



# INVESTOR PRESENTATION

WEATHERFORD INTERNATIONAL PLC

**Q1 | 2022**



# DISCLAIMER

This presentation contains projections and forward-looking statements concerning, among other things, the Company's quarterly and full-year revenues, operating income and losses, segment adjusted EBITDA, adjusted EBITDA, free cash flow, unlevered free cash flow, forecasts or expectations regarding business outlook, prospects for its operations, capital expenditures, expectations regarding future financial results, and are also generally identified by the words "believe," "project," "expect," "anticipate," "estimate," "outlook," "budget," "intend," "strategy," "plan," "guidance," "may," "should," "could," "will," "would," "will be," "will continue," "will likely result," and similar expressions, although not all forward-looking statements contain these identifying words. Such statements are based upon the current beliefs of Weatherford's management and are subject to significant risks, assumptions, and uncertainties. Should one or more of these risks or uncertainties materialize, or underlying assumptions prove incorrect, actual results may vary materially from those indicated in our forward-looking statements. Readers are cautioned that forward-looking statements are only predictions and may differ materially from actual future events or results, including, the price and price volatility of oil and natural gas; the extent or duration of business interruptions, demand for oil and gas and fluctuations in commodity prices associated with the Russia Ukraine conflict and the COVID-19 pandemic; general global economic repercussions related to U.S. and global inflationary pressures, the Russia Ukraine conflict and the COVID-19 pandemic; the macroeconomic outlook for the oil and gas industry; and operational challenges relating to the Russia Ukraine conflict, sanctions imposed by various countries relating to the Russia Ukraine conflict, and the COVID-19 pandemic and efforts to mitigate the spread of the COVID-19 virus and COVID-19 variants, including logistical challenges, protecting the health and well-being of our employees, remote work arrangements, performance of contracts and supply chain disruptions; our ability to generate cash flow from operations to fund our operations; and the realization of additional cost savings and operational efficiencies. These risks and uncertainties are more fully described in Weatherford's reports and registration statements filed with the SEC, including the risk factors described in the Company's Annual Report on Form 10-K. Accordingly, you should not place undue reliance on any of the Company's forward-looking statements. Any forward-looking statements speaks only as of the date on which such statement is made, and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law, and we caution you not to rely on them unduly.

This presentation includes non-GAAP financial measures which we believe provide users of our financial information with additional meaningful comparisons between current results and results of prior periods as well as comparisons with peer companies. The non-GAAP amounts should not be considered as substitutes for operating income, provision for income taxes, net income or other data prepared and reported in accordance with GAAP, but should be viewed in addition to the Company's reported results prepared in accordance with GAAP. Please refer to the appendices included herein and our first quarter 2022 earnings release for a reconciliation of GAAP to the non-GAAP financial measures.



# Q1 2022 RESULTS SUMMARY

## EXPANDING OUR MARGINS

- Adj. EBITDA of **\$151 million** or **16%**
- Adj. EBITDA margins expanded **380 basis points** YoY
  - Margin expansion, led by Drilling & Evaluation where segment margins expanded **>750 basis points** YoY
- Continued operating improvements in NAM as margins expanded **>150 basis points** YoY

## SAFETY & SERVICE QUALITY

- 3% improvement in non-productive incident rate sequentially
- 31% decrease in recordable injuries YoY
- 85% decrease in restricted duty days YoY
- 21 years LTI free in Oman for Liner Hangers and Inflaters

## ENHANCING LIQUIDITY

- Q1'22 free cash flow of negative **\$64 million** driven primarily by working capital requirements
- Capex spend of \$20 million
- Total cash<sup>[1]</sup> of **\$1.1 billion** as of Mar. 31, 2022

## WINNING IN THE MARKETPLACE

- **ADNOC** awarded a 5-year contract to provide wireline logging and perforating services
- 3-year contract win to provide cemented liner hangers for **bp** in Azerbaijan
- Two artificial lift awards from **Tatweer Petroleum**
- 5-year award by **Cairn** India for integrated artificial lift and production automation



**Industry Leading Y-o-Y  
Margin Expansion**

[1] Includes cash and cash equivalents and restricted cash

# MANAGING PRESSURE

Enhances  
safety

Lowers well  
construction costs

Reduces well  
control risks

Increases  
production

REDEFINING WHAT YOU CAN DO WITH  
**MANAGED PRESSURE**



**YOUR WELL**  
NOT JUST THE UNDRILLABLE



**YOUR OPERATION**  
NOT JUST FOR DRILLING



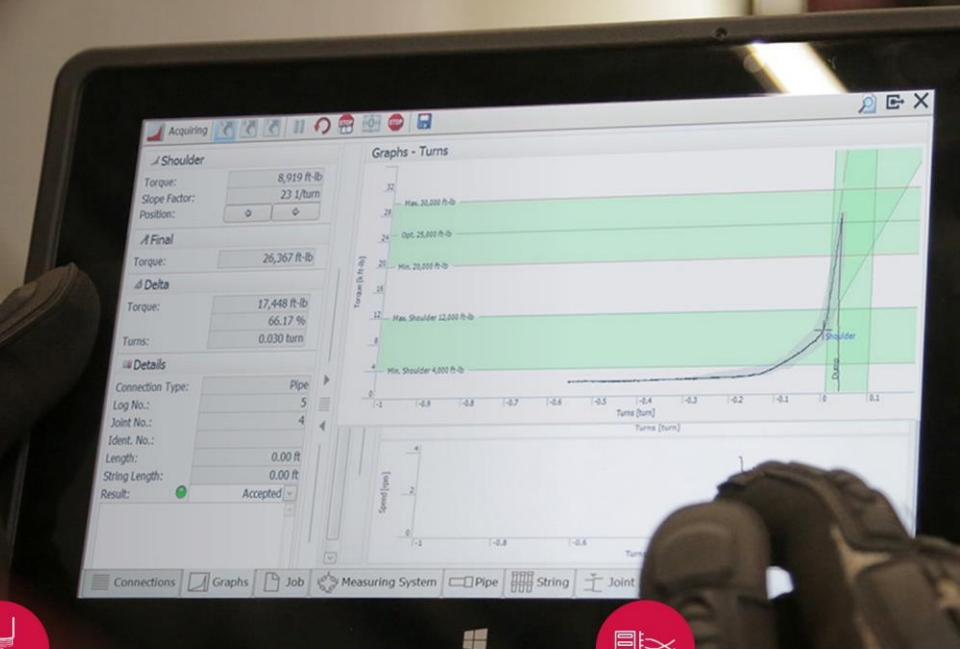
**YOUR ENVIRONMENT**  
ONSHORE, OFFSHORE, DEEPWATER

# SOLOIST™

## TORQUE TURN MONITORING SERVICE

### SINGLE-PERSON OPERATION AND SIMPLIFIED REMOTE VIEWING

- Cabinet, computer, tablets, and connection cables:
  - Explosion-proof system certified for drill floor use; no purge line required
  - Self-contained one-lift unit and case for two tablets and charger



Wi-Fi-enabled tablet allows one-person operation of both tong and monitoring functions



Operator can monitor, evaluate, and report torque data for makeup and breakout of all tubing and casing connections



Quick comparison of graphical data to identify unusual trends in relation to connection profiles



# LEADERSHIP POSITION ACROSS WELL LIFECYCLE

	OFFERINGS	WFRD TECHNOLOGY	WFRD	PEER 1	PEER 2	PEER 3
DRE +	Managed Pressure Drilling +	Victus™	■	■	■	■
	Drilling Services +	High Temp LWD, Magnus™	■	■	■	■
WCC +	Tubular Running Services +	Vero™	■	■	■	■
	Cementation Products +	V0 stage tools, SSR Plugs	■	■	■	■
PRI	Fishing & Re-Entry	QuickCut™, Alpha	■	■	■	■

**UNIQUE COMBINATION OF DIFFERENTIATED TECHNOLOGIES;  
DIGITAL OFFERINGS & INTEGRATED SERVICES ACCELERATE GROWTH**



# CONSOLIDATED FINANCIAL SUMMARY

(\$ in millions, except per share data)

INCOME STATEMENT	Q1'22	Δ Seq.	Δ YoY
Services Revenue	\$593	(4%)	13%
Products Revenue	\$345	-	12%
<b>Total Revenues</b>	<b>\$938</b>	<b>(3%)</b>	<b>13%</b>
Adjusted EBITDA	\$151	(2%)	48%
% Margin	16%	10 bps	380 bps
Non-GAAP Diluted Loss per Share	(\$0.59)	6%	64%

NET WORKING CAPITAL <sup>[1]</sup>			
Total Net Working Capital	\$1,167		
Days of Revenue	112 days	8 days	(11 days)
Accounts Receivable, Net	\$868		
Days of Revenue	83 days	6 days	(3 days)
Inventories, Net	\$684		
Days of Revenue	66 days	4 days	(7 days)
Accounts Payable	\$385		
Days of Revenue	37 days	2 days	1 day

TOTAL CASH & CASH FLOW			
Total Cash <sup>[2]</sup>	\$1,056	(\$57)	(\$287)
Unlevered Free Cash Flow	(\$47)	(\$194)	(\$141)
Free Cash Flow	(\$64)	(\$113)	(\$134)
Capital Expenditures	\$20	(51%)	33%
% of Revenue	2%	212 bps	33 bps

[1] Days of revenue metrics use a 360-day convention and are calculated by dividing the applicable field by revenue and multiplying by 90 days

[2] Includes cash and cash equivalents and restricted cash



# SEGMENT RESULTS: Q1 2022

(\$ in millions)

## FINANCIAL RESULTS

	Q1'22	Δ Seq.	Δ YoY
<b>Revenues:</b>			
Drilling and Evaluation	\$292	2%	24%
Well Construction and Completions	\$344	(1%)	7%
Production and Intervention	\$286	(4%)	10%
Other	\$16	(50%)	14%
<b>Total Revenues</b>	<b>\$938</b>	<b>(3%)</b>	<b>13%</b>
<b>Adj. EBITDA</b>			
	<b>\$151</b>	<b>(2%)</b>	<b>48%</b>
<i>% Margin</i>	16%	10 bps	380 bps

## Q1'22 REVENUES BY PRODUCT LINE

DRILLING AND EVALUATION

**\$292**

WELL CONSTRUCTION AND COMPLETIONS

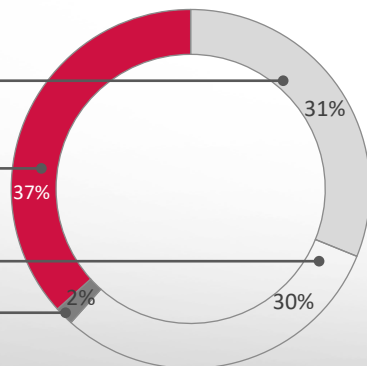
**\$344**

PRODUCTION AND INTERVENTION

**\$286**

OTHER

**\$16**



## Q1'22 COMMENTS

- DRE revenue increased 24% YoY primarily driven by increased activity in LAM, MENA and NAM offset by a decline in Europe, SSA, Russia
  - Adj. EBITDA margins 20%; +790 bps YoY
- WCC revenue increased by 7% YoY driven by increased activity in NAM, LAM and MENA slightly offset by decline in Europe, SSA, Russia
  - Adj. EBITDA margins 20%; +400 bps YoY
- PRI revenue increased by 10% YoY driven by increased activity primarily in MENA and LAM
  - Adj. EBITDA margins 14%; -220 bps YoY
- Consolidated Adjusted EBITDA margin of 16% ; +380 bps YoY

## Q1'22 REVENUES BY AREA

NORTH AMERICA

**\$238/+11% YoY**

LATIN AMERICA

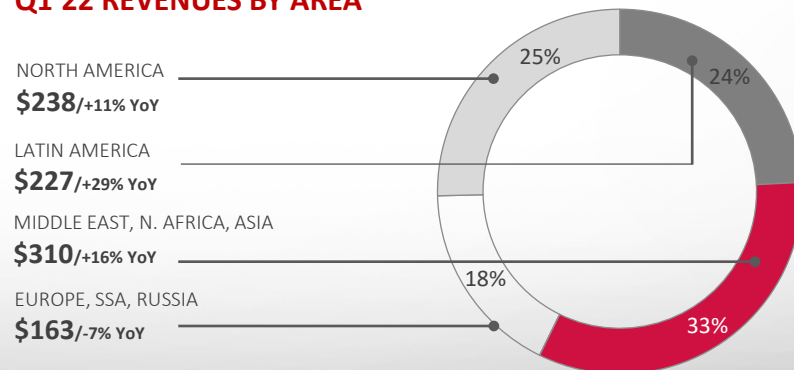
**\$227/+29% YoY**

MIDDLE EAST, N. AFRICA, ASIA

**\$310/+16% YoY**

EUROPE, SSA, RUSSIA

**\$163/-7% YoY**



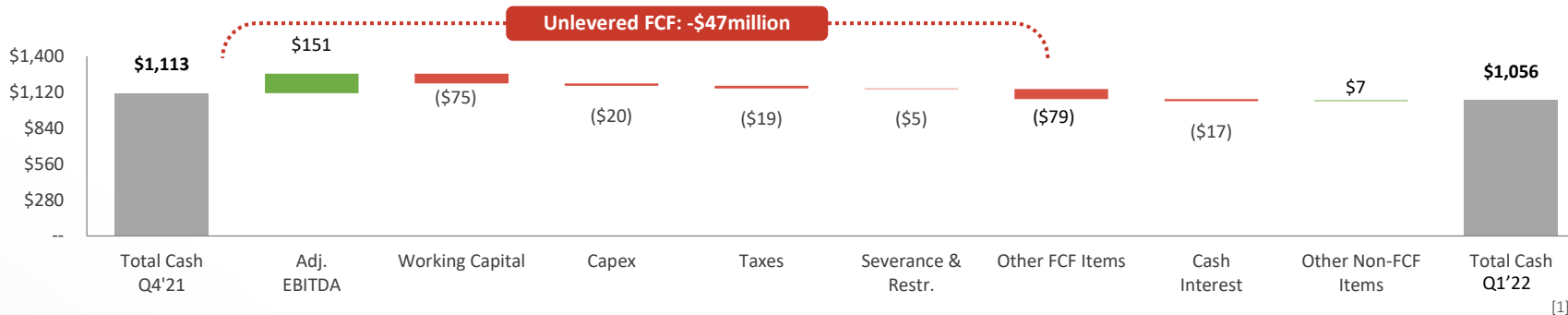




# LIQUIDITY: Q1 2022 BRIDGE

(\$ in millions)

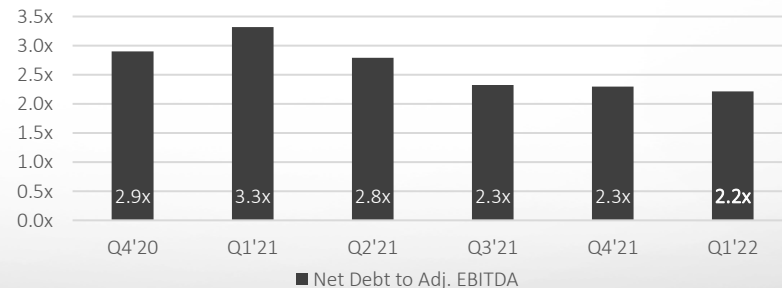
## Q1'22 CASH FLOW BRIDGE



## LIQUIDITY

- Continued improvement in leverage metrics
- Q1'22 free cash flow of negative **\$64 million** driven by working capital requirements
- \$20 million of Capex
- Total cash<sup>[1]</sup> of **\$1.1 billion** as of Mar. 31, 2022

## NET DEBT TO ADJ. EBITDA



[1] Includes cash and cash equivalents and restricted cash

[2] Computed based on net debt (short-term borrowings and current portion of long-term debt and long-term debt less cash and cash equivalents and restricted cash) divided by LTM adjusted EBITDA



# QUALITATIVE OUTLOOK:

Q2'22 vs Q1'22

FY'22 vs. FY'21



## REVENUES

- Consolidated revenues expected to increase by mid to high single digits
  - DRE: + mid single digits
  - WCC: + mid to high single digits
  - PRI: + high single digits
- Consolidated revenues expected to grow high single to low double digits
  - DRE: + low teens
  - WCC: + high single digits
  - PRI: + mid to high teens



## ADJUSTED EBITDA

- Adjusted EBITDA margins expected to be ~16 – 16.5%
- FY Adjusted EBITDA margins expected to be 16-17%
- At least 50 bps of margin expansion for FY'22



## CASH FLOW

- Unlevered free cash flow expected to be positive
- Targeting breakeven free cash flow under current activity forecast; could turn negative if H2'22 activity indications exceeds current expectations
- CAPEX expected to be ~\$30 to \$40 million
- CAPEX expected to be ~\$175 to \$200 million
- 3<sup>rd</sup> consecutive year of positive free cash flow

# STRATEGIC VECTORS

# 2022 FOCUS AREAS

# GOAL



+



+



Fulfillment

—



Directed Growth

—

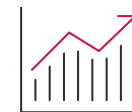


Excellence in  
Execution

—



Simplification



**Sustainable  
Profitability**

—

**Positive  
Free Cash Flow**



# APPENDIX



# APPENDIX A

*(\$ in millions)*

## Reconciliation of GAAP to Non-GAAP Net Loss and Diluted Net Loss Per Share (Unaudited)

	Quarters Ended		
	3/31/22	12/31/21	3/31/21
<b>Net Income (Loss) Attributable to Weatherford:</b>			
GAAP Net Loss	\$ (80)	\$ (161)	\$ (116)
Non-GAAP Adjustments, net of tax	39	117	-
Non-GAAP Net Loss	\$ (41)	\$ (44)	\$ (116)
<b>Diluted Loss Per Share Attributable to Weatherford:</b>			
GAAP Diluted Loss per Share	\$ (1.14)	\$ (2.30)	\$ (1.66)
Non-GAAP Adjustments, net of tax	0.55	1.67	-
Non-GAAP Diluted Loss per Share	\$ (0.59)	\$ (0.63)	\$ (1.66)

Please see the corresponding earnings release available on Weatherford's website for additional information and additional GAAP to Non-GAAP reconciliation tables



# APPENDIX B

*(\$ in millions)*

## Reconciliation of GAAP to Non-GAAP EBITDA (Unaudited)

	Quarters Ended		
	3/31/22	12/31/21	3/31/21
<b>Net Income (Loss) Attributable to Weatherford</b>	\$ (80)	\$ (161)	\$ (116)
Net Income Attributable to Noncontrolling Interests	6	4	6
Net Income (Loss)	(74)	(157)	(110)
Interest Expense, Net	48	49	70
Loss on Extinguishment of Debt and Bond Redemption Premium	-	111	-
Income Tax Provision	28	20	23
Depreciation and Amortization	87	103	111
<b>EBITDA</b>	89	126	94
<b>Other (Income) Expense Adjustments:</b>			
Impairments and Other Charges <sup>[1]</sup>	19	6	-
Restructuring Charges	20	-	-
Share-Based Compensation	7	12	4
Other Expense, Net	16	10	4
<b>Adjusted EBITDA</b>	\$ 151	\$ 154	\$ 102

Please see the corresponding earnings release available on Weatherford's website for additional information and additional GAAP to Non-GAAP reconciliation tables

[1] Impairments and Other (Charges) Credits primarily represent charges on long-lived assets, certain inventory charges and other (charges) credits like certain gains on asset sales. In the first quarter of 2022, the charges net, primarily relate to the write-down of all of our assets in Ukraine, excluding cash



# APPENDIX C

(\$ in millions)

## Reconciliation of Cash Flows from Operating Activities to Free Cash Flow (Unaudited)

	Quarters Ended		
	3/31/22	12/31/21	3/31/21
<b>Free Cash Flow</b> <sup>[2]</sup> :			
Cash Flows Provided by Operating Activities	\$ (64)	\$ 88	\$ 74
Capital Expenditures for Property, Plant and Equipment	(20)	(41)	(15)
Proceeds from Disposition of Assets	20	2	11
Free Cash Flow <sup>[2]</sup>	\$ (64)	\$ 49	\$ 70

Please see the corresponding earnings release available on Weatherford's website for additional information and additional GAAP to Non-GAAP reconciliation tables

[2] Free cash flow is a non-GAAP measure calculated as cash flows provided by operating activities, less capital expenditures for property, plant and equipment plus proceeds from the disposition of assets. Management believes free cash flow is useful to understand liquidity and should be considered in addition to but not substitute cash flows provided by operating activities.



# APPENDIX D

*(\$ in millions)*

## Adjusted EBITDA to Unlevered Free Cash Flow and Free Cash Flow (Unaudited)

	Quarters Ended		
	3/31/22	12/31/21	3/31/21
<b>Adjusted EBITDA</b>	\$ 151	\$ 154	\$ 102
Cash From (Used) for Working Capital	(75)	14	60
Capital Expenditures for Property, Plant and Equipment	(20)	(41)	(15)
Cash Paid for Taxes	(19)	(18)	(15)
Cash Paid for Severance and Restructuring	(5)	(4)	(12)
Proceeds from Disposition of Assets	20	2	11
E&O Inventory Charges	11	12	4
Increase (Decrease) in Accruals, Net <sup>[3]</sup>	(110)	28	(41)
<b>Unlevered Free Cash Flow <sup>[4]</sup></b>	\$ (47)	\$ 147	\$ 94
Cash Paid for Interest	(17)	(98)	(24)
<b>Free Cash Flow <sup>[5]</sup></b>	\$ (64)	\$ 49	\$ 70

Please see the corresponding earnings release available on Weatherford's website for additional information and additional GAAP to Non-GAAP reconciliation tables

[3] Increase (Decrease) in Accruals, Net primarily includes accruals for net employee benefits, net payments for leases, change in our allowance for credit losses and foreign currency exchange impact.

[4] Unlevered free cash flow is a non-GAAP measure calculated as free cash flow plus cash paid for interest.

[5] Free cash flow is a non-GAAP measure calculated as cash flows provided by operating activities, less capital expenditures for property, plant and equipment plus proceeds from the disposition of assets. Management believes free cash flow is useful to understand liquidity and should be considered in addition to but not substitute cash flows provided by operating activities.





# APPENDIX E

*(\$ in millions)*

## Net Debt to Adjusted EBITDA Coverage by Quarter (Unaudited)

<b>Components of Net Debt</b>	<b>3/31/22</b>	<b>12/31/21</b>	<b>9/30/21</b>	<b>6/30/21</b>	<b>3/31/21</b>	<b>12/31/20</b>
Short-term Borrowings and Current Portion of Long-term Debt	\$ 13	\$ 12	\$ 211	\$ 10	\$ 11	\$ 13
Long-term Debt	2,416	2,416	2,431	2,605	2,602	2,601
Less: Cash and Cash Equivalents	841	951	1,291	1,217	1,177	1,118
Less: Restricted Cash	215	162	155	170	166	167
<b>Net Debt</b>	<b>\$ 1,373</b>	<b>\$ 1,315</b>	<b>\$ 1,196</b>	<b>\$ 1,228</b>	<b>\$ 1,270</b>	<b>\$ 1,329</b>
Adjusted EBITDA for the trailing 12 months	\$ 620	\$ 571	\$ 515	\$ 440	\$ 383	\$ 459
Net Debt/Adjusted EBITDA	2.2 x	2.3 x	2.3 x	2.8 x	3.3 x	2.9 x



**THANK  
YOU**

FOR FURTHER  
COMPANY INFORMATION  
WE INVITE YOU TO VISIT



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