	$ 63.6	$ 117.4
Interest expense, net	(24.9)	(24.0)	(73.2)	(74.0)
Interest income	16.3	16.3	49.6	52.1
Net foreign currency exchange gains (losses)	0.3	(1.7)	(3.1)	(16.1)
Net periodic pension and retiree medical income (loss)	1.0	0.9	2.8	(0.7)
Other, net	(0.1)	0.3	0.3	(0.4)
	$ 20.1	$ 29.5	$ 40.0	$ 78.3

Three Months Ended September 30, 2026 Compared to Three Months Ended June 30, 2026

Net gains on sale of property for the current quarter related to the sale of VALARIS 109, which resulted in the recognition of a pre-tax gain of $31.3 million, which was partially offset by net losses on sales of capital spares. Net gains on sale of property for the preceding quarter related to the sale of VALARIS 104, which resulted in the recognition of a pre-tax gain of $36.6 million. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding these asset sales.

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

Net gains on sale of property for the nine months ended September 30, 2026 were largely attributable to the sales of VALARIS 104 and VALARIS 109, which resulted in the recognition of pre-tax gains of $36.6 million and $31.3 million, respectively. Net gains on sale of property for the prior year period primarily related to the sales of VALARIS 247, VALARIS 75 and an office in Angola, which resulted in non-recurring pre-tax gains of $88.4 million, $23.0 million and $4.0 million, respectively. See "Note 5 - *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information regarding these asset sales.

Net foreign currency exchange losses were $3.1 million during the nine months ended September 30, 2026 compared to $16.1 million in the prior year period, primarily driven by favorable exchange rate movements in the euro, British pound and Brazilian real, partially offset by unfavorable exchange rate movement in the Malaysian ringgit relative to the prior year period.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

We expect to fund our short-term liquidity needs, including contractual obligations and anticipated capital expenditures, as well as working capital requirements, from cash and cash equivalents and cash flows from operations. Additionally, we have liquidity available under our senior secured revolving credit agreement, which matures in 2028 (the "2028 Credit Agreement"). We expect to fund our long-term liquidity needs, including contractual obligations and anticipated capital expenditures, from cash and cash equivalents, cash flows from operations, as well as cash which may be received from the distribution of earnings from ARO. We may rely on the issuance of debt and/or equity securities in the future to supplement our liquidity needs, subject to certain restrictions provided within the Business Combination Agreement. However, the Indenture governing our 2030 Second Lien Notes, as defined below, dated as of April 19, 2023 (the "Indenture"), and the 2028 Credit Agreement contain covenants that limit our ability to incur additional indebtedness.

Our cash and cash equivalents as of September 30, 2026 and December 31, 2025 were $525.1 million and $599.4 million, respectively. We have no debt principal payments due until 2030 and had $375.0 million available for borrowing, including up to $150.0 million for the issuance of letters of credit, under the 2028 Credit Agreement as of October 30, 2026. See below and "Note 8 - *Debt*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on the 2028 Credit Agreement and the 8.375% Second Lien Notes due 2030.

Cash Flows and Capital Expenditures

Absent periods where we have significant financing or investing transactions or activities, such as debt or equity issuances, share repurchases, debt repayments, business combinations or asset sales, our primary sources and uses of cash are driven by cash generated from or used in operations and capital expenditures. Our net cash provided by operating activities and capital expenditures were as follows (in millions):

	Nine Months Ended September 30,	
	2026	**2025**
Net cash provided by operating activities	$ 155.3	$ 474.0
Capital expenditures	$ (328.0)	$ (237.2)

During the nine months ended September 30, 2026, we generated $155.3 million of cash flow from operating activities, primarily due to operating income for the period of $152.4 million and the receipt of approximately $43.0 million of U.S. income tax refunds, which were partially offset by other changes in working capital. In addition, we collected $102.6 million of cash proceeds for the sale of assets during the current period, primarily related to the sales of VALARIS 104, VALARIS 109, VALARIS MS-1 and VALARIS DPS-1. Our primary use of cash was $328.0 million for maintenance and upgrades of our drilling rigs.

During the nine months ended September 30, 2025, we generated $474.0 million of cash flow from operating activities primarily due to operating income for the period of $437.6 million and approximately $26.0 million of tax refunds received from the Australian tax authority during the first quarter of 2025. An additional source of cash was $132.0 million of cash proceeds related to the sales of VALARIS 247, VALARIS 75 and the Retired Semis. Our primary uses of cash were $237.2 million for maintenance and upgrades of our drilling rigs.

Based on our current projections, we expect capital expenditures during 2026 to approximate $445.0 million to $470.0 million primarily relating to maintenance and upgrade projects, including contract-specific capital expenditures. Depending on market conditions, contracting activity and future opportunities, we may make additional capital expenditures to upgrade rigs for customer requirements and acquire additional rigs, subject to certain restrictions within the Business Combination Agreement.

We review from time to time possible acquisition opportunities relating to our business, which may include the acquisition of rigs or other businesses. The timing, size or success of any acquisition efforts and the associated potential capital commitments are unpredictable and uncertain and are subject to certain restrictions specified within the Business Combination Agreement. We may seek to fund all or part of any such efforts with cash on hand and proceeds from debt and/or equity issuances and may issue equity directly to the sellers. Our ability to obtain capital for additional projects to implement our growth strategy over the longer term will depend on our future operating performance, restrictions to incur additional debt in the Indenture and the 2028 Credit Agreement, financial condition and, more broadly, on the availability of equity and debt financing. Capital availability will be affected by prevailing conditions in our industry, the global economy, the global financial markets and other factors, many of which are beyond our control. In addition, any additional debt service requirements we take on could be based on higher interest rates and shorter maturities and could impose a significant burden on our results of operations and financial condition, and the issuance of additional equity securities could result in significant dilution to shareholders.

Financing and Capital Resources

2030 Second Lien Notes

In 2023, the Company and Valaris Finance Company LLC (“Valaris Finance,” together, the "Issuers"), issued and sold $1.1 billion in aggregate principal amount of 8.375% Senior Secured Second Lien Notes due 2030 (the "2030 Second Lien Notes"). The 2030 Second Lien Notes mature on April 30, 2030 and bear an interest rate of 8.375% per annum. Interest is payable semi-annually in arrears on April 30 and October 30 of each year. See "Note 8 - *Debt*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on the 2030 Second Lien Notes.

2028 Credit Agreement

The 2028 Credit Agreement provides for commitments permitting borrowings of up to $375.0 million (which may be increased, subject to the satisfaction of certain conditions and the agreement of lenders to provide such additional commitments, by an additional $200.0 million pursuant to the terms of the 2028 Credit Agreement) and includes a $150.0 million sublimit for the issuance of letters of credit. See "Note 8 - *Debt*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on the 2028 Credit Agreement.

Investment in ARO and Notes Receivable from ARO

We expect to receive cash from ARO in the future, both from the maturity of our Notes Receivable from ARO and from the distribution of earnings from ARO.

The distribution of earnings to the joint-venture partners is at the discretion of the ARO board of managers, consisting of 50/50 membership of managers appointed by Saudi Aramco and managers appointed by us, with approval required by both shareholders. The timing and amount of any cash distributions to the joint-venture partners cannot be predicted with certainty and will be influenced by various factors, including the liquidity position and capital allocation priorities of ARO. ARO has not made a cash distribution of earnings to its partners since its formation. ARO had cash and cash equivalents of $32.1 million as of September 30, 2026.

The Notes Receivable from ARO, which are governed by the laws of Saudi Arabia, mature in October 2027 and 2028. We expect to agree to extend the maturity of the Notes Receivable from ARO to facilitate its capital allocation priorities, in particular its newbuild jackup program. Notwithstanding any extension of the maturity, in the event that ARO is unable to repay the Notes Receivable from ARO when they become due, we would require the prior consent of our joint venture partner to enforce ARO’s payment obligations.

See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on our investment in ARO and Notes Receivable from ARO.

The following table summarizes the maturity schedule of our Notes Receivable from ARO as of September 30, 2026 (in millions):

Maturity Date		**Principal Amount**
October 2027	$	227.3
October 2028		173.4
Total	$	400.7

Share Repurchase Program

Our board of directors has authorized a share repurchase program under which we may purchase up to $600.0 million of our outstanding common shares, subject to certain restrictions provided in our debt agreements and the Business Combination Agreement.

There were no share repurchases during the three and nine months ended September 30, 2026. The following table summarizes shares repurchased, aggregate cost and the average per share price (in millions, except average per share price) for the three and nine months ended September 30, 2025:

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
		2025		
Shares repurchased		1.5		1.5
Aggregate cost	$	75.0	$	75.0
Average price per share	$	48.88	$	48.88

See "Note 9 - *Shareholders' Equity*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on our share repurchase program.

As of September 30, 2026, we had approximately $175.0 million available for share repurchases pursuant to the Share Repurchase Program.

Other Commitments

We have other commitments that we are contractually obligated to fulfill with cash under certain circumstances. As of September 30, 2026, we were contingently liable for an aggregate amount of $113.7 million under outstanding letters of credit and surety bonds, which guarantee our performance as it relates to our drilling contracts, contract bidding, customs duties, tax appeals and other obligations in various jurisdictions. The outstanding amount includes an approximately $75.0 million customs bond obtained in the second quarter of 2026 related to the importation of VALARIS DS-10 ahead of the commencement of its contract in West Africa. Obligations under these letters of credit and surety bonds are not normally called, as we typically comply with the underlying performance requirements. As of September 30, 2026, we had collateral deposits in the amount of $14.8 million with respect to these agreements.

In connection with our 50/50 unconsolidated joint venture, we have a potential obligation to fund ARO for newbuild jackup rigs. The Shareholder Agreement specifies that ARO shall purchase 20 newbuild jackup rigs. The joint venture partners intend for the newbuild jackup rigs to be financed from available cash on hand and from ARO's operations and/or funds available from third-party financing. The first two newbuild jackups, Kingdom 1 and Kingdom 2, were delivered and commenced operations in 2023 and 2024, respectively. In October 2023, ARO entered into a $359.0 million term loan to finance the remaining payments due upon delivery of the two rigs and for general corporate purposes. The term loan matures in eight years following the related drawdown under the term loan and requires equal quarterly amortization payments during the term, with a 50% balloon payment due at maturity. ARO has a revolving credit facility which provides for borrowings of up to $150.0 million. As of September 30, 2026, $50.0 million was outstanding under this facility. Our Notes Receivable from ARO are subordinated and junior in right of payment to both ARO's term loan and credit facility.

In October 2024 and November 2025, ARO ordered the third and fourth newbuild jackups, Kingdom 3 and Kingdom 4, respectively, for a purchase price of approximately $300.0 million each. ARO paid a 25% down payment from cash on hand for Kingdom 3 and Kingdom 4. In August 2026, ARO ordered the fifth and sixth newbuild jackups, Kingdom 5 and Kingdom 6, for a purchase price of approximately $360.0 million each, with each order requiring a 25% down payment. ARO paid $45.0 million, representing 50% of the required down payment for Kingdom 5, using a combination of cash on hand and borrowings under ARO's revolving credit facility. The remaining $45.0 million down payment for Kingdom 5 and the full $90.0 million down payment for Kingdom 6 are expected to be paid in the fourth quarter of 2026 with potential third-party financing or through further borrowings under ARO's revolving credit facility. The final payment for each newbuild rig will be due upon delivery and ARO expects those payments to be financed from cash on hand or from operations or funds available from third-party financing.

In the event ARO has insufficient cash or is unable to obtain third-party financing, each partner may periodically be required to make additional capital contributions to ARO, up to a maximum aggregate contribution of $1.25 billion from each partner to fund the newbuild program. Beginning with the delivery of the second newbuild, each partner's commitment is reduced by the lesser of the actual cost of each newbuild rig or $250.0 million, on a proportionate basis. Following the delivery of Kingdom 2, our commitment to fund the newbuild program has been reduced to $1.1 billion. See "Note 3 - *Equity Method Investment in ARO*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for additional information on ARO.

Tax Assessments

In February 2024, one of our Malaysian subsidiaries received an unfavorable court decision regarding a tax assessment for the 2012-2017 tax years totaling approximately MYR117.0 million (approximately $29.0 million converted at current quarter-end exchange rates), including a late payment penalty. In July 2024, we received a payment demand from the Malaysian tax authority for the full assessment amount. In order to further contest the assessment, we made payments of approximately $8.0 million and $18.0 million in 2025 and 2024, respectively, for aggregate total payments of $26.0 million. These payments are included within Other assets in the Condensed Consolidated Balance Sheets. We have not recorded a liability for uncertain tax positions as of September 30, 2026, related to this assessment based on a more-likely-than-not threshold. We believe our tax returns are materially correct as filed and will vigorously contest this assessment.

In December 2024, we reached a settlement agreement with the Australian tax authorities regarding tax assessments which related to the examination of certain of our tax returns for the years 2011 through 2016. In connection with this agreement, during the first quarter of 2025, we received refunds (including interest) totaling A$42.0 million (approximately $26.0 million at then-current exchange rates).

Divestitures

Our business strategy has been to focus on ultra-deepwater floater and premium jackup operations and de-emphasize other assets and operations that no longer meet our standards for economic returns. While taking into account certain restrictions on the sales of assets under our debt agreements and within the Business Combination Agreement, as part of our strategy, we may act opportunistically from time to time to monetize assets to enhance shareholder value and improve our liquidity profile, in addition to reduce holding costs by selling or disposing of lower-specification or non-core rigs. See "Note 8 - Debt" to our consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2025 for additional information on certain restrictions on the sales of assets.

In September 2026, we entered into an agreement to sell VALARIS 111, a rig within our Jackups segment, for recycling for $1.7 million. Under the terms of the agreement, we retained the right to terminate the purchase and sale agreement within 30 days following receipt of the proceeds. On September 30, 2026, we completed the sale and received $1.7 million of cash proceeds. As of September 30, 2026, the net book value of the rig was classified as held for sale due to the cancellation option.

In October 2026, we entered into an agreement to sell the rig to another buyer for conversion to a mobile offshore production unit for cash proceeds of $10.5 million. As such, we rescinded the purchase and sale agreement with the initial buyer and made a payment of approximately $3.0 million in accordance with the termination provisions within the agreement. The sale to the new buyer was completed in October and we recognized a pre-tax gain of approximately $8.0 million in the fourth quarter.

In September 2026, we entered into an agreement to sell VALARIS MS-1, our only remaining semisubmersible rig within our Floaters segment, for recycling for total cash proceeds of $11.0 million. In connection with this sale, we recognized a non-cash loss on impairment of $3.0 million during the three months ended September 30, 2026 and the rig was removed from service.

In July 2026, we sold VALARIS 109, a rig within our Jackups segment. The rig was sold for cash proceeds of $34.0 million, resulting in the recognition of a pre-tax gain of $31.3 million in the third quarter of 2026.

In June 2026, we sold VALARIS 104, a rig within our Jackups segment, for alternative use. The rig was sold for cash proceeds of $40.0 million, resulting in the recognition of a pre-tax gain of $36.6 million in the second quarter of 2026.

In the fourth quarter of 2025, we approved a plan to retire VALARIS DPS-1, a semisubmersible rig within our Floaters segment, and reclassified the rig from Property and equipment, net to Assets held for sale on our Consolidated Balance Sheets at that time. In April 2026, VALARIS DPS-1 was sold for recycling and removed from service for total cash proceeds of $10.1 million.

See "Note 5 – *Property and Equipment*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for further information regarding these divestitures.

MARKET RISK

Interest Rate Risk

Our outstanding debt at September 30, 2026 consisted of our $1.1 billion aggregate principal amount of 2030 Second Lien Notes. We are subject to interest rate risk on our fixed-interest rate borrowings. Fixed rate debt, where the interest rate is fixed over the life of the instrument, exposes us to changes in market interest rates impacting the fair value of the debt.

Our 2028 Credit Agreement provides for commitments permitting borrowings of up to $375.0 million at September 30, 2026. As the interest rates for such borrowings are at variable rates, we are subject to interest rate risk. As of September 30, 2026, we had no outstanding borrowings under the 2028 Credit Agreement.

Our Notes Receivable from ARO bear interest based on the one-year term SOFR rate, set as of the end of the year prior to the applicable year, plus 2.10%. As the Notes Receivable from ARO bear interest on the applicable SOFR rate determined at the end of the preceding year, the rate governing our interest income in 2026 has already been determined. A hypothetical 1% decrease to SOFR would decrease interest income for the year ended December 31, 2026 by $4.0 million based on the principal amount outstanding at September 30, 2026 of $400.7 million.

Foreign Currency Risk

Our functional currency is the U.S. dollar. As is customary in the oil and gas industry, a majority of our revenues and expenses are denominated in U.S. dollars; however, a portion of the revenues earned and expenses incurred by certain of our subsidiaries are denominated in currencies other than the U.S. dollar. We are exposed to foreign currency exchange risk to the extent the amount of our monetary assets denominated in the foreign currency differs from our obligations in the foreign currency or revenue earned differs from costs incurred in the foreign currency. We do not currently hedge our foreign currency risk.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires us to make estimates, judgments and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes. Our significant accounting policies are included in Note 1 to our audited consolidated financial statements for the year ended December 31, 2025, included in our annual report on Form 10-K filed with the SEC on February 20, 2026. These policies, along with our underlying judgments and assumptions made in their application, have a significant impact on our condensed consolidated financial statements.

We identify our critical accounting policies as those that are the most pervasive and important to the portrayal of our financial position and operating results and that require the most difficult, subjective and/or complex judgments regarding estimates in matters that are inherently uncertain. Our critical accounting policies are those related to property and equipment, income taxes and pension and other post-retirement benefits. For a discussion of the critical accounting policies and estimates that we use in the preparation of our condensed consolidated financial statements, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates" in Part II of our annual report on Form 10-K for the year ended December 31, 2025.

New Accounting Pronouncements

See "Note 1 - *Unaudited Condensed Consolidated Financial Statements*" to our condensed consolidated financial statements included in "Item 1. *Financial Statements*" for information on new accounting pronouncements.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

Information required under this Item 3. has been incorporated herein from "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk."

Item 4. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures – We have established disclosure controls and procedures to ensure that the information required to be disclosed by us in the reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and made known to the officers who certify the Company's financial reports and to other members of senior management and the board of directors as appropriate to allow timely decisions regarding required disclosure.

Based on their evaluation as of September 30, 2026, our management, with the participation of our principal executive officer and principal financial officer, have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective.

Changes in Internal Controls – There were no material changes in our internal control over financial reporting during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. ***Legal Proceedings***

Environmental Matters

We are currently subject to pending notices of assessment relating to spills of drilling fluids, oil, brine, chemicals, grease or fuel from drilling rigs operating offshore Brazil from 2008 to 2017, pursuant to which the governmental authorities have assessed, or are anticipated to assess, fines. We have contested these notices and appealed certain adverse decisions and are awaiting decisions in these cases. Although we do not expect final disposition of these assessments to have a material adverse effect on our financial position, operating results and cash flows, there can be no assurance as to the ultimate outcome of these assessments. A $0.4 million liability related to these matters was included in Accrued liabilities and other on our Condensed Consolidated Balance Sheet as of September 30, 2026 included in "Item 1. *Financial Statements*."

Other Matters

In addition to the foregoing, we are named defendants or parties in certain other lawsuits, claims or proceedings incidental to our business and are involved from time to time as parties to governmental investigations or proceedings, including matters related to taxation, arising in the ordinary course of business. Although the outcome of such lawsuits or other proceedings cannot be predicted with certainty and the amount of any liability that could arise with respect to such lawsuits or other proceedings cannot be predicted accurately, we do not expect these matters to have a material adverse effect on our financial position, operating results or cash flows.

Item 1A. ***Risk Factors***

There are numerous factors that affect our business and results of operations, many of which are beyond our control. In addition to the other information presented in this quarterly report, you should 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 annual report on Form 10-K for the year ended December 31, 2025, which contains descriptions of significant risks that may cause our actual results of operations in future periods to differ materially from those currently anticipated or expected.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

Our board of directors has authorized a share repurchase program of up to $600.0 million. The share repurchase program does not have a fixed expiration, may be modified, suspended or discontinued at any time and is subject to compliance with applicable covenants and restrictions under our financing agreements and the Business Combination Agreement. The amount remaining for purchase was approximately $175.0 million as of September 30, 2026.

Item 5. ***Other Information***

During the three months ended September 30, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. ***Exhibits***

Exhibit Number	Exhibit
2.1	Business Combination Agreement, dated as of February 9, 2026, between Transocean Ltd. and Valaris Limited (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed on February 10, 2026, File No. 18097).
*4.1	Supplemental Indenture, dated as of July 16, 2026 between Valaris Limited, Valaris Finance Company LLC, Valaris Holdings II LP and Wilmington Savings Fund Society, FSB, as collateral trustee.
*4.2	Supplemental Indenture, dated as of September 14, 2026 between Valaris Limited, Valaris Finance Company LLC, Valaris UK 1 Limited, Valaris Bermuda 1 Limited and Wilmington Savings Fund Society, FSB, as collateral trustee.
+*10.1	US Form Amended Severance Letter
+*10.2	UK Form Amended Severance Letter
+*10.3	Anton Dibowitz Employment Agreement with Amended Exhibit A
*31.1	Certification of the Chief Executive Officer of Registrant Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of the Chief Financial Officer of Registrant Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
**32.1	Certification of the Chief Executive Officer of Registrant Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**32.2	Certification of the Chief Financial Officer of Registrant Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*101.INS	XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*101.SCH	Inline XBRL Taxonomy Extension Schema Document
*101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
*101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
*101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
*104	The cover page of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline XBRL (included with Exhibit 101 attachments).

* Filed herewith.

** Furnished herewith.

+ Management contract or compensatory plan and arrangement required to be filed as an exhibit pursuant to Item 6 of this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Valaris Limited

Date: November 3, 2026

/s/ CHRISTOPHER T. WEBER

Christopher T. Weber
Senior Vice President and Chief Financial Officer

/s/ MELISSA BARRON

Melissa Barron
Controller
(principal accounting officer)

Exhibit 4.1

SUPPLEMENTAL INDENTURE

THIS SUPPLEMENTAL INDENTURE (this "**Supplemental Indenture**"), entered into as of July 16, 2026 among VALARIS LIMITED, an exempted company incorporated with limited liability under the laws of Bermuda ("**Company**"), VALARIS FINANCE COMPANY LLC, a Delaware limited liability company ("**FinanceCo**" and, together with the Company, the "**Issuers**"), VALARIS HOLDINGS II LP, a Cayman Islands exempted limited partnership acting through its general partner Valaris UK 1 Limited (the "**Undersigned**"), and WILMINGTON SAVINGS FUND SOCIETY, FSB, as trustee (the "**Trustee**") and collateral trustee (the "**Collateral Trustee**").

RECITALS

WHEREAS, the Issuers, the Guarantors party thereto, the Trustee and the Collateral Trustee entered into an Indenture, dated as of April 19, 2023 (as amended and supplemented to date, the "**Indenture**"), relating to the Issuers' 8.375% Senior Secured Second Lien Notes due 2030 (the "**Notes**"); and

WHEREAS, as a condition to the Trustee entering into the Indenture and the purchase of the Notes by the Holders, the Issuers agreed pursuant to the Indenture to cause any Restricted Subsidiary of the Company (other than FinanceCo) that guarantees any Debt of the Issuers or any Guarantor under the Credit Agreement or any other syndicated credit facility or capital markets debt in an aggregate principal amount in excess of $35 million to provide a Note Guaranty.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture hereby agree as follows:

Section 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

Section 2. The Undersigned, by its execution of this Supplemental Indenture, agrees to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article 10 thereof.

Section 3. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York, but without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

Section 4. This Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument. Delivery of an executed signature page by facsimile or electronic transmission (e.g. "pdf" or "tif"), or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or

other applicable law, e.g., www.docusign.com, shall be effective as delivery of a manually executed counterpart hereof.

Section 5. This Supplemental Indenture is an amendment supplemental to the Indenture, and the Indenture and this Supplemental Indenture will henceforth be read together.

Section 6. The recitals and statements herein are deemed to be those of the Issuers and the Undersigned and not the Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the Note Guaranty provided by the Guarantor party to this Supplemental Indenture.

Section 7. All notices or other communications to the Issuers and the Guarantors shall be given as provided in Section 12.02 of the Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

VALARIS LIMITED

By: /s/ Darin Gibbins
Name: Darin Gibbins
Title: Vice President – Treasurer

VALARIS FINANCE COMPANY LLC

By: Valaris Limited, its sole member

By: /s/ Darin Gibbins
Name: Darin Gibbins
Title: Vice President – Treasurer

VALARIS HOLDINGS II LP

By: Valaris UK 1 Limited, its general partner

By: /s/ John Winton
Name: John Winton
Title: Director

[*Signature Page to Supplemental Indenture*]

WILMINGTON SAVINGS FUND
SOCIETY, FSB, as Trustee and Collateral Trustee

By: /s/ Anita Woolery
Name: Anita Woolery
Title: Vice President

[*Signature Page to Supplemental Indenture*]

SUPPLEMENTAL INDENTURE

THIS SUPPLEMENTAL INDENTURE (this "**Supplemental Indenture**"), entered into as of September 14, 2026 among VALARIS LIMITED, an exempted company limited by shares incorporated under the laws of Bermuda ("**Company**"), VALARIS FINANCE COMPANY LLC, a Delaware limited liability company ("**FinanceCo**" and, together with the Company, the "**Issuers**"), VALARIS UK 1 LIMITED, a private limited company incorporated under the laws of England and Wales ("**VUK1**"), VALARIS BERMUDA 1 LIMITED, an exempted company limited by shares incorporated under the laws of Bermuda (together with VUK1, the "**Undersigned**"), and WILMINGTON SAVINGS FUND SOCIETY, FSB, as trustee (the "**Trustee**") and collateral trustee (the "**Collateral Trustee**").

RECITALS

WHEREAS, the Issuers, the Guarantors party thereto, the Trustee and the Collateral Trustee entered into an Indenture, dated as of April 19, 2023 (as amended and supplemented to date, the "**Indenture**"), relating to the Issuers' 8.375% Senior Secured Second Lien Notes due 2030 (the "**Notes**"); and

WHEREAS, as a condition to the Trustee entering into the Indenture and the purchase of the Notes by the Holders, the Issuers agreed pursuant to the Indenture to cause any Restricted Subsidiary of the Company (other than FinanceCo) that guarantees any Debt of the Issuers or any Guarantor under the Credit Agreement or any other syndicated credit facility or capital markets debt in an aggregate principal amount in excess of $35 million to provide a Note Guaranty.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture hereby agree as follows:

Section 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

Section 2. The Undersigned, by their execution of this Supplemental Indenture, agrees to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article 10 thereof.

Section 3. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York, but without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

Section 4. This Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument. Delivery of an executed signature page by facsimile or electronic transmission (e.g. "pdf" or "tif"), or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or

other applicable law, e.g., www.docusign.com, shall be effective as delivery of a manually executed counterpart hereof.

Section 5. This Supplemental Indenture is an amendment supplemental to the Indenture, and the Indenture and this Supplemental Indenture will henceforth be read together.

Section 6. The recitals and statements herein are deemed to be those of the Issuers and the Undersigned and not the Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the Note Guaranty provided by the Guarantor party to this Supplemental Indenture.

Section 7. All notices or other communications to the Issuers and the Guarantors shall be given as provided in Section 12.02 of the Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

VALARIS LIMITED

By: /s/ Darin Gibbins
Name: Darin Gibbins
Title: Vice President – Treasurer

VALARIS FINANCE COMPANY LLC

By: Valaris Limited, its sole member

By: /s/ Darin Gibbins
Name: Darin Gibbins
Title: Vice President – Treasurer

VALARIS UK 1 LIMITED

By: /s/ John Winton
Name: John Winton
Title: Director

[*Signature Page to Supplemental Indenture*]

VALARIS BERMUDA 1 LIMITED

By: /s/ Nick Georgas
Name: Nick Georgas
Title: Director

WILMINGTON SAVINGS FUND
SOCIETY, FSB, as Trustee and Collateral Trustee

By: /s/ Anita Woolery
Name: Anita Woolery
Title: Vice President

[*Signature Page to Supplemental Indenture*]



[*Date*]

[*Name*]
[*Title*]

Re: Amended Severance Benefits

Dear [*First Name*]:

As a participant in the Valaris Executive Severance Plan, as amended and restated from time to time (the "Executive Severance Plan"), you are eligible to receive severance benefits in the event of certain qualifying terminations provided thereunder. This letter sets forth the severance benefits you are eligible to receive from Valaris Limited or its successor (the "Company") or the Employer upon a Qualifying Termination (as defined below) within three (3) months prior to or twelve (12) months following a Change in Control, subject to the terms and conditions set forth in this letter and the Executive Severance Plan (as modified by this letter). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Executive Severance Plan.

1. Amended Severance Benefits. If, within three (3) months prior to or twelve (12) months following a Change in Control (the "Change in Control Period"), (i) the Employer terminates your employment without Cause (as defined in Exhibit A) and the termination is not a result of your death or Disability, or (ii) you resign for Good Reason (as defined in Exhibit A) (each, a "Qualifying Termination," and a Qualifying Termination that occurs within three (3) months prior to the Change in Control, a "Pre-CIC Qualifying Termination"), you shall be entitled to receive the Accrued Obligations and, subject to Section 2 below, the following amended severance benefits (the "Amended Severance Benefits"), instead of the Severance Benefits under the Executive Severance Plan:

    a. A lump-sum cash payment equal to one and a half (1.5) times the sum of (i) your Base Pay (without regard to any reductions implemented without your consent), and (ii) your annualized Target Bonus (determined without proration and based on your full-year Target Bonus opportunity for the year of termination), payable by the Employer promptly and in all events within 30 days following the date on which the Release (as defined below) becomes effective and irrevocable, or in the event of a Pre-CIC Qualifying Termination, within 30 days following the later of (x) the date on which the Release becomes effective and irrevocable, and (y) the consummation of a Change in Control;

b. A lump-sum cash payment of any unpaid annual cash bonus earned under the Valaris plc 2018 Cash Incentive Plan (or any successor, replacement or comparable annual bonus plan maintained by the Company, the Employer, or their respective Affiliates following a Change in Control, the "Cash Incentive Plan"), for the fiscal year immediately prior to the year in which the Qualifying Termination occurs, provided that you remain employed with the Employer through the last day of the performance period to which such bonus relates, regardless of whether performance has been formally certified by the Board or the Committee as of the date of your termination. Such bonus shall be determined based on actual performance in accordance with the terms of the applicable Cash Incentive Plan. Any such earned but unpaid annual cash bonus shall be payable by the Employer on or about the date such bonuses are paid to other employees of the Employer, but in no event later than March 15th of the year following the year in which the performance period ended;

c. To the extent not duplicative of any payment of a prorated bonus provided under the Cash Incentive Plan in connection with a Change in Control, a lump-sum cash payment equal to your target annual bonus under the Cash Incentive Plan for the year in which your Qualifying Termination occurs, prorated based on the number of days elapsed in the performance period corresponding to such annual bonus through the date of your Qualifying Termination, divided by the number of days in such performance period. Such prorated bonus shall be payable by the Employer promptly and in all events within 30 days following the date on which the Release becomes effective and irrevocable, or in the event of a Pre-CIC Qualifying Termination, within 30 days following the later of (x) the date on which the Release becomes effective and irrevocable, and (y) the consummation of a Change in Control; and

d. Other benefits as set forth under Section 3 (Other Benefits) of Appendix A attached to the Executive Severance Plan.

2. Release. As a condition to receiving the Amended Severance Benefits, you must execute and not revoke a separation and release agreement in a form provided by the Company, which shall be in substantially the form attached as Exhibit B to this letter with such changes thereto as the Company determines are required to comply with local law or any changes in legal requirements (the "Release"). The Release must be executed and delivered to the Company within the period of time set forth therein.

3. Restrictive Covenants. In consideration of the Amended Severance Benefits, you acknowledge and agree that you shall be obligated to comply with the restrictive covenants set forth in the Release in accordance with the terms thereof.

4. Modification of the Executive Severance Plan. This letter modifies the Executive Severance Plan solely with respect to a Qualifying Termination within the Change in Control Period. The payment of the Amended Severance Benefits shall be subject in all respects to the terms and conditions of the Executive Severance Plan (as modified by this letter), including, without limitation, Section 2.1(c) (No Duty to Mitigate; Offset; Set-off), Section 7.5 (Withholding), Section 7.8 (Code Section 409A) and Section 7.9 (Parachute Payment Limitations). For purposes of such provisions, all references to "Severance Benefits" shall be deemed to refer to "Amended Severance Benefits" hereunder, as applicable. In the event of any other termination of employment, the terms of the Executive Severance Plan remain unmodified and in full force and effect.

5. Counterparts. This letter may be executed by the parties hereto in separate counterparts (including by facsimile or .pdf or .tif attachment to electronic mail), each of which when so executed and delivered shall be an original but all such counterparts together shall constitute one and the same instrument. Each counterpart may consist of two copies hereof each signed by one of the parties hereto.

6. Amendment. This letter may not be modified, altered or changed except upon express written consent of you and the Company.

7. Governing Law. This letter shall be governed by the laws of the State of Texas, without regard to the conflicts of law principles thereof.

By signing below, you expressly acknowledge and agree that (i) you are subject to the terms of this letter, and the Executive Severance Plan, as modified by this letter and (ii) the terms of this letter and the Executive Severance Plan, as modified by this letter, shall supersede any other agreement between you and the Company or any of its Affiliates with respect to the subject matter hereof [*For Gilles Luca*: , except for the Valaris Executive Severance Plan (as amended and restated as of April 30, 2021), and the Change in Control Severance Agreement dated as of January 29, 2016, entered into by and between you and Ensco plc, a company organized and existing under the laws of England and Wales, in each case, to the extent applicable as of the date hereof].

[Signature Page Follows]

Sincerely,

VALARIS LIMITED

By: _____
Name:
Title:

[***NAME***]

Signature: _____

Date: _____

[Signature Page to Amended Severance Benefits Letter]

EXHIBIT A

"Cause" and "Good Reason" Definitions

1. *"Cause" Definition*. "Cause" has the meaning ascribed to such term in any employment agreement, offer letter or similar agreement between you and the Employer, or in the absence of such definition, means any of the following:

   (a) gross misconduct by you;

   (b) the willful and material breach by you of any policies of the Company or its Affiliates or the Valaris Code of Conduct; or

   (c) the conviction of you by a court of competent jurisdiction, from which conviction no further appeal can be taken, of a crime punishable by imprisonment.

2. *"Good Reason" Definition*. "Good Reason" has the meaning ascribed to such term in any employment agreement, offer letter or similar agreement between you and the Employer, or in the absence of such definition, means any of the following: (a) a reduction in your base salary or annual target bonus opportunities under any Cash Incentive Plan, (b) a material diminution in your title, authority, duties or responsibilities, (c) a relocation of your primary place of employment to a location that increases your normal commute by more than thirty-five (35) miles, (d) if you have an approved remote work arrangement, any requirement that you cease to work remotely; or (e) any other action or inaction that constitutes a material breach by the Company of its obligations under any agreement between the Company and you.

In the case of your allegation of Good Reason (other than pursuant to clause (c) above), (i) you shall provide notice to the Board of the event alleged to constitute Good Reason within ninety (90) days of the occurrence of such event, and (ii) the Company shall have the opportunity to remedy the alleged Good Reason event within thirty (30) days from receipt of notice of such allegation. If the Company does not cure the circumstance giving rise to Good Reason, you must terminate your employment with the Company within thirty (30) days following the end of the thirty (30) day cure period described in clause (ii) above in order for your termination to be considered a termination for Good Reason. Should the Company remedy the condition as set forth above and then one or more of the conditions arise again, you may assert Good Reason again subject to all of the conditions set forth herein.

EXHIBIT B

Separation and Release Agreement

This Separation and Release Agreement (this "Release Agreement") is entered into as of the date set forth below by and between [_____], an individual ("Employee"), and [Valaris Limited or its successor] (the "Company"). Capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to such terms in the Valaris Executive Severance Plan (the "Severance Plan").

WHEREAS, Employee has been employed by the Company as its [__];

WHEREAS, conditioned upon the consummation of the "Business Combination" and other transactions as defined and described in that certain Business Combination Agreement between Transocean Ltd. and Valaris Limited dated as of February 9, 2026 (the "Business Combination Agreement"), Employee's employment with the Company will terminate effective as of [_____] (the "Termination Date"), *provided* that the "Effective Time" as defined in and for purposes of the Business Combination Agreement occurs on such date;

WHEREAS, Employee is eligible to receive severance payments and benefits (the "Severance Benefits") in accordance with and subject to the terms of the Severance Plan, as modified by that certain letter agreement between Employee and the Company dated as of [_____], 20__ (the "Amended Severance Benefits Letter"); and

WHEREAS, Employee's receipt of the Severance Benefits is subject to Employee's execution and non-revocation of a release of claims, and the Company and Employee desire to enter into this Release Agreement upon the terms set forth herein.

NOW, THEREFORE, in consideration of the covenants undertaken and the releases contained in this Release Agreement, and in consideration of the obligations of the Company to pay the Severance Benefits (conditioned upon this Release Agreement), Employee and the Company agree as follows:

1. **Release**. Employee, on behalf of himself or herself, his or her descendants, dependents, heirs, executors, administrators, assigns, and successors, and each of them, hereby acknowledges full and complete satisfaction of the Company's obligations to him or her and covenants not to sue and fully releases and discharges the Company and each of its direct and indirect parents, subsidiaries and Affiliates, past and present, as well as its and their trustees, directors, officers, members, managers, partners, agents, attorneys, insurers, employees, stockholders, representatives, assigns, and successors, past and present, and each of them, hereinafter together and collectively referred to as the "Releasees," with respect to and from any and all claims, wages, demands, rights, liens, agreements or contracts (written or oral), covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise (each, a "Claim"), which he or she now owns or holds or he or she has at any time heretofore owned or held or

may in the future hold as against any of said Releasees arising out of or in any way connected with Employee's service as an officer, director, employee, member or manager of any Releasee or Employee's separation from his or her position as an officer, director, employee, manager and/or member, as applicable, of any Releasee, whether known or unknown, suspected or unsuspected, resulting from any act or omission by or on the part of said Releasees, or any of them, committed or omitted prior to the date of this Release Agreement including, without limiting the generality of the foregoing, any Claim under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 ("ADEA"), the Americans with Disabilities Act, the Family and Medical Leave Act of 1993, or any other federal, state or local law, regulation, or ordinance, or any Claim for severance pay, bonus, sick leave, holiday pay, vacation pay, life insurance, health or medical insurance or any other fringe benefit, workers' compensation or disability; provided, however, that the foregoing release shall not apply to any obligation of the Company to Employee pursuant to or with respect to any of the following: (1) any right to indemnification that Employee may have pursuant to the Company's Bylaws or the Company's corporate charter or under any written indemnification agreement with the Company (or any corresponding provision of any subsidiary or Affiliate of the Company) with respect to any loss, damages or expenses (including but not limited to attorneys' fees to the extent otherwise provided) that Employee may in the future incur with respect to his or her service as an employee, officer or director of the Company or any of its subsidiaries or Affiliates; (2) any rights that Employee may have to insurance coverage for such losses, damages or expenses under any Company (or subsidiary or Affiliate) directors and officers liability insurance policy; (3) any rights to continued group health plan coverage that Employee may have under the Consolidated Omnibus Budget Reconciliation Act of 1986 (as amended, "COBRA") or the terms of any benefit plan; (4) any vested rights to payment of benefits that Employee may have under health, welfare, tax qualified employee benefits plans and other employee benefit plans, including without limitation, the Valaris Limited 2021 Management Incentive Plan; or (5) any rights to receive any payments or benefits owed to Employee under the terms of the Severance Plan as modified by the Amended Severance Benefits Letter. In addition, this release does not cover any Claim that cannot be so released as a matter of applicable law. Employee acknowledges and agrees that he or she has received any and all leave and other benefits that he or she has been and is entitled to pursuant to the Family and Medical Leave Act of 1993.

2. **Acknowledgment of Payment of Wages and Offset**. Employee acknowledges that he or she has received all amounts owed for his or her regular and usual salary (including, but not limited to, any bonus or other wages), and usual benefits through the date of this Release Agreement. The Severance Benefits shall, however, to the extent permitted by applicable law, be reduced by the amount of any severance pay or severance benefits under any other agreement with, or plan, program, or policy of, the Company (if any).

3. **ADEA Waiver**. Employee expressly acknowledges and agrees that by entering into this Release Agreement, Employee is waiving any and all rights or Claims that he or she may have arising under ADEA and the Older Worker Benefits Protection Act ("OWBPA"),

which have arisen on or before the date of execution of this Release Agreement. Employee further expressly acknowledges and agrees that:

(A) Employee is hereby advised in writing by this Release Agreement to consult with an attorney before signing this Release Agreement;

(B) Employee has voluntarily chosen to enter into this Release Agreement and has not been forced or pressured in any way to sign it;

(C) Employee was given a copy of this Release Agreement on [●] and informed that the release includes Employee's waiver and release of all Claims under the ADEA and OWBPA. **[**Employee understands that Employee received this Release Agreement in connection with a group termination program and, pursuant to the OWBPA, was provided an OWBPA Disclosure Notice (attached as **Annex A** to this Release Agreement) setting forth: (x) the ages and job titles of all individuals in the applicable decisional unit who were selected for inclusion in the group termination program, (y) the ages and job titles of all individuals in the applicable decisional unit who were not selected for inclusion in the group termination program, and (z) the criteria by which employees within the applicable decisional unit were selected for inclusion in the group termination program.**]** Employee confirms that he or she had at least **[**forty-five (45) **OR** twenty-one (21)**]** days ("Review Period") within which to consider this Release Agreement and that if he or she wished to execute this Release Agreement prior to expiration of such Review Period, he or she should execute the Endorsement attached hereto;

(D) Employee is hereby informed that if Employee timely signs and returns his signed Release Agreement prior to expiration of the Review Period, he has seven (7) days following the date of execution of this Release Agreement ("Revocation Period") in which to revoke this Release Agreement, and this Release Agreement will become null and void if Employee elects revocation during that time. Any revocation must be in writing and must be received by the Company prior to expiration of the seven-day Revocation Period. In the event that Employee exercises his or her right of revocation, neither the Company nor Employee will have any obligations under this Release Agreement; and

(E) Nothing in this Release Agreement prevents or precludes Employee from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA or the OWBPA, nor does it impose any condition precedent, penalties or costs from doing so, unless specifically authorized by federal law.

4. **No Transferred Claims**. Employee warrants and represents that the Employee has not heretofore assigned or transferred to any person not a party to this Release Agreement any released matter or any part or portion thereof and he or she shall defend, indemnify and hold the Company and each of its Affiliates harmless from and against any claim (including the payment of attorneys' fees and costs actually incurred whether or not

litigation is commenced) based on or in connection with or arising out of any such assignment or transfer made, purported or claimed.

5. **Severability**. It is the desire and intent of the parties hereto that the provisions of this Release Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Release Agreement shall be adjudicated by a court of competent jurisdiction or any arbitrator as contemplated by Section 11 below to be invalid, prohibited or unenforceable under any present or future law, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Release Agreement or affecting the validity or enforceability of such provision in any other jurisdiction; furthermore, in lieu of such invalid or unenforceable provision there will be added automatically as a part of this Release Agreement, a legal, valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Release Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

6. **Counterparts**. This Release Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

7. **Governing Law**. THIS RELEASE AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF TEXAS OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF TEXAS TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF TEXAS, WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS RELEASE AGREEMENT, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.

8. **Amendment and Waiver**. The provisions of this Release Agreement may be amended and waived only with the prior written consent of the Company and Employee, and no course of conduct or failure or delay in enforcing the provisions of this Release Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Release Agreement or any provision hereof.

9. **Descriptive Headings**. The descriptive headings of this Release Agreement are inserted for convenience only and do not constitute a part of this Release Agreement.

10. **Construction**. Where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The language used in this Release Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

11. **Arbitration**. Any disputes relating to this Release Agreement, including the arbitrability thereof, shall by mutual agreement be finally settled by binding arbitration in accordance with the Judicial Arbitration & Mediation Service, Inc. ("JAMS") Comprehensive Arbitration Rules and Procedures or any successor provision thereto, as follows: Any party aggrieved will deliver a notice to the other party setting forth the specific points in dispute. Any points remaining in dispute thirty (30) days after the giving of such notice may be submitted to JAMS arbitration conducted before a single neutral arbitrator in Houston, Texas. The arbitrator shall be appointed by agreement of the parties hereto or, if no agreement can be reached, by JAMS. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings. Notwithstanding the foregoing, a party who seeks equitable relief shall not be obligated to utilize the arbitration proceedings required hereunder and instead may seek such relief in any state or federal court sitting in Houston, Texas. The decision of the arbitrator on the points in dispute will be final, unappealable and binding, and judgment on the award may be entered in any court having jurisdiction thereof. The arbitrator shall only be authorized to interpret the provisions of this Release Agreement, and shall not amend, change or add to any such provisions. The parties agree that this provision has been adopted by the parties to rapidly and inexpensively resolve any disputes between them and that this provision will be grounds for dismissal of any court action commenced by either party with respect to this Release Agreement, other than post-arbitration actions seeking to enforce an arbitration award or proceedings seeking equitable relief as permitted by this Release Agreement. In the event that any court determines that this arbitration procedure is not binding, or otherwise allows any litigation regarding a dispute, claim, or controversy covered by this Release Agreement to proceed, the parties hereto hereby waive any and all right to a trial by jury in or with respect to such litigation. Each party will bear its own expenses and the fees of its own attorneys. The parties and the arbitrator will keep confidential, and will not disclose to any person, except the parties' advisors and legal representatives, or as may be required by law or to enforce in court an arbitrator's award, the existence of any dispute hereunder. Employee acknowledges that arbitration pursuant to this Release Agreement includes all controversies or claims of any kind (e.g., whether in contract or in tort, statutory or common law, legal or equitable) now existing or hereafter arising under any federal, state, local or foreign law, including, but not limited to, the ADEA, the OWBPA, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Employee Retirement Income Security Act, the Family and Medical Leave Act of 1993, the Americans With Disabilities Act and all similar federal, state and local laws, and Employee hereby waives all rights thereunder to have a judicial tribunal and/or a jury determine such claims.

12. Restrictive Covenants.

(A) Each party acknowledges and agrees that Employee shall continue to be obligated to comply with the terms of any restrictive covenant, intellectual property, or confidentiality agreement that Employee executed in connection with Employee's employment with the Company or its Affiliates.

(B) Confidentiality. During the course of Employee's employment with the Company, the Company has (1) disclosed or entrusted to Employee, and provided Employee with access to, Confidential Information (as defined below), (2) placed Employee in a position to develop business goodwill belonging to the Company and its Affiliates, and (3) disclosed or entrusted to Employee business opportunities to be developed for the Company and its Affiliates. The Company and its Affiliates have also taken such actions on the date of this Release Agreement.

Employee acknowledges that Confidential Information has been developed or acquired by the Company and its Affiliates through the expenditure of substantial time, effort and money and provides the Company and its Affiliates with an advantage over competitors who do not know or use the Confidential Information. Employee further acknowledges and agrees that the nature of the Confidential Information obtained during his or her employment would make it difficult, if not impossible, for Employee to perform in a similar capacity for a business competitive with the Company and its Affiliates without disclosing or utilizing Confidential Information. Employee shall hold in confidence and not directly or indirectly disclose, use, copy or make lists of any Confidential Information, except to the extent necessary to carry out his or her duties on behalf of the Company and its Affiliates. Employee agrees to give to the Company and its Affiliates notice of any and all attempts to compel disclosure of any Confidential Information within one (1) business day of being informed that such disclosure is being, or will be, compelled. Such written notice shall include a description of the Confidential Information to be disclosed, the court, government agency, or other forum through which the disclosure is sought, and the date by which the Confidential Information is to be disclosed, and shall contain a copy of the subpoena, order or other process used to compel disclosure. For the avoidance of doubt, the provisions of this subsection shall not apply to (a) any disclosure or use authorized by the Company or its Affiliates or required by applicable law and (b) any information that is or becomes generally available to the public (other than as a result of Employee's unauthorized disclosure). This confidentiality covenant shall be in addition to, and not limit or restrict in any way, any other confidentiality agreement or other post-employment covenant between Employee and the Company and its Affiliates.

As used herein, "Confidential Information" means information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) relating to the business, products, affairs and finances of the Company

or any of its Affiliates for the time being confidential to the Company or its Affiliates, and trade secrets including, without limitation, technical data and know-how relating to the business of the Company or any of its Affiliates or any of their respective business contacts, including in particular (by way of illustration only and without limitation): (i) information relating to the business of exploring, acquiring, developing, exploiting and disposing of oil and natural gas resources (regardless of when conceived, made, developed or acquired); (ii) information relating to the business or prospective business, current or projected plans or internal affairs of the Company or any of its Affiliates; (iii) information relating to the current or prospective marketing or sales of any products or services of the Company or any of its Affiliates, including non-public lists of customers' and suppliers' names, addresses and contacts; sales targets and statistics; market share and pricing information; marketing surveys; research and reports; non-public advertising and promotional material; strategies; and financial and sales data; (iv) information relating to any actual or prospective business strategies of the Company or any of its Affiliates; (v) information relating to any actual acquisitions, investments or corporate opportunities or prospective acquisition, investment targets or corporate opportunities; (vi) know-how, trade secrets, unpublished information relating to the Company or any of its Affiliates' intellectual property and to the creation, production or supply of any products or services of the Company or any of its Affiliates; (vii) information to which the Company or any of its Affiliates owes an obligation of confidence to a third party (including, without limitation, customers, clients, suppliers, partners, joint venturers and professional advisors of the Company or any of its Affiliates); and (viii) other commercial, financial or technical information relating to the business or prospective business of the Company or any of its Affiliates, or to any past, current or prospective client, customer, supplier, licensee, officer or employee, agent of the Company or any of its Affiliates, or any member or person interested in the share capital or assets of the Company or any of its Affiliates, and any other person to whom the Company or any of its Affiliates may provide or from whom they may receive information (whether marked confidential or not).

(C) Non-Compete. In exchange for the Severance Benefits and the Company's provision to Employee of Confidential Information and to protect the Company and its Affiliates' legitimate business interests, Employee hereby agrees that for a period of twenty-four (24) months after the Termination Date (the "Restricted Period"), Employee will not, without the prior written consent of the Chief Executive Officer of the Company or its successor, directly or indirectly, provide services to, or own any interest in, manage, operate, control, or participate in the ownership, management, operation or control of, any Direct Competitor (including as an employee or consultant, other than as an employee of, or consultant to, the Company or its Affiliates); provided, however, that (1) notwithstanding the foregoing, Employee may own, directly or indirectly, solely as a passive investment, securities of any entity traded on a national securities exchange if Employee is not a controlling person of, or a member of a group

which controls, such entity and does not, directly or indirectly, own two percent (2%) or more of any class of securities of such entity; and (2) the Restricted Period shall run concurrently with any notice period or period of garden leave notwithstanding that Participant may not have experienced any termination of employment until the expiration of such period. As used herein "Direct Competitor" means a business concern whose predominant business is oil and gas offshore drilling, and that owns, leases and/or operates one or more mobile offshore drilling units.

(D) Non-Solicitation. Employee hereby agrees that during the Restricted Period Employee will not, directly or indirectly, induce or attempt to induce, or cause or solicit any officer, manager, contractor or employee of the Company or its Affiliates to cease their relationship with the Company or its Affiliates or hire or engage any such officer, manager, contractor or employee of the Company or its Affiliates, or in any way materially interfere with the relationship between the Company and its Affiliates, on the one hand, and any such officer, manager, contractor or employee, on the other hand. Notwithstanding the foregoing, nothing in this Release Agreement shall prohibit Employee from making a general, public solicitation for employment, or using an employee recruiting or search firm to conduct a search, that does not specifically target employees or consultants of the Company or its Affiliates so long as no persons who were at any time during the twelve (12) month period prior to the commencement of such solicitation, employees or consultants of the Company or its Affiliates are hired or otherwise engaged as a result of such general solicitations or search firm efforts. Employee hereby agrees that during the Restricted Period, he or she will not, directly or indirectly, induce, or attempt to induce, cause or solicit any customer, client or supplier of the Company or its Affiliates, with whom or which Employee had contact during the term of employment, to reduce or cease doing business with the Company or its Affiliates, or in any way knowingly interfere with the relationship between any customer, client or supplier of the Company or its Affiliates, on the one hand, and the Company and its Affiliates, on the other hand.

(E) Intellectual Property Assignment. Employee hereby assigns to the Company all rights, including, without limitation, copyrights, patents, trade secret rights, and other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, works of authorship, Confidential Information or trade secrets (i) developed or created by Employee, solely or jointly with others, during the course of performing work for or on behalf of the Company or any of its Affiliates at any time during Employee's period of employment with the Company, (ii) that Employee conceived, developed, discovered or made in whole or in part during Employee's employment by the Company that relate to the business of the Company or its Affiliates or the actual or demonstrably anticipated research or development of the Company or its Affiliates, or (iii) that Employee conceives, develops, discovers or makes in whole or in part during or after Employee's employment by the Company that are made through the use of any

trade secrets of the Company or the use of the equipment, facilities, supplies, or time of the Company or its Affiliates (collectively, "Work Product"). Without limiting the foregoing, to the extent possible, all software, compilations and other original works of authorship included in the Work Product will be considered a "work made for hire" as that term is defined in Title 17 of the United States Code. If, notwithstanding the foregoing, Employee for any reason retains any right, title or interest in or relating to any Work Product, Employee agrees promptly to assign, in writing and without any requirement of further consideration, all such right, title, and interest to the Company. Upon request of the Company at any time, Employee will take such further actions, including execution and delivery of instruments of conveyance, as may be appropriate to evidence, perfect, record or otherwise give full and proper effect to any assignments of rights under or pursuant to this Release Agreement.

(F) Company Documents and Property. All writings, records, and other documents and things comprising, containing, describing, discussing, explaining, or evidencing any Confidential Information, and all equipment, computers, mobile phones, components, manuals, parts, keys, tools, and the like in Employee's custody, possession or control that have been obtained by, prepared by, or provided to, Employee by the Company or any Affiliate in the course or scope of Employee's employment with the Company (or any Affiliate) shall be the exclusive property of the Company (or such Affiliate, as applicable), shall not be copied and/or removed from the premises of the Company or any Affiliate, except in pursuit of the business of the Company or an Affiliate, and shall be delivered to the Company or an Affiliate, as applicable, without Employee retaining any copies or electronic versions, within one (1) day following the Termination Date or at any other time requested by the Company. Notwithstanding the foregoing, Employee shall be permitted to retain Employee's Company-issued laptop computer from and after the Termination Date; provided, that Employee's right to retain Employee's Company-issued laptop computer is conditioned upon Employee's (x) prior return of his or her laptop computer to [the Company's Information Technology (IT) Department (Attention: _____)] at least three (3) business days prior to the Termination Date for purposes of deletion, removal, and/or transfer to the Company of any and all Confidential Information, Work Product, or data, information, files, documents, programs, accessories, applications, accounts, and systems of the Company (or any Affiliate), and (y) understanding and agreement that Employee shall be solely responsible for any and all costs, expenses, damages, losses, liabilities, claims, or disputes arising from or relating to the laptop computer hereafter, including without limitation from the use, maintenance, upkeep, and/or disposal thereof.

(G) No Disparaging Comments. Employee and the Company shall refrain from any criticisms or disparaging comments about each other or in any way relating to Employee's employment or separation from employment with the Company; provided, however, that nothing in this Release Agreement shall restrict Employee from making Permitted Disclosures as described below. A violation or threatened violation of this prohibition may be enjoined by a court of competent jurisdiction. The rights under this provision are in addition to any and all rights and remedies otherwise afforded by law to the parties. Employee acknowledges that in executing this Release Agreement, he or she has knowingly, voluntarily, and intelligently waived any free speech, free association, free press or First Amendment to the United States Constitution (including, without limitation, any counterpart or similar provision or right under any other state constitution which may be deemed to apply) and rights to disclose, communicate, or publish disparaging information or comments concerning or related to the Company. For all purposes of the obligations of Employee under this Section 12(G), the term "Company" refers to the Company and its Affiliates, and its and their directors, officers, employees, shareholders, investors, partners and agents.

(H) Cooperation. Employee agrees to make himself or herself available as reasonably practical with respect to, and to use reasonable efforts to cooperate in conjunction with, the transition of duties and any litigation or investigation arising from events that occurred during Employee's employment with or engagement by the Company (whether such litigation or investigation is then pending or subsequently initiated) involving the Company or any Affiliate thereof, including providing testimony and preparing to provide testimony if so requested by the Company. Employee shall be reimbursed for all reasonable costs and expenses incurred in providing any cooperation as contemplated by this Section 12(H).

(I) Employee also agrees to keep confidential the terms of this Release Agreement. This provision does not prohibit Employee from providing this information on a confidential and privileged basis to his or her attorneys or accountants for purposes of obtaining legal or tax advice or as otherwise required by law. Moreover, the parties have the right to disclose in confidence trade secrets to government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure all in accordance with 18 U.S.C. § 1833(b). Nothing in this Release Agreement shall restrict such disclosures.

(J) Notwithstanding anything in this Release Agreement to the contrary, in the event that the Company or its successor (i) fails to timely and fully pay the Severance Benefits to Employee in breach of the terms of the Severance Plan as modified by the Amended Severance Benefits Letter, and (ii) does not cure such breach within thirty (30) days following written notice to the Company or its successor, Employee's restrictions and obligations under Section 12(C), Section 12(D), and Section 12(G) shall immediately become null and void and of no further force or effect.

13. **Permitted Disclosures**. Nothing in this Release Agreement restricts Employee from (a) voluntarily communicating with an attorney retained by Employee, (b) voluntarily communicating with or testifying before any law enforcement or government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the Civil Rights Division of the Texas Workforce Commission, or any state or local commission on human rights, or any self-regulatory organization, or otherwise initiating, assisting with, or participating in any manner with an investigation conducted by such government agency, in each case, regarding possible violations of law and without advance notice to the Company, (c) recovering a SEC whistleblower award as provided under Section 21F of the Securities Exchange Act of 1934, (d) disclosing any information (including, without limitation, Confidential Information) to a court or other administrative or legislative body in response to any subpoena provided that Employee first promptly notifies (to the extent legally permissible) the Company and, with respect to any subpoena on behalf of any non-governmental person or entity, uses commercially reasonable efforts to cooperate with any effort by the Company to seek to challenge such subpoena or obtain a protective order limiting its disclosure, or other appropriate remedy, or (e) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which Employee is entitled, or (f) disclosing an act of sexual abuse or facts related to an act of sexual abuse to any other person; provided, that Employee represents and affirms that he is not aware of any facts or circumstances (including any injuries or illnesses) related to any claims against the Releasees concerning discrimination, harassment or retaliation, or workers' compensation (the communications and disclosures described in the foregoing subclauses (a)–(f) collectively, "Permitted Disclosures").

14. **Nouns and Pronouns**. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

15. **Legal Counsel**. Each party recognizes that this is a legally binding contract and acknowledges and agrees that they have had the opportunity to consult with legal counsel of their choice. Employee acknowledges and agrees that he or she has read and understands this Release Agreement completely, is entering into it freely and voluntarily, and has been advised to seek counsel prior to entering into this Release Agreement and he or she has had ample opportunity to do so.

16. **Entire Agreement**. The Severance Plan, as modified by the Amended Severance Benefits Letter, and this Release Agreement (including any exhibit(s) hereto) set forth the entire agreement of the parties and fully supersede and replace any and all prior agreements, promises, representations, or understandings, written or oral, between the Company and Employee that relate to the subject matter of the Severance Plan (as modified by the Amended Severance Benefits Letter) and this Release Agreement. This Release Agreement may be amended or modified only by a written instrument identified as an amendment hereto that is executed by both parties.

[Remainder of page intentionally left blank.]

This Release Agreement may not be executed prior to the Termination Date. The undersigned has read and understands the consequences of this Release Agreement and voluntarily signs it. The undersigned declares under penalty of perjury under the laws of the State of Texas that the foregoing is true and correct.

EXECUTED this _____ day of ____, 20___, at _____.

"Employee"

_____
[ ]

ENDORSEMENT

I, [____], hereby acknowledge that I was given **[21 OR 45]** days to consider the foregoing Release Agreement and

voluntarily chose to sign the Release Agreement prior to the expiration of the **[21 OR 45]**-day period.

I declare under penalty of perjury under the laws of the United States and the State of Texas that the foregoing is true and correct.

EXECUTED this _____ day of ____, 20___, at _____.

_____
[ ]

ANNEX A

OLDER WORKERS BENEFIT PROTECTION ACT DISCLOSURE NOTICE

The following information has been prepared in accordance with the Older Workers Benefit Protection Act ("OWBPA") and Age Discrimination in Employment Act ("ADEA"). The OWBPA requires that employers provide specific information to employees who are 40 years of age or older and asked to execute a release of claims in connection with a group termination program. This document provides this information.

The class, unit, or group of individuals covered by the group termination program (the "Decisional Unit") includes all [employees of [_____] who work in the [_____] business units]. All of the employees in the Decisional Unit who are being terminated are being offered severance benefits in exchange for the covenants and releases set forth in a written agreement containing a release of claims. The criteria used to determine selection for inclusion in the Decisional Unit for this group termination program are the current and anticipated operational and financial efficiencies, revenue generation, and other business needs.

The following is a list of the ages and job titles of employees who were and were not selected for termination and offered consideration for signing a release of claims.

List of Terminated Individuals

Title	Age	Selected	Not Selected

[*Date*]

[*Name*]
[*Title*]

Re: Amended Severance Benefits

Dear [*First Name*]:

As a participant in the Valaris Executive Severance Plan, as amended and restated from time to time (the "Executive Severance Plan"), you are eligible to receive severance benefits in the event of certain qualifying terminations provided thereunder. This letter sets forth the severance benefits you are eligible to receive from Valaris Limited or its successor (the "Company") or the Employer upon a Qualifying Termination (as defined below) within three (3) months prior to or twelve (12) months following a Change in Control, subject to the terms and conditions set forth in this letter and the Executive Severance Plan (as modified by this letter). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Executive Severance Plan.

1. Amended Severance Benefits. If, within three (3) months prior to or twelve (12) months following a Change in Control (the "Change in Control Period"), (i) the Employer terminates your employment without Cause (as defined in Exhibit A) and the termination is not a result of your death or Disability, or (ii) you resign for Good Reason (as defined in Exhibit A) (each, a "Qualifying Termination," and with a Qualifying Termination that occurs within three (3) months prior to the Change in Control being referred to as a "Pre-CIC Qualifying Termination"), you shall be entitled to receive the Accrued Obligations and, subject to Section 2 below, the following amended severance benefits (the "Amended Severance Benefits"), instead of the Severance Benefits under the Executive Severance Plan:

    a. A lump-sum cash payment equal to one and a half (1.5) times the sum of (i) your Base Pay (without regard to any reductions implemented without your consent), and (ii) your annualized Target Bonus (determined without proration and based on your full-year Target Bonus opportunity for the year of termination), payable by the Employer promptly and in all events within 30 days following the later of the date (x) on which the Settlement Agreement (as defined below) has been executed by you (including an executed adviser's certificate) and delivered to the Employer in accordance with paragraph 2 of this letter, and (y) of termination of your employment with the Employer, or in the event of a Pre-CIC Qualifying Termination, within 30 days following the later of (x) the date on which the Settlement Agreement has been executed by you (including an executed adviser's certificate) and delivered to the Employer in accordance with paragraph 2 of this letter, (y) the date of termination of your employment with the Employer, and (z) the consummation of a Change in Control;

b. A lump-sum cash payment of any unpaid annual cash bonus earned under the Valaris plc 2018 Cash Incentive Plan (or any successor, replacement or comparable annual bonus plan maintained by the Company, the Employer, or their respective Affiliates following a Change in Control, the "Cash Incentive Plan"), for the fiscal year immediately prior to the year in which the Qualifying Termination occurs, provided that you remain employed with the Employer through the last day of the performance period to which such bonus relates, regardless of whether performance has been formally certified by the Board or the Committee as of the date of your termination. Such bonus shall be determined based on actual performance in accordance with the terms of the applicable Cash Incentive Plan. Any such earned but unpaid annual cash bonus shall be payable by the Employer on or about the date such bonuses are paid to other employees of the Employer, but in no event later than March 15th of the year following the year in which the performance period ended;

c. To the extent not duplicative of any payment of a prorated bonus provided under the Cash Incentive Plan in connection with a Change in Control, a lump-sum cash payment equal to your target annual bonus under the Cash Incentive Plan for the year in which your Qualifying Termination occurs, prorated based on the number of days elapsed in the performance period corresponding to such annual bonus through the date of your Qualifying Termination, divided by the number of days in such performance period. Such prorated bonus shall be payable by the Employer promptly and in all events within 30 days following the later of the date (x) on which the Settlement Agreement has been executed by you (including an executed adviser's certificate) and delivered to the Employer in accordance with paragraph 2 of this letter, and (y) the date of termination of your employment with the Employer, or in the event of a Pre-CIC Qualifying Termination, within 30 days following the later of (x) the date on which your employment with your Employer terminates, (y) the date of termination of your employment with the Employer, and (z) the consummation of a Change in Control; and

d. Healthcare coverage continuation, outplacement support and legal fees incurred in connection with the execution of the Settlement Agreement, in each case on the terms set out in the Settlement Agreement.

2. Settlement Agreement. As a condition to receiving the Amended Severance Benefits, you must execute a settlement agreement in a form provided by the Company, which shall be in substantially the form attached as Exhibit B to this letter (the "Settlement Agreement") and replaces the Release required under Section 2.2 of the Executive Severance Plan. The Settlement Agreement must be executed by you (including an executed adviser's certificate) and delivered to the Employer within 14 days of a Qualifying Termination.

3. Restrictive Covenants. In consideration of the Additional Payment (as defined in the Settlement Agreement), you acknowledge and agree that you shall be obligated to comply with the restrictive covenants set forth in the Settlement Agreement in accordance with the terms thereof. For the avoidance of doubt, the restrictive covenants set forth in the Settlement Agreement will apply instead of, and not in addition to, the restrictive covenants contained in the Form of Separation and Release Agreement at Appendix B of the Executive Severance Plan.

4. UK Employment Terms. The Amended Severance Benefits will, for the avoidance of doubt, be inclusive of any payments or other benefits to which you would otherwise be entitled in connection with your employment or its termination (including any notice pay, pay during any period of garden leave or any payment in lieu of any unexpired portion of your notice period) save as otherwise set out in the Settlement Agreement. The Amended Severance Benefits are non-pensionable. The definition of Disability for the purposes of the Executive Severance Plan will be satisfied in respect of you in circumstances where you are unable to perform your duties as a consequence of illness or injury for a continuous period in excess of six months.

5. Modification of the Executive Severance Plan. This letter modifies the Executive Severance Plan solely with respect to a Qualifying Termination within the Change in Control Period. The payment of the Amended Severance Benefits shall be subject in all respects to the terms and conditions of the Executive Severance Plan (as modified by this letter), including, without limitation, Section 2.1(c) (No Duty to Mitigate; Offset; Set-off), Section 7.5 (Withholding). For purposes of such provisions, all references to "Severance Benefits" shall be deemed to refer to "Amended Severance Benefits" hereunder, as applicable. In the event of any other termination of employment, the terms of the Executive Severance Plan remain unmodified and in full force and effect.

6. Counterparts. This letter may be executed by the parties hereto in separate counterparts (including by facsimile or .pdf or .tif attachment to electronic mail), each of which when so executed and delivered shall be an original but all such counterparts together shall constitute one and the same instrument. Each counterpart may consist of two copies hereof each signed by one of the parties hereto.

7. Amendment. This letter may not be modified, altered or changed except upon express written consent of you and the Company.

8. Governing Law. This letter shall be governed by the laws of the State of Texas, without regard to the conflicts of law principles thereof.

By signing below, you expressly acknowledge and agree that (i) you are subject to the terms of this letter, and the Executive Severance Plan, as modified by this letter and (ii) the terms of this letter and the Executive Severance Plan, as modified by this letter, shall supersede any other agreement between you and the Company or any of its Affiliates with respect to the subject matter hereof.

[Signature Page Follows]

Sincerely,

VALARIS LIMITED

By: _____
Name:
Title:

[*NAME*]

Signature: _____

Date: _____

[Signature Page to Amended Severance Benefits Letter]

EXHIBIT A

"Cause" and "Good Reason" Definitions

1. *"Cause" Definition*. "Cause" means any of the following:

   (a) gross misconduct by you;

   (b) the willful and material breach by you of any policies of the Company or its Affiliates or the Valaris Code of Conduct; or

   (c) the conviction of you by a court of competent jurisdiction, from which conviction no further appeal can be taken, of a crime punishable by imprisonment.

2. *"Good Reason" Definition*. "Good Reason" means any of the following: (a) a reduction in your base salary or annual target bonus opportunities under any Cash Incentive Plan, (b) a material diminution in your title, authority, duties or responsibilities, (c) a relocation of your primary place of employment to a location that increases your normal commute by more than thirty-five (35) miles, (d) if you have an approved remote work arrangement, any requirement that you cease to work remotely; or (e) any other action or inaction that constitutes a material breach by the Company or the Employer of its obligations under the Executive Severance Plan (including as modified by this letter) or any other agreement between the Company or the Employer and you.

   In the case of your allegation of Good Reason (other than pursuant to clause (c) above), (i) you shall provide notice to the Board of the event alleged to constitute Good Reason within ninety (90) days of the occurrence of such event, and (ii) the Company shall have the opportunity to remedy the alleged Good Reason event within thirty (30) days from receipt of notice of such allegation. If the Company does not cure the circumstance giving rise to Good Reason, you must terminate your employment with the Company within thirty (30) days following the end of the thirty (30) day cure period described in clause (ii) above in order for your termination to be considered a termination for Good Reason. Should the Company remedy the condition as set forth above and then one or more of the conditions arise again, you may assert Good Reason again subject to all of the conditions set forth herein.

   For the avoidance of doubt, in the event of termination by you for Good Reason (as defined above) you will not be required to provide six months' notice of termination of your employment, but will instead be required to follow the procedure set out above.

EXHIBIT B

Form of Settlement Agreement

Dated _____

(A) Ensco Services Limited

And

(B) [*Name*]

SETTLEMENT AGREEMENT

THIS AGREEMENT is made the ____ day of _____

between:

A. Ensco Services Limited, a company registered in England and Wales with company number 04605864 and a registered address of Cannon Place, 78 Cannon Street, London, England, EC4N 6AF (the "**Company**"); and

B. [*Name and address*] (the "**Employee**"),

(each a "**Party**" and, together, the "**Parties**").

RECITALS

1 The Employee is employed by the Company under the terms of a contract of employment dated [*Date of employment agreement*] (the "**Contract of Employment**").

2 The Company is entering into this Settlement Agreement (the "**Agreement**") for itself and as agent for Valaris Limited ("**Valaris**") or its successor and their Group Companies and is duly authorised on their behalf. A "**Group Company**" is any company which is for the time being a subsidiary or a holding company of the Company (or Valaris, as applicable) or a subsidiary of any such company ("**subsidiary**" and "**holding company**" shall have the meanings set out in section 1159 of the Companies Act 2006 as amended or re-enacted).

3 The Employee has received independent legal advice from a relevant independent adviser as to the terms and effect of this Agreement.

4 The Employee is eligible to receive Accrued Obligations (as defined in the Valaris Executive Severance Plan) and severance payments and benefits (the "**Amended Severance Benefits**") in accordance with and subject to the terms of the Valaris Executive Severance Plan (as modified by that certain Amended Severance Benefits letter agreement between the Employee and Valaris dated [_____], 20[__] (the "**Amended Severance Benefits Letter**"), the "**Valaris Executive Severance Plan**"). Capitalised terms which are used but not defined in this Agreement shall have the meaning given to such term in the Valaris Executive Severance Plan.

5 The Employee believes that they may have statutory claims and/or contractual claims against the Company and/or a Group Company or its or their respective shareholders, officers, employees and ex-employees related to the Employee's employment and/or its termination.

6 In order to achieve certainty and finality, it is the intention of the Employee and the Company in entering into this Agreement that it shall operate to terminate the relationship between them and in consideration of the settlement set out here, provide a full, absolute and irrevocable release by the Employee of all current and future claims against the Company and any Group Company (save for the Excluded Claims (as defined in clause 6.2 below)) whether or not the Employee has knowledge of them, whether or not they are in the contemplation of the Parties and whether or not they exist in law or fact at the date of this Agreement.

IT IS AGREED as follows:

1. TERMINATION OF EMPLOYMENT

1.1 The Employee's employment with the Company will terminate [on the date on which consummation of the "Business Combination" and other transactions as defined and described in that certain Business Combination Agreement between Transocean Ltd. and Valaris dated as of 9 February 2026 (the "**Termination Date**"). The Company acknowledges that the timing of termination of employment on the Termination Date is consistent with the vesting of equity awards in connection with the change of control contemplated by the Business Combination and will not deprive the Employee of beneficial rights to vesting of equity awards on the change of control.]

2. PAYMENT OF SALARY AND BENEFITS UNTIL TERMINATION DATE

2.1 The Company will pay the Employee their normal remuneration and benefits (including, but not limited to pension contributions and/or pension allowance (as applicable)) up to and including the Termination Date (less such sums as the Company is obliged by law to deduct, including but not limited to income tax and employee's National Insurance (together the "**Taxes**")) in accordance with its usual payroll practices, and will forward the Employee's P45 in due course.

2.2 The Company will pay the Employee in lieu of [***insert number of days***] of accrued but untaken holiday up to the Termination Date, less Taxes, on the first normal pay day following the Termination Date.

3. COMPENSATION FOR LOSS OF EMPLOYMENT AND PAYMENT IN LIEU OF NOTICE

3.1 Subject to and conditional upon the Employee's compliance in all material respects with the terms and warranties of this Agreement and the terms of the Valaris Executive Severance Plan, provided that the Employee has returned to the Company a copy of this Agreement signed by the Employee with a completed Adviser's Certificate (as defined below), the Company shall (without any admission of liability) pay to the Employee the following sums:

3.1.1 £[***insert***] (the "**Compensation Payment**"), less applicable Taxes, payable at the time set forth under Section 1(a) of the Amended Severance Benefits Letter;

3.1.2 such severance payments and benefits as are set forth under Sections 1(b) through 1(c) of the Amended Severance Benefits Letter, payable in accordance with the terms thereof, in each case, less any applicable Taxes, and together with the Compensation Payment, constituting compensation for the loss of the Employee's employment including loss of office, statutory redundancy pay and damages for breach of contract (collectively, the "**Severance Payment**");

3.1.3 £[***insert***] in lieu of the Employee's contractual six month notice period, less Taxes, payable within 30 days of the Termination Date ("**Notice Payment**"); and

3.1.4 £100 as consideration for the Employee's agreement to the restrictions in clauses 8 and 9 (the "**Additional Payment**"), payable at same time as the Compensation Payment.

3.2 The Company warrants that it has the necessary authority to make the Severance Payment, Notice Payment, Additional Payment and all other payments and to provide the benefits, and it will not be acting beyond its powers in agreeing to the terms, set down in this Agreement.

4. COMPANY PROPERTY

4.1 Subject to clause 4.2, the Employee warrants that within one (1) day following the Termination Date they will return to the Company all keys, electronic passes, documents, recordings, photographs, laptop, hardware, computer discs, data sticks or cards, mobile telephone, Company credit card, Company car and any other property belonging to the Company including, if applicable, any copies (in any medium whatsoever). The Employee warrants that they have not made or retained copies of or extracts from documents, emails or any notes of or information relating to the business of the Company, caused others to do so or distributed the same to persons other than those authorised by the Company to be in possession of such documents.

4.2 The Employee shall be permitted to retain their Company-issued laptop computer from and after the Termination Date, subject to the Employee (x) having returned their laptop computer to the Company's Information Technology (IT) Department at least three (3) business days prior to the Termination Date for purposes of deletion, removal, and/or transfer to the Company of any and all Confidential Information, Company work product or data, information, files, documents, programs, accessories, applications, accounts, and systems of the Company (or any Group Company), and (y) understanding and agreeing that Employee shall be solely responsible for any and all costs, expenses, damages, losses, liabilities, claims, or disputes arising from or relating to the laptop computer hereafter, including without limitation from the use, maintenance, upkeep, and/or disposal thereof.

5. EXPENSES

The Company will reimburse the Employee for all expenses reasonably and properly incurred in connection with the Employee's employment up to the Termination Date in accordance with the Company's usual expenses policy provided that (save in relation to the tax accounting costs referred to in clause 15) the Company receives the appropriate receipts or invoices before the Termination Date.

6. FULL AND FINAL SETTLEMENT AND WAIVER OF CLAIMS

6.1 The Employee acknowledges that they could bring proceedings against the Company, its Group Companies and its or their respective shareholders, officers, employees and ex-employees in respect of the Claims (defined below).

6.2 The Employee accepts the terms of this Agreement in full and final settlement of all and any claims, whether under contract, at common law, under statute or otherwise which the Employee has, or may have, but for this Agreement against the Company or any Group Company, and its or their respective shareholders, officers, employees and ex-employees arising directly or indirectly from the Employee's employment by the Company or its termination (but excluding any claim for (i) enforcing the terms of this Agreement; (ii) any payment or benefit owed to the Employee under the terms of the Valaris Executive Severance Plan, (iii) accrued pension rights; (iv) personal injury of which the Employee is not aware and could not reasonably be expected to be aware at the date of this Agreement (other than claims under discrimination legislation); (v) any rights that the Employee may have to insurance coverage for such losses, damages or expenses under any Group Company directors and officers liability insurance policy, in accordance clause 11 below; (vi) any rights that the Employee may have for protection under such indemnification arrangements provided by Valaris, its successor, the Company, and/or any Group Company in accordance with clause 11 below and/or any right to indemnification that the Employee may have pursuant to the Company's or any Group Company's Bylaws or the Company's or any Group Company's corporate charter or under any written indemnification agreement with the Company

(or any corresponding provision of the Company or any Group Company) with respect to any loss, damages or expenses (including but not limited to legal fees to the extent otherwise provided) that Employee may in the future incur with respect to his or her service as an employee, officer or director of the Company, any Group Company; or (vii) any vested rights to payment of benefits that Employee may have under health, welfare, tax qualified employee benefit plans and any vested rights under any other employee benefit plans, including without limitation the Valaris Limited 2021 Management Incentive Plan (including, but not limited to, in respect of RSUs, PSUs and Dividend Equivalents and any other entitlements which vest on a change of control of Valaris)) (the "**Excluded Claims**"). In particular, but without limitation, this release extends (save for the Excluded Claims) to any claim:

(a) for damages for wrongful dismissal or breach of contract including but not limited to any claim in respect of unpaid salary, bonus, commission, overtime, holiday pay, sick pay, pension contributions, benefits, allowances, re-imbursement of expenses, notice pay or any other termination or severance payment howsoever arising;

(b) for unfair dismissal under section 111 of the Employment Rights Act 1996 and any related claim for failure to provide a written statement of reasons for dismissal under section 93;

(c) for unlawful deduction from wages or unlawful payment, under section 23 of the Employment Rights Act 1996;

(d) for breach of any obligation in respect of working time, rest breaks or holiday pay, under regulation 30 of the Working Time Regulations 1998;

(e) for unlawful detriment including, but not limited to, on the grounds of making a protected disclosure, under Part IVA of the Employment Rights Act 1996;

(f) for unlawful detriment under section 48 of the Employment Rights Act 1996 or section 56 of the Pensions Act 2008;

(g) for a statutory redundancy payment, under section 163 of the Employment Rights Act 1996;

(h) for damages for personal injury (whether for stress, depression or otherwise) that the Employee is aware of or should reasonably be aware of at the time of signing this Agreement;

(i) for breach of obligations under the Human Rights Act 1998;

(j) for breach of obligations under the Data Protection Act 2018 or the UK General Data Protection Regulation;

which the Employee may otherwise have (the "**Claims**").

6.3 The Employee warrants and represents that as at the date of this Agreement:

6.3.1 they have disclosed to the Adviser (as defined below) all facts, circumstances and information relating to their employment and its termination which the Adviser requires or may reasonably require in order to advise whether the Employee has any claims against the Company or any Group Company or its or their respective shareholders, officers, employees and ex-employees;

6.3.2 having taken legal advice from the Adviser (as defined below) any actual or potential claims that the Employee has or may be entitled to make against the Company or any Group Company or its or their respective shareholders, officers, employees and ex-employees either now or in the future, in respect of the Employee's employment and its termination, whether contractual, statutory or otherwise are fully particularised in clause 6.2 (save for the Excluded Claims);

6.3.3 other than the Claims (and the Excluded Claims) they have no other further claims or potential claims against the Company or any Group Company or its or their respective shareholders, officers, employees and ex-employees and the Employee has not already instituted proceedings in relation to any claim or claims against the same;

6.3.4 as at the date of this Agreement they are not aware of any conditions, illness, injury or other circumstances affecting them that may give rise to a personal injury claim against the Company or any Group Company; and

6.3.5 they have not committed any act or made any omission which might amount to, and are not aware (and ought not reasonably to be aware) of any circumstances which might constitute, a repudiatory breach of their Contract of Employment entitling the Company to terminate their employment without notice or payment in lieu of notice.

For the avoidance of doubt, the warranties set out in this clause 6.3 are a condition to payment of the Severance Payment.

6.4 The Employee understands that the Company enters into this Agreement in reliance on the warranties given by the Employee in this Agreement.

7. EMPLOYEE'S INDEPENDENT LEGAL ADVICE

7.1 The Employee warrants that they have taken advice from [***insert name of adviser***] of [***insert name of firm***] (the "**Adviser**") on the terms and effect of this Agreement and in particular its effect on the Employee's ability to pursue a complaint before an Employment Tribunal, the County Court or High Court.

7.2 It is a condition of the payment of the Severance Payment that the Adviser provides an executed copy of the certificate annexed to this Agreement at Schedule 1 (the "**Adviser's Certificate**").

7.3 The Company shall within 30 days of receipt pay against a properly constituted VAT invoice addressed to the Employee but marked payable by the Company, a sum not exceeding £[***insert***] inclusive of VAT to the Adviser in respect of legal fees incurred in taking independent legal advice in relation to this Agreement.

8. CONFIDENTIALITY

8.1 During the course of the Employee's employment with the Company, the Company has (1) disclosed or entrusted to Employee, and provided Employee with access to, Confidential Information (as defined below), (2) placed Employee in a position to develop business goodwill belonging to the Group Companies, and (3) disclosed or entrusted to Employee business opportunities to be developed for the Group Companies. The Employee acknowledges that Confidential Information has been developed or acquired by the Group Companies through the expenditure of substantial time, effort and money and provides the Group Companies with an advantage over competitors who do not know or use the Confidential Information. The Employee further acknowledges and agrees that the nature of the Confidential Information obtained during his or her employment would make it difficult, if not impossible, for the Employee to perform in

a similar capacity for a business competitive with the Group Companies without disclosing or utilizing Confidential Information.

8.2 The Employee shall hold in confidence and not directly or indirectly disclose, use, copy or make lists of any Confidential Information for his own purpose or for the benefit of any third party (other than the Group Companies). Save where prevented from doing so by law, the Employee agrees to give to Valaris or the applicable Group Company notice of any and all attempts to compel disclosure of any Confidential Information within one (1) business day of being informed that such disclosure is being, or will be, compelled. Such written notice shall include a description of the Confidential Information to be disclosed, the court, government agency, or other forum through which the disclosure is sought, and the date by which the Confidential Information is to be disclosed, and shall contain a copy of the witness summons or subpoena (as applicable), order or other process used to compel disclosure. For the avoidance of doubt, the provisions of this subsection shall not apply to (a) any disclosure or use authorised by Valaris the applicable Group Company or required by applicable law and (b) any information that is or becomes generally available to the public (other than as a result of the Employee's unauthorised disclosure). This confidentiality covenant shall be in addition to, and not limit or restrict in any way, any other confidentiality agreement or other post-employment covenant between the Employee and any Group Company. Nothing in this Agreement restricts the Employee from disclosing any information (including, without limitation, Confidential Information) to a court or other administrative or legislative body in response to any witness summons or subpoena provided that the Employee first promptly notifies (to the extent legally permissible) the Company and, with respect to any witness summons or subpoena on behalf of any non-governmental person or entity, uses commercially reasonable efforts to cooperate with any effort by the Company to seek to challenge such witness summons or subpoena or obtain a protective order (or equivalent) limiting its disclosure, or other appropriate remedy.

8.3 For the purposes of this Agreement "**Confidential Information**" shall mean information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) relating to the business, products, affairs and finances of any Group Company for the time being confidential to any Group Company, and trade secrets including, without limitation, technical data and know-how relating to the business of any Group Company or any of their respective business contacts, including in particular (by way of illustration only and without limitation): (i) information relating to the business of exploring, acquiring, developing, exploiting and disposing of oil and natural gas resources (regardless of when conceived, made, developed or acquired); (ii) information relating to the business or prospective business, current or projected plans or internal affairs of any Group Company; (iii) information relating to the current or prospective marketing or sales of any products or services of any Group Company, including non-public lists of customers' and suppliers' names, addresses and contacts; sales targets and statistics; market share and pricing information; marketing surveys; research and reports; non-public advertising and promotional material; strategies; and financial and sales data; (iv) information relating to any actual or prospective business strategies of any Group Company; (v) information relating to any actual acquisitions, investments or corporate opportunities or prospective acquisition, investment targets or corporate opportunities; (vi) know-how, trade secrets, unpublished information relating to any Group Company's intellectual property and to the creation, production or supply of any products or services of any Group Company; (vii) information to which any Group Company owes an obligation of confidence to a third party (including, without limitation, customers, clients, suppliers, partners, joint venturers and professional advisors of any Group Company); and (viii) other commercial, financial or technical information relating to the business or prospective business of any Group Company, or to any

past, current or prospective client, customer, supplier, licensee, officer or employee, agent of any Group Company, or any member or person interested in the share capital or assets of any Group Company, and any other person to whom any Group Company may provide or from whom they may receive information (whether marked confidential or not).

8.4 In consideration of the Additional Payment, the Employee further agrees:

8.4.1 not to make any statements to the press or other media in connection with the Company and/or any Group Company, the termination of their employment or this Agreement;

8.4.2 not to make, or cause to be made, any derogatory or critical or disparaging remarks, comments or statements (whether orally or in writing) about the Company, any Group Company, its or their respective suppliers, customers, clients, investors, advisers, shareholders, officers, employees and ex-employees; and

8.4.3 that they will not disclose the contents of this Agreement (save to the extent its already in the public domain) without the prior written consent of the Company except to the Employee's partner or immediate family, professional advisers (including, but not limited to, legal and tax advisers) or persons providing medical, therapeutic, counselling or support services (provided that such persons are under an obligation of confidentiality which the Employee does not waive), the Employee's insurer for the purpose of processing a claim for loss of employment, any government benefits agency for the purposes of making a claim for benefits, HM Revenue & Customs or as otherwise required by law . For the avoidance of doubt, nothing in this Agreement prevents the Employee from disclosing that his employment terminated by mutual agreement in connection with a change in control of Valaris.

8.5 This Agreement shall bind the Employee only to the extent allowed by law and nothing in this Agreement (or the Contract of Employment) shall prevent the Employee from making a statutory disclosure (including, but not limited to, a protected disclosure under section 43A of the Employment Rights Act, making a disclosure permitted under section 17 of the Victims and Prisoners Act 2024, making a disclosure permitted under section 135 and 136 of the Employment Rights Act 2025), making a disclosure to (whether required to or not) or co-operating with any investigation by HMRC or a relevant regulator, ombudsman or supervisory authority regarding any misconduct, wrongdoing or serious breach of regulatory requirements (including giving evidence at a hearing), reporting a criminal offence (or suspected criminal offence) to any law enforcement agency or co-operating with any law enforcement agency regarding a criminal investigation or prosecution., doing or saying anything that is required by HMRC or a regulator, ombudsman or supervisory authority, complying with an order from a court or tribunal to disclose or give evidence, disclosing information to HMRC for the purposes of establishing and paying (or recouping) tax and National Insurance liabilities arising from the Employee's employment or its termination, voluntarily communicating with a solicitor retained by the Employee, or making any other disclosure as required by law.

8.6 Subject to its applicable legal and regulatory obligations, the Company agrees not to make, or cause to be made, any derogatory or critical or disparaging remarks, comments or statements (whether orally or in writing) about the Employee.

9. POST-TERMINATION RESTRICTIONS

9.1 For the purposes of this clause 9 the following definitions apply:

9.1.1 "**Direct Competitor**" means a business concern whose predominant business is oil and gas offshore drilling, and that owns, leases and/or operates one or more mobile offshore drilling units;

9.1.2 "**Restricted Business**" means the business of any Direct Competitor which is the same or substantially similar to the Company and Group Companies at the Termination Date with which the Employee was involved to a material extent during the twelve months immediately preceding the Restriction Date;

9.1.3 "**Restricted Customer**" means any person, firm, company or other organisation who, at any time during the twelve months immediately preceding the Restriction Date was a customer of or in the habit of dealing with the Company or any Group Company and in the course of the Employment:

(a) with whom the Employee had personal dealings; or

(b) for whom the Employee was responsible on behalf of the Company or any Group Company; or

(c) any employee directly reporting to the Employee had material contact with on behalf of the Company or any Group Company.

9.1.4 "**Restricted Employee**" means any person who, at the Termination Date, reported directly to the Employee or was an employee of the Company or Group Company in a senior or managerial capacity and who could materially damage the interests of the Company or any Group Company if they became employed in any competing business and with whom the Employee worked closely in the twelve months immediately preceding the Restriction Date;

9.1.5 "**Restricted Supplier**" means any person, firm, company or other organisation who, in the twelve months immediately preceding the Restriction Date supplied goods and/or services to the Company or any Group Company including but not limited to any individual who provided services to the Company or any Group Company by way of a consultancy agreement (but excluding utilities or goods and services supplied for administrative purposes) and with whom the Employee dealt to a material extent during that period;

9.1.6 "**Restricted Territory**" means any other country in the world where the Company or any Group Company had business interests or dealings on the Termination Date; and

9.1.7 "**Restriction Date**" means the earlier of the Termination Date and the start of any period of garden leave (if applicable).

9.2 The Employee acknowledges that by reason of their employment they have had access to trade secrets, Confidential Information, business connections and the workforce of the Company and the Group Companies and that at the expense of and/or otherwise on behalf of the Company and its Group Companies they have made, maintained and developed personal knowledge of, influence over and valuable personal contacts with customers, clients, suppliers, staff and third parties. In order to protect the legitimate business interests of the Company and the Group Companies it is therefore reasonable for them to enter into these post termination restrictive covenants and, having taken independent legal advice the Employee agrees that the restrictions

contained in this clause 9 (each of which constitutes an entirely separate, severable and independent restriction) are reasonable.

9.3 Reference in this clause 9.3 to "the Company" shall apply as though there were included reference to any relevant Group Company. The Employee covenants with the Company for itself and as trustee and agent for each Group Company that they will not without the prior written consent of the Company or Valaris or its successor:

9.3.1 for twelve months after the Restriction Date be engaged or concerned in any capacity or be in any way interested in or connected with a Restricted Business (other than as an employee of, or consultant to, the Company or any Group Company), for the purposes of providing services the same as or similar to those the Employee provided to the Company;

9.3.2 for twelve months after the Restriction Date induce or attempt to induce, or cause or solicit any Restricted Employee to cease their relationship with the Company or its Affiliates or in any way materially interfere with the relationship between the Company and any Restricted Employee;

9.3.3 for twelve months after the Restriction Date employ or engage any Restricted Employee, provided that nothing shall prohibit the Employee from making a general, public solicitation for employment, or using an employee recruiting or search firm to conduct a search, that does not specifically target employees or consultants of the Company or any Group Company so long as no persons who were at any time during the twelve (12) month period prior to the commencement of such solicitation Restricted Employees, are hired or otherwise engaged as a result of such general solicitations or search firm efforts;

9.3.4 for twelve months after the Restriction Date induce, or attempt to induce, cause or solicit any Restricted Customer to reduce or cease doing business with the Company;

9.3.5 for twelve months after the Restriction Date in any way knowingly interfere with the relationship between any Restricted Customer and the Company;

9.3.6 for twelve months after the Restriction Date induce, or attempt to induce, cause or solicit any Restricted Supplier to reduce or cease doing business with the Company; and

9.3.7 for twelve months after the Restriction Date in any way knowingly interfere with the relationship between any Restricted Supplier and the Company.

9.4 The restrictions in clause 9.3 only apply in the Restricted Territory.

9.5 For the avoidance of doubt, nothing in this clause 9 shall prevent the Employee from:

9.5.1 holding (directly or indirectly) solely as a passive investment, securities of any entity traded on a national securities exchange if the Employee is not a controlling person of, or a member of a group which controls, such entity and does not, directly or indirectly, own two percent (2%) or more of any class of securities of such entity; or

9.5.2 being engaged or concerned in any business concern (including a Direct Competitor) where the Employee's work or duties relate solely to geographical areas outside of the Restricted Territory; or

9.5.3 being engaged or concerned in any business concern where the Employee's work or duties relate solely to services or activities of a kind with which the Employee was not concerned to a material extent in twelve months before the Termination Date.

9.6 The obligations undertaken by the Employee pursuant to this clause 9 extend to them acting not only on their own account but also on behalf of any other firm, company or other person and shall apply whether they act directly or indirectly.

9.7 While the restrictions in this clause 9 (on which the Employee has had the opportunity to take independent advice) are considered by the Parties to be reasonable in all the circumstances, it is agreed that if any such restrictions, by themselves, or taken together, shall be found to go beyond what is reasonable in all the circumstances for the protection of the legitimate interests of the Company or any Group Company but would be considered reasonable if part or parts of the wording of such restrictions were deleted, the relevant restriction or restrictions shall apply with such deletion(s) as may be necessary to make it or them valid and effective.

9.8 If the Employee accepts alternative employment or engagement with any third party during the period of any of the restrictions in this clause 9 they will provide the third party with full details of these restrictions.

9.9 Notwithstanding the provisions of this clause 9 or anything in this Agreement to the contrary, the Employee shall not be subject to the restrictions set out in clause 8.4.2 or clause 9.3 if the Company fails to timely and fully pay the payments or benefits due to the Employee under this Agreement.

10. LEGAL & OTHER ASSISTANCE

The Employee agrees that they will, at the reasonable request of the Company, provide the Company and/or any Group Company with such reasonable assistance as it or they may require in the conduct of any legal proceedings, investigation or enquiry in respect of which the Company or its advisers believe that the Employee may be of assistance. The Employee shall be reimbursed for all reasonable costs and expenses incurred in providing any cooperation as contemplated by this clause 10.

11. DIRECTORSHIPS AND OFFICES

11.1 The Employee shall with effect from the Termination Date resign as an officer of Valaris and shall do all such acts and things as the Company may require to effect the Employee's resignation from any offices with the Company or any of its Group Companies or which the Employee held by reason of employment by the Company.

11.2 Having resigned as an officer of Valaris and from any such other offices which the Employee holds with any Group Company the Employee will not represent or suggest in any way any continued authority in respect of or connection to the Company or any Group Company.

11.3 The Employee shall have the benefit of such (i) directors' and officers' insurance which is maintained by the applicable Group Companies from time to time, and (ii) indemnification arrangements in place from time to time by the applicable Group Company, in each case, on the same terms as other former directors and officers of such Group Companies.

12. EQUITY AWARDS

The Employee's participation in any equity incentive plans of the Company or any Group Company, and any awards which the Employee holds thereunder, shall be treated in accordance with the terms of the applicable plans and award agreements.

13. OUTPLACEMENT SUPPORT

The Company will make direct payment to an outplacement consultant of the Employee's choice up to a maximum value of £[***insert***] inclusive of VAT within 30 days of the Company's receipt of an appropriate VAT invoice from the outplacement consultant addressed to the Employee but stated to be payable by the Company.

14. HEALTHCARE COVERAGE

The Employee's private medical and dental insurance coverage shall be continued by the Company for a period of 12 months following the Termination Date on the same terms as provided to the Employee immediately prior to the Termination Date (including in relation to coverage included for any dependants covered as at the Termination Date), subject to the terms, conditions and limitations of the applicable plan in effect from time to time. To the extent that it is not possible under the applicable plans for coverage to continue for this period, the Company will pay the cost of continuation cover for such period (or if continuation coverage is not available to you, reasonable alternative coverage), such payment to be grossed up to reflect any tax which is required to be paid on the cash amount before payment of the continuation or alternative coverage.

15. TAX ACCOUNTING COSTS

15.1 The Company shall reimburse the Employee's reasonable accounting costs associated with tax preparation services in the UK for all tax periods in which taxes fall due on payments or other compensation or equity the Employee received or will receive from the Company or Valaris or any Group Company in connection with the Employee's employment or termination of employment, including for the avoidance of doubt any such tax periods after the Termination Date. Payment of third-party tax preparation services will only apply with respect to taxes due on payments and other compensation you received and will receive from the Company or any Group Company.

15.2 The Company shall reimburse the Employee's reasonable accounting costs associated with the resolution of any tax disputes that may directly result from payments received in connection with employment with the Company, whether arising during or after termination of employment.

15.3 The Employee acknowledges that it is the Employee's responsibility to file all required returns and provide any required documentation on a timely basis to comply with the tax laws of the United Kingdom and that the Company shall not be responsible for any penalties or interest incurred as a result of failure to timely file any return or timely provide any required information or documentation.

16. EMPLOYMENT LEGISLATION

The Company and the Employee confirm that this Agreement satisfies the conditions regulating settlement agreements and settlement contracts under Section 147 of the Equality Act 2010, Section 203(3) Employment Rights Act 1996, Section 288(2B) Trade Union and Labour Relations (Consolidation) Act 1992, Section 35(3) Working Time Regulations 1998 and Section 49(4) National Minimum Wage Act 1998, Regulation 41(4) Transnational Information & Consultation of Employees Regulations 1999, Regulation 9 of the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, Regulation 10 of the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, paragraph 13 of the Schedule to the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous

Amendment Regulations 2006 and Regulation 40(4) Information and Consultation of Employees Regulations 2004) (together referred to as the "**Acts**").

17. MISCELLANEOUS

17.1 Nothing in this Agreement shall have the effect of waiving any right or obligations that the Employee may have pursuant to the terms of the Valaris Executive Severance Plan.

17.2 The Company and the Employee intend that the terms of this Agreement should be enforceable by any Group Company, by virtue of the Contracts (Rights of Third Parties) Act 1999.

17.3 The terms of this Agreement and the Valaris Executive Severance Plan (as modified by the Amended Severance Benefits Letter), are in substitution for all previous agreements or arrangements (whether written or oral) between the Company or any Group Company and the Employee in connection with the termination of the Employee's employment in connection with a Qualifying Termination in the Change in Control Period (each as defined in the Amended Severance Benefits Letter), provided that the Valaris Executive Severance Plan shall continue to apply (including in the circumstances set out in section 5 of the Amended Severance Benefits Letter).

17.4 This Agreement although marked "without prejudice" will upon signature by all Parties be treated as an open document evidencing an agreement binding on the Parties.

17.5 No variation of this Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

17.6 This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and such counterparts or duplicates together shall constitute one and the same instrument.

18. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of England and Wales. Non-contractual obligations (if any) arising out of or in connection with this Agreement shall be governed by the laws of England and Wales. The Parties submit to the exclusive jurisdiction of the courts of England and Wales as regards any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

[*Signature Page to Follow*]

SIGNED _____)

For and on behalf of the Company)

DATED _____)

SIGNED _____)

By the Employee)

DATED _____)

SCHEDULE 1

ADVISER'S CERTIFICATE

[*To be printed on Adviser's headed notepaper*]

I confirm that:

1 I am a relevant independent adviser within the meaning of the Acts as defined in clause 16 of this Agreement.

2 I have advised the Employee of the terms and effect of this Agreement and in particular its effect on their abilities to pursue a claim before an Employment Tribunal, the County Court or High Court.

3 There is in force a contract of insurance or indemnity provided for members of a professional body covering the risk of a claim by the Employee in respect of loss arising in consequence of my advice.

Signed:.....

Name: ……

Firm: …….

Address: …….

Date …….

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement"), entered into effective as of December 8, 2021 (the "Effective Date"), is made by and among (i) Ensco Corporate Resources LLC (the "Employer"), (ii) Valaris Limited, a Bermuda exempted company ("Valaris", and together with its subsidiaries, the "Company") and (iii) Anton Dibowitz ("Executive") (collectively referred to herein as the "Parties").

1. Employment.

(a) Term. Executive's term of employment under this Agreement ("Term") shall be for the period beginning the Effective Date and ending on the date this Agreement is terminated as provided in Section 3.

(b) Position and Duties. During the Term, the Employer shall employ Executive. Executive shall serve as President and Chief Executive Officer of Valaris and, subject to any required election by Valaris' stockholders, as a member of the Board of Directors of Valaris (the "Board"), with such responsibilities, duties and authority as are consistent with the position of President and Chief Executive Officer or as may otherwise from time to time be agreed to by Executive and the Board. Executive will not receive any additional compensation for his service on the Board. Executive shall devote substantially all of Executive's working time and efforts to the business and affairs of the Company (which shall include service to its affiliates) and shall not engage in outside business activities without the consent of the Board, provided that Executive shall be permitted to (i) manage Executive's personal, financial and legal affairs and (ii) participate in trade associations, in each case, subject to compliance with this Agreement and provided that such activities do not materially interfere with Executive's duties and responsibilities hereunder. Executive agrees that Executive shall not accept a position as a member of the board of directors of any other company or organization without first obtaining written consent of the Board. Executive further agrees to observe and comply in all material respects with the rules and policies of the Company as adopted by the Company from time to time and applicable to Valaris' executive officers and directors generally, in each case as amended from time to time, as set forth in writing, and as delivered or made available to Executive, including but not limited to the Company's Corporate Governance Policy and Code of Conduct (each, a "Policy").

(c) Indemnification. During and after the Term, Executive shall be entitled to the indemnification, expense advancement and related rights set forth in any Indemnification Agreement previously entered into between Executive and Valaris, provided that any such indemnification shall be subject to any applicable law restricting such indemnities, from time to time in force. In addition, the Company will procure and maintain director's and officer's liability insurance which includes Executive as a named or additional insured with coverage no less favorable than provided to other executive officers and directors of Valaris.

2. **Compensation and Related Matters.** During the Term, Executive will be entitled to the following:

(a) Base Salary. Executive's initial base salary shall be $950,000 per annum (the "Base Salary"). The Employer shall pay the Base Salary in accordance with its customary payroll practices, and the Base Salary shall be pro-rated for any partial year of employment hereunder. Executive's Base Salary shall be reviewed at least annually by the Compensation Committee of the Board (the "Compensation Committee") and may be adjusted from time to time by the Compensation Committee or the Board, provided, however, that the Base Salary may not be reduced without Executive's express consent.

(b) Annual Bonus. Executive shall be eligible to participate in an annual short-term incentive bonus plan that is similar in all material respects to that applicable to other executive officers of Valaris. Commencing January 1, 2022, Executive's annual incentive compensation under such incentive program ("Annual Bonus") shall be targeted at 115% of Executive's Base Salary (the "Target Annual Bonus"), with the expectation that the bonus will scale upward and downward based on actual performance, as determined by the Board or the Compensation Committee and dependent on performance goals that are established by the Board or the Compensation Committee annually. The actual amount of any Annual Bonus that will be paid to Executive each year, if any, will be calculated based on the level of achievement of the performance goals established by the Company under the incentive program for the year in question and the terms of the incentive program. Executive's target annual bonus for 2021 shall remain at a target of 110% of an annualized $855,000 base salary level, which will be earned under Valaris' second half 2021 bonus program and will be pro-rated for his period of employment during the 2021 fiscal year. The payment of any Annual Bonus pursuant to the incentive program shall be subject to Executive's continued employment with the Company through the date of payment, except as otherwise provided in Section 4 below.

(c) Long-Term Incentives. Executive shall be eligible to participate in and will receive awards under Valaris' long-term incentive award plans and programs as in effect from time to time at a level and on terms commensurate with his position as President and Chief Executive Officer of the Company (the "LTIP Awards"). The LTIP Awards shall be granted subject to the terms and conditions of the applicable plans and individual award agreements to be entered into between Valaris and Executive.

(d) Benefits. Executive shall be eligible to participate in the employee benefit plans, programs and arrangements offered by the Company to similarly situated employees (including medical, dental and defined contribution retirement plans).

(e) Vacation. Executive shall be entitled to 4 weeks of paid vacation in addition to usual locally-recognized public holidays. Any vacation shall be taken at the reasonable and mutual convenience of the Company and Executive.

(f) Business Expenses. The Company shall reimburse Executive for all reasonable travel and other business expenses incurred by Executive in the performance of Executive's duties to the Company in accordance with the Company's expense reimbursement policy, which shall not be less favorable than the expense reimbursement policy applicable to other executive officers of Valaris.

(g) Key Person Insurance. At any time during the Term, the Company shall have the right to insure the life of Executive for the Company's sole benefit. The Company shall have the right to determine the amount of insurance and the type of policy. Executive shall reasonably cooperate with the Company in obtaining such insurance by submitting to physical examinations, by supplying all information reasonably required by any insurance carrier, and by executing all necessary documents reasonably required by any insurance carrier, provided that any information provided to an insurance company or broker shall not be provided to the Company without the prior written authorization of Executive. Executive shall incur no financial obligation by executing any required document, and shall have no interest in any such policy unless Executive elects to acquire such policy upon Termination. To the extent permitted under the terms of the applicable policy, Executive shall have the right to acquire any Key Person Insurance acquired by the Company upon Termination by providing notice to the Company and paying any required premiums, in which case Company shall reasonably cooperate with Executive in effecting the transfer. In the event the Key Man Insurance is not transferrable, to the extent permitted under the terms of such policy, Executive shall have the right to designate the beneficiary of such policy by giving notice to the Company

3. **Termination.** Executive's employment hereunder may be terminated by the Employer upon approval of the Board, or by Executive, as applicable, prior to expiration of the Term, without any breach of this Agreement under the following circumstances:

(a) Circumstances.

(i) *Death*. Executive's employment hereunder shall terminate upon Executive's death.

(ii) *Disability*. If Executive has incurred a Disability, as defined in Section 11.(c) below, the Employer may terminate Executive's employment.

(iii) *Termination for Cause*. The Employer may terminate Executive's employment for Cause, as defined in Section 11.(a) below.

(iv) *Termination without Cause*. The Employer may terminate Executive's employment without Cause.

(v) *Resignation for Good Reason.* Executive may resign and terminate Executive's employment with the Employer for Good Reason, as defined in Section 11.(d) below.

(vi) *Resignation Without Good Reason*. Executive may resign Executive's employment with the Employer for any reason other than Good Reason or for no reason.

(b) Notice of Termination. Any termination of Executive's employment by the Employer or by Executive under this Section 3 (other than termination pursuant to paragraph (a)(i)) shall be communicated by a written notice to the other party hereto (i) indicating the specific termination provision in this Agreement relied upon, (ii) setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, if applicable, and (iii) specifying a Date of Termination which, if submitted by Executive in a resignation without Good Reason or by Company in a termination without Cause, shall be at least 60 days following the date of such notice (a "Notice of Termination"); *provided, however,* that in the event that Executive delivers a Notice of Termination to the Employer, the Employer may, in its sole discretion, elect to instruct Executive to cease all duties for Company and pay him for any part of the 60-day Notice period. A Notice of Termination for Cause submitted by the Employer may provide for a Date of Termination on the date Executive receives the Notice of Termination, or any date thereafter elected by the Employer in its sole discretion. The failure by the Employer or Executive to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause or Good Reason shall not waive any right of such Party hereunder or preclude such Party from asserting such fact or circumstance in enforcing such Party's rights hereunder.

(c) Company Obligations upon Termination. Upon termination of Executive's employment pursuant to any of the circumstances listed in Section 3, Executive (or Executive's estate) shall be entitled to receive pursuant to this Agreement the sum of: (i) all earned but unpaid Base Salary through the Date of Termination prorated for any partial period of employment, payable in accordance with the Employer's customary payroll practices and the requirements of applicable law; (ii) any benefits to which Executive has a vested entitlement as of the date of termination, payable in accordance with the terms of any applicable benefit plan or as otherwise required by law; (iii) any accrued but unused vacation, payable in a lump sum with Executive's final pay check or as otherwise required by law; and (iv) payment of any approved but not yet reimbursed business expenses incurred prior to the Date of Termination, payable in accordance with applicable policies of the Company. Except as otherwise expressly required by law or as specifically provided herein, all of Executive's rights to salary, severance, benefits, bonuses and other compensatory amounts hereunder (if any) shall cease upon the termination of Executive's employment hereunder. In the event that Executive's employment is terminated by the Employer for any reason, Executive's sole and exclusive remedy shall be to receive the payments and benefits described in this Section 3.(c) or Section 4, as applicable.

(d) Deemed Resignations. Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from the Board and all offices and directorships, if any, then held with the Company or its affiliates. Executive agrees that Executive will execute any resignation letters or other instruments reasonably requested by the Company in connection with the foregoing and he hereby irrevocably appoints the Company to be his attorney to execute any documents and do any things and generally to use his name for the purpose of giving the Company or its nominee the full benefit of this clause.

4. **Severance Payments.**

(a) Termination for Cause, Death, Disability or Resignation Without Good Reason. If Executive's employment shall terminate as a result of Executive's death pursuant to Section 3.(a)(i) or Disability pursuant to Section 3.(a)(ii), pursuant to Section 3.(a)(iii) for Cause, or pursuant to Section 3.(a)(vi) for Executive's resignation without Good Reason, then Executive shall not be entitled to any payments or benefits, except as provided in Section 3.(c); however, if Executive's employment is terminated due to death pursuant to Section 3.(a)(i) or Disability pursuant to Section 3.(a)(ii), Executive or Executive's estate as applicable shall also be entitled to payment of a lump sum equal to a pro-rated portion (based on the number of days Executive was employed by the Employer during the year in which the Date of Termination occurs) of Executive's Target Annual Bonus for the year during which the termination of employment occurs.

(b) Termination without Cause or Resignation for Good Reason. If Executive's employment terminates without Cause pursuant to Section 3.(a)(iv) or pursuant to Section 3.(a)(v) due to Executive's resignation for Good Reason, then, subject to Executive signing within the period of time set forth therein, and not revoking, a release of claims substantially in the form attached as Exhibit A to this Agreement (as amended to reflect any changes in applicable law) (the "Release"), and Executive's continued compliance with Sections 6 and 7, Executive shall receive, in addition to payments and benefits set forth in Section 3.(c), the following:

(i) an amount in cash, payable in a lump sum promptly and in all events within 30 days following the date on which the Release becomes effective and irrevocable (or if the period in which such Release may become effective and irrevocable spans two calendar years, in the later calendar year), equal to 2.00 *multiplied by* the sum of (A) Executive's Base Salary plus (ii) Executive's Target Annual Bonus for the year during which the termination of employment occurs;

(ii) an amount in cash, payable by the Employer in a lump sum promptly and in all events within 30 days following the date on which the Release becomes effective and irrevocable (or if the period in which such Release could become effective and irrevocable spans two calendar years, in the later calendar year), equal to a pro-rated portion (based on the number of days Executive was employed by the Employer during the year in which the Date of Termination occurs) of Executive's Target Annual Bonus for the year during which the termination of employment occurs; provided, however, that the foregoing shall not prevent Executive from receiving any bonus previously earned for any performance period completed prior to termination;

(iii) subject to Executive's timely election of continuation coverage under COBRA or other applicable law, the Employer shall maintain continued group health plan coverage following the Date of Termination under any of the Company's medical, dental and vision plans that covered Executive immediately before the Date of Termination, for Executive and his eligible dependents, for a period of up to 18 months following the Date of Termination. During this period, Executive shall be responsible for paying any contributions toward the cost of such coverages at active employee rates and the Employer shall (either directly or through reimbursement) subsidize the difference between such rates and any applicable premiums, whether under COBRA or otherwise; provided, that if the continued coverage contemplated hereunder would be discriminatory and would result in the imposition of excise taxes or other liabilities on the Company for failure to comply with any requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable), or other applicable law, the Employer will provide Executive with a cash payment equal to the employer-portion of any COBRA premiums, inclusive of any taxes thereon, for the remainder of the 18-month period. Following such 18-month period, Executive shall be responsible for the full cost associated with any continued coverage, whether under COBRA, any insurance policy conversion rights or otherwise. The Employer's obligation to provide subsidized continuation coverage under this Agreement shall immediately terminate if Executive becomes eligible for group medical coverage provided by another employer. Executive shall give prompt notice to the Employer if he becomes eligible for group medical coverage offered by another employer during the 18-month period referenced in this section.

(iv) Executive shall be eligible to receive Company-provided outplacement services for up to 12 months following the Date of Termination.

(v) The Employer, as determined in its sole discretion, shall reimburse Executive for any legal fees actually incurred by or on behalf of Executive in connection with the execution of the Release up to a maximum amount of $10,000.

(c) Survival. Notwithstanding anything to the contrary in this Agreement, the provisions of Sections 4 through 10 and Section 12 will survive the termination of Executive's employment pursuant to Section 3.

5. **Parachute Payments.**

(a) Notwithstanding any contrary provision in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (the "Code")), and the amounts that would otherwise be paid to Executive under this Agreement together with any other payments or benefits that Executive has a right to receive from the Company and affiliated entities required to be aggregated in accordance with Q/A-10 and Q/A-46 of Treas. Reg. §1.280G-l (collectively, the "Payments") would constitute a "parachute payment" (as defined in Section 280G of the Code), the Payments shall be either (i) reduced (but not below zero) so that the aggregate present value of such Payments shall be $1.00 less than three times Executive's "base amount" (as defined in Section 280G of the Code) (the "Safe Harbor Amount") and so that no portion of such Payments shall be subject to the excise tax imposed by Section 4999 (the "Excise Tax"); or (ii) paid in full, whichever produces the better net after-tax result for Executive (taking into account any applicable Excise Tax and any applicable federal, state and local income and employment taxes).

(b) The reduction of Payments, if applicable, shall be made by reducing, first, severance amounts to be paid in cash hereunder in the order in which such payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and second, by reducing any other cash payments that would be payable to Executive outside of this Agreement which are valued in full for purposes of Code Section 280G in a similar order (last to first), any third, by reducing any equity acceleration hereunder of awards which are valued in full for purposes of Section 280G of the Code in a similar order (last to first), and finally, by reducing any other Payment in a similar order (last to first). Notwithstanding the foregoing, all such reductions shall be made in a manner that complies with Section 409A to the extent determined appropriate by the Board.

(c) All determinations regarding the application of this Section 5 shall be made by an accounting firm with experience in performing calculations regarding the applicability of Section 280G of the Code and the Excise Tax selected by the Company and acceptable to Executive ("Independent Advisors"), a copy of which report and all worksheets and background materials relating thereto shall be provided to Executive. For purposes of determining whether and the extent to which the Payments will be subject to the Excise Tax, (i) no portion of the Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Payments shall be taken into account which, in the opinion of the Independent Advisors, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Payments shall be taken into account which, in the opinion of Independent Advisors, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of

the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Payments shall be determined by the Independent Advisors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. The costs of obtaining such determination and all related fees and expenses (including related fees and expenses incurred in any later audit) shall be borne solely by the Company.

6. **Non-Solicitation; Unfair Competition; and Non-Disparagement.** Executive acknowledges that the Company has provided, and during the Term the Company will provide, Executive with Confidential Information (as defined below). Ancillary to the rights provided to Executive in this Agreement, Executive's continued employment with the Company during the Term (subject to earlier termination as provided herein), the Company's provision of Confidential Information, Executive's agreements regarding the use of same, and in order to protect the value of any Confidential Information, the Company and Executive agree to the following provisions against unfair competition, which Executive acknowledges represent a fair balance of the Company's rights to protect their business and Executive's right to pursue employment:

(a) Executive shall not, at any time during the Restriction Period (as defined below), directly or indirectly engage in, have any equity interest in, or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, security holder, consultant, independent contractor, or otherwise) that is primarily engaged in the business of providing contracted offshore drilling rigs in any country (or its territorial waters) in which the Company (i) has offices, establishes offices or has definitive plans to locate an office, or (ii) has provided offshore oil and gas drilling services in the 24 preceding months and in each case which competes with those parts of the business of the Company with which Executive was involved to a material extent or for which he was responsible during the preceding 12 months. Nothing herein shall prohibit Executive from being a passive owner of less than 5% of the outstanding equity interest of any entity, so long as Executive has no active participation in the business of such entity.

(b) Executive shall not, at any time during the Restriction Period, directly or indirectly, solicit, divert or take away from the Company, business opportunities with any Customer.

(c) Executive shall not, at any time during the Restriction Period, directly or indirectly, divert or take away any acquisition or other business opportunity that the Company is pursuing or with respect to which the Company has expended material efforts to identify or pursue.

(d) Executive shall not, at any time during the Restriction Period, directly or indirectly, contact or solicit, for the purpose of hiring, or hire any employee of the Company or any person employed by the Company at any time during the 12-month period immediately preceding the Date of Termination.

(e) Executive shall not, at any time during the Restriction Period, directly or indirectly, induce or otherwise encourage any employee of the Company to leave the employment of the Company.

(f) Executive shall not, at any time during the Restriction Period, directly or indirectly, induce any supplier, distributor, representative or agent of the Company to terminate or adversely modify its relationship with the Company and with whom or which Executive, or any person who reported directly to him, had material dealings during the 12-month period immediately preceding the Date of Termination.

(g) Executive shall not, at any time during and after the Term, disparage the Company in any way that could adversely affect the goodwill, reputation or business relationships of the Company with the public generally, or with its customers, suppliers or employees. The Company shall instruct its directors and executive officers not to disparage the Executive in any way that could adversely affect the Executive's goodwill, reputation or business relationships. Notwithstanding the foregoing, no party shall be restricted by this provision from (i) responding truthfully to inquiries by law enforcement officials and governmental agencies or otherwise as required by law or (ii) providing truthful statements to correct or clarify disparaging comments.

(h) In the event the terms of this Section 6 shall be determined by any court of competent jurisdiction to be unenforceable by reason of its extending for too great a period of time or over too great a geographical area or by reason of its being too extensive in any other respect, it will be interpreted to extend only over the maximum period of time for which it may be enforceable, over the maximum geographical area as to which it may be enforceable, or to the maximum extent in all other respects as to which it may be enforceable, all as determined by such court in such action.

(i) As used in this Section 6, (i) the term "Company" shall include Valaris and its current and future affiliates (ii) the term "Restriction Period" shall mean the period beginning on the Effective Date, and ending on the date 24 months following the Date of Termination, and (iii) the word "Customer" shall include any person, firm, company or entity who or which at any time during the 12 months prior to the Date of Termination (A) was provided with goods or services by the Company; or (B) was in the habit of dealing with the Company, other than in a de minimis way; and in each case with whom or which Executive, or any person who reported directly to him, had material dealings at any time during the 12 months prior to the Date of Termination.

7. **Nondisclosure of Proprietary Information.**

(a) Except in connection with the faithful performance of Executive's duties hereunder or pursuant to Section 7.(c), (d), (e), or (f) Executive shall, in perpetuity, maintain in confidence and shall not directly, indirectly or otherwise, use, disseminate, disclose or publish, or use for Executive's benefit or the benefit of any person, firm, corporation or other entity (other than the Company) any confidential or proprietary information or trade secrets of or relating to the Company (including, without limitation, business plans, business strategies and methods, acquisition targets, intellectual property in the form of patents, trademarks and copyrights and applications therefor, ideas, inventions, works, discoveries, improvements, information, documents, formulae, practices, processes, methods, developments, source code, modifications, technology, techniques, data, programs, other know-how or materials, owned, developed or possessed by the Company, whether in tangible or intangible form, information with respect to the Company's operations, processes, products, inventions, business practices, finances, principals, vendors, suppliers, customers, potential customers, marketing methods, costs, prices, contractual relationships, regulatory status, litigation or investigations, prospects and compensation paid to employees or other terms of employment) (collectively, the "Confidential Information"), or deliver to any person, firm, corporation or other entity any document, record, notebook, computer program or similar repository of or containing any such Confidential Information. The Parties hereby stipulate and agree that, as between them, any item of Confidential Information is important, material and confidential and affects the successful conduct of the businesses of the Company (and any successor or assignee of the Company). Notwithstanding the foregoing, Confidential Information shall not include (i) any information legally acquired by or otherwise becoming known to Executive from or through any party other that the Company or its affiliates (which party Executive reasonably believes is not bound by any confidentiality obligation to the Company), or (ii) information that has been published in a form generally available to the public or is publicly available or has become public knowledge prior to the date Executive proposes to disclose or use such information, *provided, that* such publishing or public availability or knowledge of the Confidential Information shall not have resulted from Executive directly or indirectly breaching Executive's obligations under this Section 7.(a) or any other similar provision by which Executive is bound, or from any third-party breaching a provision similar to that found under this Section 7.(a). For the purposes of the previous sentence, Confidential Information will not be deemed to have been published or otherwise disclosed merely because individual portions of the information have been separately published, but only if material features comprising such information have been published or become publicly available.

(b) Upon termination of Executive's employment for any reason, Executive will promptly deliver to the Company all correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents or property concerning the Company's customers, business plans, marketing strategies, products, property or processes. In addition, upon termination of Executive's employment for any reason, Executive shall return to the Company all property of the Company provided to Executive by the Company, or otherwise in the custody, possession or control of Executive (including, but not limited to, computers, computer equipment, office equipment, cell phone, keys, passcards, calling cards, credit cards, rolodexes, tapes, software, computer files, marketing and sales materials, and any other record, document or piece of equipment belonging to the Company. Following termination of employment, Executive will not retain any copies of the Company's property, including any copies existing in electronic form, which are in Executive's possession or control.

(c) Executive may respond to a lawful and valid subpoena or other legal process but shall give the Company the earliest possible notice thereof, shall, as much in advance of the return date as possible, make available to the Company and its counsel the documents and other information sought and shall assist such counsel at Company's expense in resisting or otherwise responding to such process, in each case to the extent permitted by applicable laws or rules.

(d) Nothing in this Agreement shall prohibit Executive from (i) disclosing information and documents when required by law, subpoena or court order (subject to the requirements of Section 7.(c) above), (ii) disclosing information and documents to Executive's attorney, financial or tax adviser for the purpose of securing legal, financial or tax advice, (iii) disclosing Executive's post-employment restrictions in this Agreement in confidence to any potential new employer, or (iv) retaining, at any time, Executive's personal correspondence, Executive's calendar, Executive's personal contacts and documents related to Executive's own personal benefits, entitlements and obligations.

(e) Nothing in this Agreement shall prohibit Executive from reporting possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of any law or regulation (including the right to receive an award for information provided to any such government agencies).

(f) 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the parties hereto have the right to disclose in confidence trade secrets to federal, state and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties hereto also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

8. **Inventions.** All rights to discoveries, inventions, improvements and innovations (including all data and records pertaining thereto) related to the business of the Company, whether or not patentable, copyrightable, registrable as a trademark, or reduced to writing, that Executive may discover, invent or originate during the Term, either alone or with others and whether or not during working hours or by the use of the facilities of the Company ("Inventions"), shall be the exclusive property of the Company. Executive shall promptly disclose all Inventions to the Company, shall execute at the request of the Company any assignments or other documents the Company may deem reasonably necessary to protect or perfect its rights therein, and shall assist the Company, upon reasonable request and at the Company's expense, in obtaining, defending and enforcing their rights therein. Executive hereby appoints the Company as Executive's attorney-in-fact to execute on Executive's behalf any assignments or other documents reasonably deemed necessary by the Company to protect or perfect its rights to any Inventions.

9. **Injunctive Relief.** It is recognized and acknowledged by Executive that a breach of the covenants contained in Sections 6, 7 and 8 will cause irreparable damage to Company and their goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, Executive agrees that in the event of a breach of any of the covenants contained in Sections 6, 7 and 8, in addition to any other remedy which may be available at law or in equity, the Company will be entitled to specific performance and injunctive relief without the requirement to post bond.

10. **Assignment and Successors.** The Company may assign its rights and obligations under this Agreement to any of its affiliates or to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise), and may assign or encumber this Agreement and its rights hereunder as security for indebtedness of the Company and its affiliates. This Agreement shall be binding upon and inure to the benefit of the Company, Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. None of Executive's rights or obligations may be assigned or transferred by Executive, other than Executive's rights to payments hereunder, which may be transferred only by will or operation of law. Notwithstanding the foregoing, Executive shall be entitled, to the extent permitted under applicable law and applicable Company plans or policies, to select and change a beneficiary or beneficiaries to receive compensation hereunder following Executive's death by giving written notice thereof to the Company.

11. **Certain Definitions.**

(a) Cause. "Cause" for termination by the Company of Executive's employment mean:

(i) the willful and continued failure of Executive to perform substantially Executive's duties and obligations (other than any such failure resulting from bodily injury or disease or any other incapacity due to mental or physical illness) after a written demand for substantial performance is delivered to Executive by the Board, which demand specifically identifies the manner in which the Board believes that Executive has not substantially performed Executive's duties and, if such breach is capable of cure, Executive fails to cure same within thirty (30) days after receiving such demand;

(ii) gross misconduct by Executive;

(iii) the willful and material breach by Executive of any Policies, including the Valaris Code of Conduct, which, if such breach is capable of cure, remains uncured thirty (30) days following Executive's receipt of notice of same; or

(iv) the conviction of Executive by a court of competent jurisdiction, from which conviction no further appeal can be taken, of a crime punishable by imprisonment.

(b) Date of Termination. "Date of Termination" means (i) if Executive's employment is terminated by Executive's death, the date of Executive's death; (ii) if Executive's employment is terminated pursuant to Section 3.(a)(ii) – (vi) either the date indicated in the Notice of Termination or the date specified by the Company pursuant to Section 3.(b), whichever is earlier.

(c) Disability. "Disability" shall occur upon Executive becoming eligible for disability benefits under the Employer's long-term disability plan, or, if earlier, upon Executive becoming eligible for Social Security disability benefits.

(d) Good Reason. "Good Reason" shall mean the occurrence of any of the following without Executive's express written consent:

(i) a reduction in Executive' Base Salary or Target Annual Bonus;

(ii) a material diminution in Executive's authority, duties or responsibilities;

(iii) Valaris' removal of Executive from the Board or failure to nominate Executive to the Board (other than in connection with a termination by the Company for Cause, or a result of death or Disability, and it being understood that a failure of Valaris' shareholders to re-elect Executive to the Board will not constitute Good Reason hereunder);

(iv) a relocation of Executive's primary place of employment to a location that increases Executive's normal commute by more than 35 miles; or

(v) any other action or inaction that constitutes a material breach by the Company of its obligations under this Agreement or any other agreement between the Company and Executive;

provided, however, that Executive may not resign his employment for Good Reason unless: (y) Executive shall provide notice to the Board of the event alleged to constitute Good Reason within 90 days of Executive's discovery of the occurrence of such event, and (z) the Company shall have the opportunity to remedy the alleged Good Reason event within 30 days from receipt of notice of such allegation. If the Company does not cure the circumstance giving rise to Good Reason, Executive must terminate his employment with the Company within 30 days following the end of the 30-day cure period described in clause (z) above in order for his termination to be considered a termination for Good Reason.

12. **Miscellaneous Provisions.**

(a) Governing Law; Jurisdiction. This Agreement shall be governed, construed, interpreted and enforced in accordance with its express terms, and otherwise in accordance with the substantive laws of Texas without reference to the principles of conflicts of law of Texas. Any suit or proceeding arising under this Agreement shall be brought solely in a federal or state court sitting in the State of Texas, except for any suit or proceeding seeking an equitable remedy hereunder, which may be brought in any court of competent jurisdiction. By Executive's execution hereof, Executive hereby consents and irrevocably submits to the jurisdiction of the federal and state courts having general jurisdiction over the State of Texas, and agrees that any process in any suit or proceeding commenced in such courts under this Agreement may be served upon Executive personally, by certified mail, return receipt requested, or by courier service, with the same full force and effect as if personally served upon Executive in the county in which Executive is employed. Each of the parties waives any claim that any such jurisdiction is not a convenient forum for any such suit or proceeding and any defense of lack of jurisdiction with respect thereto.

(b) Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(c) Clawback. To the extent required by applicable law or any applicable securities exchange listing standards, or as otherwise determined by the Board (or a committee thereof), amounts paid or payable under this Agreement or any other compensation arrangement of the Company or its affiliates shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or any other compensation arrangement of the Company or its affiliates.

(d) Cooperation. Executive agrees at the Company's sole expense to make himself available as reasonably practical with respect to, and to use reasonable efforts to cooperate in conjunction with, the transition of duties and any litigation or investigation arising from events that occurred during Executive's employment with or engagement by the Company (whether such litigation or investigation is then pending or subsequently initiated) involving the Company or any affiliate thereof, including preparing to provide testimony if so requested by the Company. Nothing contained herein shall require Executive to waive any applicable privilege or immunity.

(e) Notices. Any notice, request, claim, demand, document and other communication hereunder to any Party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by facsimile or certified or registered mail, postage prepaid, as follows:

(i) If to the Company, the General Counsel at its headquarters,

(ii) If to Executive, at the last address that the Company has in its personnel records for Executive, or

(iii) At any other address as any Party shall have specified by notice in writing to the other Party.

(f) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement. Signatures delivered by facsimile or .pdf shall be deemed effective for all purposes.

(g) Entire Agreement. The terms of this Agreement are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and supersede all prior understandings and agreements, whether written or oral. The Parties further intend that this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

(h) Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by Executive and a duly authorized officer of Company. By an instrument in writing similarly executed, Executive or a duly authorized officer of the Company may waive compliance by the other Party with any specifically identified provision of this Agreement that such other Party was or is obligated to comply with or perform; *provided, however*, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

(i) Construction. This Agreement shall be deemed drafted equally by both the Parties. Its language shall be construed as a whole and according to its fair meaning. Any presumption or principle that the language is to be construed against any Party shall not apply. The headings in this Agreement are only for convenience and are not intended to affect construction or interpretation. Any references to paragraphs, subparagraphs, sections or subsections are to those parts of this Agreement, unless the context clearly indicates to the contrary. Also, unless the context clearly indicates to the contrary, (i) the plural includes the singular and the singular includes the plural; (ii) "and" and "or" are each used both conjunctively and disjunctively; (iii) "any," "all," "each," or "every" means "any and all," and "each and every"; (iv) "includes" and "including" are each "without limitation"; (v) "herein," "hereof," "hereunder" and other similar compounds of the word "here" refer to the entire Agreement and not to any particular paragraph, subparagraph, section or subsection; and (vi) all pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the entities or persons referred to may require.

(j) Legal Fees. The Employer shall reimburse Executive for up to a maximum of $20,000 in legal fees actually incurred by or on behalf of Executive in connection with the negotiation and execution of this Agreement. If it shall be necessary or desirable for Executive to retain legal counsel or incur other costs and expenses in connection with enforcement of Executive's rights under this Agreement, the Company shall pay (or Executive shall be entitled to recover from the Company, as the case may be) Executive's reasonable attorneys' fees and cost and expenses incurred in connection with enforcement of his rights (including the enforcement of any arbitration award in court), if the action relates to Executive's employment with the Company *and* if a final decision in connection with at least one material issue of the litigation (or arbitration) is issued in Executive's favor by an arbitrator or a court of competent jurisdiction.

(k) Enforcement. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a portion of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(l) Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold whether in the US or any other relevant jurisdiction. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise. In addition, Executive shall cooperate with the Company following any termination of Executive's employment for any reason in satisfaction of the Company's and Executive's relative tax obligations hereunder and, if applicable, under the Company's Expatriate Assignment Policy.

(m) Section 409A.

(i) *General.* The intent of the Parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

(ii) *Separation from Service.* Notwithstanding anything in this Agreement to the contrary, any compensation or benefits payable under this Agreement that is considered nonqualified deferred compensation under Section 409A and is designated under this Agreement as payable upon Executive's termination of employment shall be payable only upon Executive's "separation from service" with the Company within the meaning of Section 409A (a "Separation from Service").

(iii) *Specified Employee.* Notwithstanding anything in this Agreement to the contrary, if Executive is determined by the Company in good faith at the time of Executive's Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent any portion of the benefits to which Executive is entitled under this Agreement upon such Separation from Service constitute a "deferral of compensation" within the meaning of Section 409A and which do not otherwise qualify under the exemptions under Treas. Reg. § 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treas. Reg. § 1.409A-1(b)(9)(iii)(A)), such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (i) the expiration of the six-month period measured from the date of Executive's Separation from Service with the Company or (ii) the date of Executive's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to Executive (or Executive's estate or beneficiaries), and any remaining payments due to Executive under this Agreement shall be paid as otherwise provided herein.

(iv) *Expense Reimbursements, Legal Fees.* To the extent that any reimbursements or payment of legal fees under this Agreement are subject to Section 409A, any such reimbursements or payment payable to Executive shall be paid to Executive no later than December 31 of the year following the year in which the expense or payment was incurred; provided, that Executive submits Executive's reimbursement or payment request, as the case may be, promptly following the date the expense is incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, other than medical expenses referred to in Section 105(b) of the Code, and Executive's right to reimbursement or payment under this Agreement will not be subject to liquidation or exchange for another benefit.

(v) *Installments.* Executive's right to receive any installment payments under this Agreement, including without limitation any continuation salary payments that are payable on Company payroll dates, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

(n) Data Protection. Executive acknowledges that the Company will from time to time process data that relates to him for the purposes of the administration and management of its employees and its business, for compliance with applicable procedures, laws and regulations, and for other legitimate purposes. Executive has a duty to comply with the Company's data protection policy at all times and to keep all personal information that he has access to as part of his employment secure. Executive must notify the Board or such other person stipulated by the Company immediately on becoming aware of a data security breach. Failure to do so may lead to disciplinary action up to and including termination for Cause.

13. Executive Acknowledgement. Executive acknowledges that Executive has read and understands this Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on Executive's own judgment.

[*Signature Page Follows*]

The Parties have executed this Agreement as of the Effective Date set forth above.

Valaris Limited

By: _____
Name: Elizabeth Leykum
Title: Chair of the Board

Ensco Corporate Resources LLC

By: _____
Name:
Title:

Anton Dibowitz

_____

[Signature Page to Employment Agreement]

Exhibit A

Form of Separation and Release Agreement

This Release Agreement (this "Release Agreement") is entered into as of the date set forth below by Anton Dibowitz, an individual ("Employee"). Capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to such terms in the Employment Agreement (the "Employment Agreement") between the Employee, Ensco Corporate Resources LLC, and Valaris Limited, a Bermuda exempted company (together with its subsidiaries, the "Company").

WHEREAS, Employee has been employed by the Company as its President and Chief Executive Officer;

WHEREAS, conditioned upon the consummation of the "Business Combination" and other transactions as defined and described in that certain Business Combination Agreement between Transocean Ltd. and Valaris Limited dated as of February 9, 2026 (the "Business Combination Agreement"), Employee's employment with the Company will terminate effective as of [_____] (the "Termination Date"), *provided* that the "Effective Time" as defined in and for purposes of the Business Combination Agreement occurs on such date;

WHEREAS, Employee is eligible to receive the severance payments and benefits set forth on Appendix A attached hereto (the "Severance Benefits") in accordance with and subject to the terms of the Employment Agreement; and

WHEREAS, Employee's receipt of the Severance Benefits is subject to Employee's execution and non-revocation of a release of claims, and the Company and Employee desire to enter into this Release Agreement upon the terms set forth herein.

NOW, THEREFORE, in consideration of the covenants undertaken and the releases contained in this Release Agreement, and in consideration of the obligations of the Company to pay the Severance Benefits (conditioned upon this Release Agreement), Employee and the Company agree as follows:

1. Release. Employee, on behalf of himself, his descendants, dependents, heirs, executors, administrators, assigns, and successors, and each of them, hereby acknowledges full and complete satisfaction of the Company's obligations to him and covenants not to sue and fully releases and discharges the Company and each of its direct and indirect parents, subsidiaries and affiliates, past and present, as well as its and their trustees, directors, officers, members, managers, partners, agents, attorneys, insurers, employees, stockholders, representatives, assigns, and successors, past and present, and each of them, hereinafter together and collectively referred to as the "Releasees." with respect to and from any and all claims, wages, demands, rights, liens, agreements or contracts (written or oral), covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise (each, a "Claim"), which he now owns or holds or he has at any time heretofore owned or held or may in the future hold as against any of said Releasees arising out of or in any way connected with Employee's service as an officer, director, employee, member or manager of any Releasee or Employee's separation from his position as an officer, director, employee, manager and/or member, as applicable, of any Releasee, whether known or unknown, suspected or unsuspected, resulting from any act or omission by or on the part of said Releasees, or any of them, committed or omitted prior to the date of this Release Agreement including, without limiting the generality of the foregoing, any Claim under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 ("ADEA"), the Americans with Disabilities Act, the Family and Medical Leave Act of 1993, or any other federal, state or local law, regulation, or ordinance, or any Claim for severance pay,

bonus, sick leave, holiday pay, vacation pay, life insurance, health or medical insurance or any other fringe benefit, workers' compensation or disability; provided however, that the foregoing release shall not apply to any obligation of the Company to Employee pursuant to or with respect to any of the following: (1) any right to indemnification that Employee may have pursuant to the Company's Bylaws or the Company's corporate charter or under any written indemnification agreement with the Company (or any corresponding provision of any subsidiary or affiliate of the Company) with respect to any loss, damages or expenses (including but not limited to attorneys' fees to the extent otherwise provided) that Employee may in the future incur with respect to his service as an employee, officer or director of the Company or any of its subsidiaries or affiliates; (2) any rights that Employee may have to insurance coverage for such losses, damages or expenses under any Company (or subsidiary or affiliate) directors and officers liability insurance policy; (3) any rights to continued group health plan coverage that Employee may have under COBRA or the terms of any benefit plan; (4) any vested rights to payment of benefits that Employee may have under health, welfare, tax qualified employee benefit plans and other employee benefit plans, including without limitation, the Valaris Limited 2021 Management Incentive Plan; or (5) any rights to receive any payments or benefits owed to Employee under the terms of Section 4 of the Employment Agreement. In addition, this release does not cover any Claim that cannot be so released as a matter of applicable law. Employee acknowledges and agrees that he has received any and all leave and other benefits that he has been and is entitled to pursuant to the Family and Medical Leave Act of 1993.

2. Acknowledgment of Payment of Wages and Offset. Employee acknowledges that he has received all amounts owed for his regular and usual salary (including, but not limited to, any bonus or other wages), and usual benefits through the date of this Release Agreement. The Severance Benefits shall, however, to the extent permitted by applicable law, be reduced by the amount of any severance pay or severance benefits under any other agreement with, or plan, program, or policy of, the Company (if any).

3. ADEA Waiver. Employee expressly acknowledges and agrees that by entering into this Release Agreement, Employee is waiving any and all rights or Claims that he may have arising under ADEA and the Older Worker Benefits Protection Act ("OWBPA"), which have arisen on or before the date of execution of this Release Agreement. Employee further expressly acknowledges and agrees that:

(A) Employee is hereby advised in writing by this Release Agreement to consult with an attorney before signing this Release Agreement;

(B) Employee has voluntarily chosen to enter into this Release Agreement and has not been forced or pressured in any way to sign it;

(C) Employee was given a copy of this Release Agreement on [_____] and informed that the release includes Employee's waiver and release of all Claims under the ADEA and OWBPA. [Employee understands that Employee received this Release Agreement in connection with a group termination program and, pursuant to the OWBPA, was provided an OWBPA Disclosure Notice (attached as Appendix B to this Release Agreement) setting forth: (x) the ages and job titles of all individuals in the applicable decisional unit who were selected for inclusion in the group termination program, (y) the ages and job titles of all individuals in the applicable decisional unit who were not selected for inclusion in the group termination program, and (z) the criteria by which employees within the applicable decisional unit were selected for inclusion in the group termination program.] Employee confirms that he had [forty-five (45) / twenty-one (21)] days ("Review Period")

within which to consider this Release Agreement and that if he wished to execute this Release Agreement prior to expiration of such Review Period, he should execute the Endorsement attached hereto;

(D) Employee was informed that he had seven (7) days following the date of execution of this Release Agreement in which to revoke this Release Agreement, and this Release Agreement will become null and void if Employee elects revocation during that time. Any revocation must be in writing and must be received by the Company during the seven-day revocation period. In the event that Employee exercises his right of revocation, neither the Company nor Employee will have any obligations under this Release Agreement;

(E) Nothing in this Release Agreement prevents or precludes Employee from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA or the OWBPA, nor does it impose any condition precedent, penalties or costs from doing so, unless specifically authorized by federal law.

4. No Transferred Claims. Employee warrants and represents that the Employee has not heretofore assigned or transferred to any person not a party to this Release Agreement any released matter or any part or portion thereof and he shall defend, indemnify and hold the Company and each of its affiliates harmless from and against any claim (including the payment of attorneys' fees and costs actually incurred whether or not litigation is commenced) based on or in connection with or arising out of any such assignment or transfer made, purported or claimed.

5. Severability. It is the desire and intent of the parties hereto that the provisions of this Release Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Release Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable under any present or future law, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Release Agreement or affecting the validity or enforceability of such provision in any other jurisdiction; furthermore, in lieu of such invalid or unenforceable provision there will be added automatically as a part of this Release Agreement, a legal, valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Release Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

6. Counterparts. This Release Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

7. Governing Law. THIS RELEASE AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF TEXAS OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF TEXAS TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF TEXAS, WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS RELEASE AGREEMENT, EVEN IF UNDER

SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.

8. Amendment and Waiver. The provisions of this Release Agreement may be amended and waived only with the prior written consent of the Company and Employee, and no course of conduct or failure or delay in enforcing the provisions of this Release Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Release Agreement or any provision hereof.

9. Descriptive Headings. The descriptive headings of this Release Agreement are inserted for convenience only and do not constitute a part of this Release Agreement.

10. Construction. Where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The language used in this Release Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

11. Restrictive Covenants. The Employee acknowledges and agrees that he shall continue to be obligated to comply with the terms of any restrictive covenant, intellectual property, or confidentiality agreement that Employee executed in connection with Employee's employment with the Company or its affiliates, including Sections 6, 7 and 8 of the Employment Agreement. Nothing in this Release Agreement restricts Employee from (a) voluntarily communicating with an attorney retained by Employee, (b) voluntarily communicating with or testifying before any law enforcement or government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the Civil Rights Division of the Texas Workforce Commission, or any state or local commission on human rights, or any self-regulatory organization, or otherwise initiating, assisting with, or participating in any manner with an investigation conducted by such government agency, in each case, regarding possible violations of law and without advance notice to the Company, (c) recovering a SEC whistleblower award as provided under Section 21F of the Securities Exchange Act of 1934, (d) disclosing any information (including, without limitation, Confidential Information) to a court or other administrative or legislative body in response to any subpoena provided that Employee first promptly notifies (to the extent legally permissible) the Company and, with respect to any subpoena on behalf of any non-governmental person or entity, uses commercially reasonable efforts to cooperate with any effort by the Company to seek to challenge such subpoena or obtain a protective order limiting its disclosure, or other appropriate remedy, or (e) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which Employee is entitled, or (f) disclosing an act of sexual abuse or facts related to an act of sexual abuse to any other person; provided that Employee represents and affirms that he is not aware of any facts or circumstances (including any injuries or illnesses) related to any claims against the Releasees concerning discrimination, harassment or retaliation, or workers' compensation (the communications and disclosures described in the foregoing subclauses (a)–(f) collectively, "Permitted Disclosures"). Notwithstanding anything in this Release Agreement to the contrary, in the event that the Company or its successor (i) fails to timely and fully pay the Severance Benefits to Employee in breach of the terms of the Employment Agreement, and (ii) does not cure such breach within thirty (30) days following written notice to the Company or its successor, Employee's restrictions and obligations under Section 6 of the Employment Agreement shall immediately become null and void and of no further force or effect.

12. Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

13. Legal Counsel. Each party recognizes that this is a legally binding contract and acknowledges and agrees that they have had the opportunity to consult with legal counsel of their choice. Employee acknowledges and agrees that he has read and understands this Release Agreement completely, is entering into it freely and voluntarily, and has been advised to seek counsel prior to entering into this Release Agreement and he has had ample opportunity to do so.

14. Entire Agreement. The Employment Agreement and this Release Agreement (including any appendices hereto) set forth the entire agreement of the parties and fully supersede and replace any and all prior agreements, promises, representations, or understandings, written or oral, between the Company and Employee that relate to the subject matter hereof. This Release Agreement may be amended or modified only by a written instrument identified as an amendment hereto that is executed by both parties.

This Release Agreement may not be executed prior to the Termination Date. The undersigned has read and understands the consequences of this Release Agreement and voluntarily signs it. The undersigned declares under penalty of perjury under the laws of the State of Texas that the foregoing is true and correct.

EXECUTED this _____ day of _____, 20___, at _____.

"Employee"

_____

Anton Dibowitz

ENDORSEMENT

I, [ ], hereby acknowledge that I was given [45/21] days to consider the foregoing Release Agreement and voluntarily chose to sign the Release Agreement prior to the expiration of the [45/21]-day period.

I declare under penalty of perjury under the laws of the United States and the State of Texas that the foregoing is true and correct.

EXECUTED this _____ day of , 20___, at .

_____

Anton Dibowitz

Appendix A

Severance Benefits

Appendix B

Older Workers Benefit Protection Act Disclosure Notice

The following information has been prepared in accordance with the Older Workers Benefit Protection Act ("OWBPA") and Age Discrimination in Employment Act ("ADEA"). The OWBPA requires that employers provide specific information to employees who are 40 years of age or older and asked to execute a release of claims in connection with a group termination program. This document provides this information.

The class, unit, or group of individuals covered by the group termination program (the "Decisional Unit") includes all [employees of [●] who work in [●]]. All of the employees in the Decisional Unit who are being terminated are being offered severance benefits in exchange for the covenants and releases set forth in a written agreement containing a release of claims. The criteria used to determine selection for inclusion in the Decisional Unit for this group termination program are [●].

The following is a list of the ages and job titles of employees who were and were not selected for termination and offered consideration for signing a release of claims.

Title	Age	Selected	Not Selected

List of Terminated Individuals

Exhibit 31.1

CERTIFICATION

I, Anton Dibowitz, certify that:

1. I have reviewed this report on Form 10-Q for the fiscal quarter ending September 30, 2026 of Valaris Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 3, 2026

/s/ Anton Dibowitz

Anton Dibowitz
Director, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Christopher T. Weber, certify that:

1. I have reviewed this report on Form 10-Q for the fiscal quarter ending September 30, 2026 of Valaris Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 3, 2026

/s/ Christopher T. Weber
Christopher T. Weber
Senior Vice President and Chief
Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Valaris Limited (the "Company") on Form 10-Q for the period ending September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anton Dibowitz, Director, President and Chief Executive Officer (principal executive officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (the "Act"), that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Anton Dibowitz

Anton Dibowitz
Director, President and Chief Executive Officer
November 3, 2026

The foregoing certification is being furnished solely pursuant to § 906 of the Act and Rule 13a-14(b) promulgated under the Exchange Act and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Valaris Limited (the "Company") on Form 10-Q for the period ending September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher T. Weber, Senior Vice President and Chief Financial Officer (principal financial officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (the "Act"), that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher T. Weber
Christopher T. Weber
Senior Vice President and Chief Financial Officer
November 3, 2026

The foregoing certification is being furnished solely pursuant to § 906 of the Act and Rule 13a-14(b) promulgated under the Exchange Act and is not being filed as part of the Report or as a separate disclosure document.