

# Q1

First  
Quarter 2023



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**Q1 EBITDA  
USD 4.4m**

**Contract extension  
and new contract  
award**

**Strong operational  
performance**

**Market conditions  
continue to improve**

**Cash conversion to  
improve further in the  
coming quarters**

## HEADLINES Q1 2023

### Operational

- Strong operational performance
- Both vessels in production throughout the quarter
- Seabird Exploration sees a strong market outlook, OBN sees structural growth
- Opportunities supporting profitable growth are continuously monitored
- Green Minerals AS shares were distributed to shareholders 25 January 2023

### Subsequent

- The "Eagle Explorer" was awarded a 60 days OBN Source contract in direct continuation after India project.

### Financial

- Revenues for the three first months of 2023 was USD 9.9 million, up from USD 5.0 million for the same period in 2022
- EBITDA of USD 4.4 million up from USD 0.1 million in Q1 2022
- Cash flow from operation was USD 2.7 million, up from USD -9.4 million in Q1 2022
- Net cash flow in Q1 was USD 1.6 million, compared to USD -0.1 million in the prior year quarter
- Net interest-bearing debt was USD 12.5 million as of end Q1-2023 (Q1/22: 19.8m)
- Equity ratio was 51%, up from 43% the prior year quarter

### Key figures

All figures in USD '000 (except EPS and equity ratio)	Q1 2023 (Unaudited)	Q1 2022 (Unaudited)	2022 (Unaudited)	2021 (Audited)
Revenues	9,906	5,002	20,160	20,705
EBITDA	4,374	106	1,458	-4,185
EBIT	2,849	-1,365	-6,881	-11,779
Profit/(loss) for the period	6,918	-1,942	-10,539	-11,425
Earnings per share from continuing operations	0.09	-0.04	-0.12	-0.33
Earnings per share	0.09	-0.04	-0.13	-0.33
Cash flow operating activities	2,704	-9,367	-15,894	6,270
Total assets	62,442	69,686	70,874	69,878
Net interest bearing debt	12,469	19,757	15,431	13,015
Equity ratio	51%	43%	45%	41%

# FINANCIAL REVIEW

## Operational review

The Q1 utilisation was 98%, compared to 25% in the prior year quarter. Trailing last twelve months utilisation was 55%.

The "Fulmar Explorer" continued its OBN source contract in US Gulf of Mexico where she commenced a long-term contract in September.

The "Eagle Explorer" in 2D production throughout the quarter following the project plan.

## Contract awards

The Company was awarded a significant extension of its 2D contract during the quarter.

## Subsequent events

The company has been awarded 60 days OBN Source work for the "Eagle Explorer" in direct continuation of 2D project in India.

## Financials

The group's revenues for the first quarter and the three first months of the year amounted to USD 9.9 million, up from USD 5.0 million in the same period in 2022. EBITDA for the was USD 4.4 million compared with USD 0.1 million for the same period a year ago. Selling, general and administrative expenses was USD 1.0 million in Q1 2023 compared with USD 1.5 million in Q1 2022. Please note that Green Minerals AS was distributed to the shareholders on 25 January 2023. In connection with the distribution the company has recorded a gain of USD 5.0 million in other financial items, which results in a strong profit for the quarter of USD 6.9 million. Green Minerals AS is deconsolidation from the financial statements from Q1 2023, historical numbers have not been updated.

The Company's cash and cash equivalents position as of end Q1 was USD 2.5 million, up from USD 2.2 million in Q1 2022. Net interest bearing debt was USD 12.5 million, down from USD 19.8 million the prior year quarter. At end Q1, the Company's equity was USD 32.1 million with an equity ratio of 51%.

## Environmental, social and corporate governance (ESG)

Sustainability is at the core of everything we do in SeaBird Exploration. SeaBird Exploration are providing access to seismic data, which reduces the environmental footprint for our clients. In addition, it has taken several direct steps like investing in electric compressors and other equipment, renewing the fleet and reducing speed in transit to reduce its direct environmental footprint.

## Outlook

The company sees strong tendering activity in the OBN source segment and some interesting 2D prospects. Activity level is paired with longer contract durations assumed to be a result of the general energy situation and oil price. The company believes oil and gas will remain an important part of the energy mix in the foreseeable future.

Focus on increased oil recovery and near field developments will continue to be an important demand driver for the company's OBN source services. OBN source is expected to form the base for the company's seismic offering going forward and with quality tonnage, such as the "Eagle Explorer" and the "Fulmar Explorer", the company is in a good position to secure consistent high

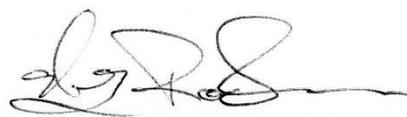
utilization. We believe some laid-up vessels may be re-activated for new projects.

2D remains a cost-efficient exploration method, with national energy security in select regions as the main driver. Current 2D tendering activity attests to this.

SeaBird's response to take advantage of this change in market dynamics is to consolidate as much high-end capacity as we can and thereby increase our market share. SeaBird's equipment pool enhances SeaBird's ability to capitalize on its seismic know-how and market access by equipping third party vessels on flexible charters. SeaBird is in a unique position to offer both 2D and OBN source and is therefore able to take advantage of the higher utilization potential of OBN source, while at the same time capitalizing on the higher earnings potential in the niche 2D market.

## The Board of Directors and Chief Executive Officer

SeaBird Exploration Plc,  
11 May 2023



Ståle Rodahl, Executive Chairman



Hans Christian Anderson, Director



Øivind Dahl-Stammes, Director



Nicholas Nunn, Director



Odd Sondre Svalastog Helsing, Director



Finn Atle Hamre, Chief Executive Officer

<b>Consolidated interim statement of income</b>				
All figures in USD '000 (except EPS)	Q1 2023 (Unaudited)	Q1 2022 (Unaudited)	2022 (Unaudited)	2021 (Audited)
Contract revenues	9,906	5,002	20,160	20,705
<b>Total revenues</b>	<b>9,906</b>	<b>5,002</b>	<b>20,160</b>	<b>20,705</b>
Cost of sales	-4,761	-6,386	-19,048	-21,013
Selling, general and administrative expenses	-1,049	-1,524	-3,939	-5,563
Net bad debt charges	-	-	-	-30
Other income (expenses), net	279	3,014	4,285	1,716
<b>Total operating expenses</b>	<b>-5,532</b>	<b>-4,896</b>	<b>-18,702</b>	<b>-24,890</b>
<b>EBITDA*</b>	<b>4,374</b>	<b>106</b>	<b>1,458</b>	<b>-4,185</b>
Gains (losses) on sale of property, plant and equipment	-	0	260	-807
Depreciation	-1,490	-1,439	-6,957	-5,644
Amortization	-35	-32	-139	-129
Impairment	-	-	-1,502	-1,014
<b>Operating profit (loss) / EBIT</b>	<b>2,849</b>	<b>-1,365</b>	<b>-6,881</b>	<b>-11,779</b>
Finance Income	0	-	10	0
Finance expense	-858	-293	-1,857	-655
Share of net income/(loss) of associates and joint ventures	-10	-	-67	-
Other financial items, net	4,937	-250	-405	719
<b>Profit/(loss) before income tax</b>	<b>6,918</b>	<b>-1,908</b>	<b>-9,200</b>	<b>-11,715</b>
Income tax	-	-34	-67	290
<b>Profit/(loss) from continuing operations</b>	<b>6,918</b>	<b>-1,942</b>	<b>-9,267</b>	<b>-11,425</b>
Profit/(loss) from discontinued operation	-	-	-1,272	-
<b>Profit/(loss) for the period</b>	<b>6,918</b>	<b>-1,942</b>	<b>-10,539</b>	<b>-11,425</b>
<b>Profit/(loss) attributable to</b>				
Shareholders of the parent	6,918	-1,732	-9,915	-10,839
Non-controlling interests	-	-210	-624	-586
<b>Earnings per share from continuing operations</b>				
Basic	0.09	-0.04	-0.12	-0.33
<b>Earnings per share</b>				
Basic	0.09	-0.04	-0.13	-0.33

\*Operating profit before depreciation, impairment, and gains (losses) on property, plant and equipment

Consolidated interim statement of financial position				
All figures in USD '000	Q1 2023 (Unaudited)	Q1 2022 (Unaudited)	2022 (Unaudited)	2021 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	41,611	45,712	42,984	46,050
Multi-client Investments	19	146	54	179
Long term investments	-10	-12	-67	-
Research & development	-	-	-	-
<b>Total non-current assets</b>	<b>41,619</b>	<b>45,846</b>	<b>42,971</b>	<b>46,228</b>
<b>Current assets</b>				
Inventories	643	1,279	643	1,186
Trade receivables	10,263	7,121	15,933	4,873
Other current assets	7,410	3,590	7,957	4,019
Restricted cash	31	63	57	70
Cash and cash equivalents	2,476	2,164	855	2,312
<b>Total current assets</b>	<b>20,823</b>	<b>14,217</b>	<b>25,446</b>	<b>12,460</b>
Non-current assets classified as held for distribution	-	-	2,282	-
Assets classified as held for sale	-	9,622	175	11,189
<b>Total assets</b>	<b>62,442</b>	<b>69,686</b>	<b>70,874</b>	<b>69,878</b>

Consolidated interim statement of financial position				
All figures in USD '000	Q1 2023 (Unaudited)	Q1 2022 (Unaudited)	2022 (Unaudited)	2021 (Audited)
<b>EQUITY</b>				
<i>Capital and reserves attributable to equity holders of the Company</i>				
Paid in Capital	32,464	48,902	36,944	45,491
Revaluation reserve	12	-0	12	-0
Currency Translation reserve	-	-406	-	-406
Share options granted	275	394	595	191
Retained earnings	-660	-19,810	-6,400	-17,861
Non-controlling interests	-	721	1,068	930
<b>Total Equity</b>	<b>32,091</b>	<b>29,801</b>	<b>32,218</b>	<b>28,345</b>
<i>EQ ratio</i>	<i>51%</i>	<i>43%</i>	<i>45%</i>	<i>41%</i>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	-	12,136	-	7,559
<b>Total non-current liabilities</b>	<b>-</b>	<b>12,136</b>	<b>-</b>	<b>7,559</b>
<b>Current liabilities</b>				
Trade payables	6,225	13,874	11,172	14,569
Contract liabilities	632	282	1,467	368
Other payables	7,219	2,588	8,403	10,048
Provisions	331	331	331	331
Loans and borrowings	14,946	9,785	16,287	7,767
Current tax liabilities	1,000	890	890	890
<b>Total current liabilities</b>	<b>30,352</b>	<b>27,749</b>	<b>38,549</b>	<b>33,973</b>
Liabilities directly associated with assets classified as held for distribution	-	-	107	-
<b>Total liabilities</b>	<b>30,352</b>	<b>39,885</b>	<b>38,656</b>	<b>41,532</b>
<b>Total equity and liabilities</b>	<b>62,442</b>	<b>69,686</b>	<b>70,874</b>	<b>69,878</b>

Consolidated interim statement of cash flow				
All figures in USD '000	Q1 2023 (Unaudited)	Q1 2022 (Unaudited)	2022 (Unaudited)	2021 (Audited)
<b>Cash flows from operating activities</b>				
Profit / (loss) before income tax	6,918	-1,908	-9,200	-11,715
<i>Adjustments for:</i>				
Depreciation, amortization and impairment	1,525	1,471	8,599	6,787
Movement in provision	-	0	-	-65
Gain/(loss) from disposal of PPE	-	-	-260	807
Unrealized exchange (gain) /loss	34	163	111	-160
Interest expense on financial liabilities	755	252	1,588	619
Other items	-5,323	-257	1,045	-149
Paid income tax	-	-	-	8
(Increase)/decrease in inventories	-	-92	543	-556
(Increase)/decrease in trade and other receivables	6,244	-1,270	-14,985	3,391
Increase/(decrease) in trade and other payables	-7,448	-7,727	-3,335	7,303
<b>Net cash from operating activities</b>	<b>2,704</b>	<b>-9,367</b>	<b>-15,894</b>	<b>6,270</b>
<b>Cash flows from investing activities</b>				
Capital expenditures	-51	-1,101	-3,895	-20,961
Proceeds from disposal of PPE	175	1,437	9,586	304
Multi-client investment	-	-	-	-
Investments in financial assets	-	-	-	-
Other	-	-	-	879
<b>Net cash used in investing activities</b>	<b>124</b>	<b>336</b>	<b>5,691</b>	<b>-19,778</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares	-	3,423	12,588	7,332
Transaction costs on issuance of ordinary shares	-	-171	-498	-228
Receipts from borrowings	-	5,884	10,139	6,903
Repayment of borrowings	-741	-	-9,861	-
Interest paid	-466	-252	-1,467	-619
Other	-	-	-	-3,800
<b>Net cash from financing activities</b>	<b>-1,207</b>	<b>8,883</b>	<b>10,901</b>	<b>9,589</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>1,621</b>	<b>-148</b>	<b>698</b>	<b>-3,919</b>
Cash and cash equivalents at beginning of the period	855	2,312	157	6,231
<b>Cash and cash equivalents at end of the period</b>	<b>2,476</b>	<b>2,164</b>	<b>855</b>	<b>2,312</b>
<b>Net increase in cash and cash equivalents from discontinued operation</b>				
	-	-	-25	-
Cash and cash equivalents at beginning of the period in from discontinued operation	-	-	2,155	-
<b>Cash and cash equivalents at end of the period in discontinued operations</b>	-	-	2,130	-

# Selected notes and disclosures

SeaBird Exploration Plc is a limited liability company. The Company's address is Panteli Katelari 16, DIAGORAS HOUSE, 7th floor, 1097, Nicosia, Cyprus. The Company also has an office in Bergen, Norway. The company is listed on the Oslo Stock Exchange under the ticker symbol "SBX".

## Basis of presentation

The condensed interim consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) and the act and regulations for the Oslo Stock Exchange.

The condensed interim consolidated financial statements do not include all information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021.

The consolidated financial statements for the year ended 31 December 2021 and quarterly reports are available at [www.sbexp.com](http://www.sbexp.com). The financial statements as of Q1 2023, as approved by the board of directors 11<sup>th</sup> May 2023, are unaudited.

## Significant accounting principles

The accounting policies used for preparation of the condensed interim consolidated financial statements are consistent with those used in the consolidated financial statements for 2021 unless otherwise stated.

The company has adopted IFRS 15 "Revenue from Contracts with Customers" from 1 January, 2018. The company continues to recognize contract revenues and costs in line with project duration starting from first shot point in the seismic survey and ending at demobilization.

## Leases

The Company is both a lessor, as it charters vessels to customers, and a lessee.

The Company has adopted IFRS 16 "Leases" from 1 January 2019. IFRS 16 set out a model for identification of lease arrangements and their treatment in financial statements, and long-term lease contracts usually need to be brought on to the balance sheet.

There are currently no long-term lease agreements for vessels that are affected by IFRS 16 "Leases". In 2022 the Company has made use of the exemption of not to recognize assets and liabilities for leases with a lease term of 12 months or less. The lease payments are included in the P&L-statement on a straight-line basis over the lease term.

## Risk factors

The information in this report may constitute forward-looking statements. These statements are based on various assumptions made by the Company, many of which are beyond its control and all of which are subject to risks and uncertainties. Risk factors include but are not limited to the demand for seismic services, the high level of competition in the source and 2D markets, changes in governmental regulations, adverse weather conditions, and currency and commodity price fluctuations. For further description of relevant risk factors, we refer to the annual report 2021. As a result of these and other risk factors, actual events and actual results may differ materially from those indicated in or implied by such forward looking statements.

## Segment Information

The Company completed the previously announced distribution of its holdings in Green Minerals AS to its shareholders on 25 January 2023. As such, the Company have no longer two business segments. For the quarter ended 31 December 2022, Green Minerals has been recognised as asset held for distribution on both the balance sheet, the profit and loss statement, and the cash flow statement.

## Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes costs directly attributable to the acquisition of the item. Costs are included in the asset's carrying amount or recognized as a separate asset, if appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Costs of all repairs and maintenance are expensed as incurred. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Type of asset	Estimated useful lifetime
Seismic vessels	15 years from date of conversion or 25 years from initial build
Maritime equipment	10 to 15 years
Seismic equipment	3 to 8 years
Office equipment	3 years

The year-to-date movement of Property, plant and equipment is highlighted in the table below.

Property, plant and equipment				
USD '000	Seismic vessels and equipment (owned)	Dry-dock costs and equipment (leased vessels)	Office equipment	Total
<b>Net book amount 01 January 2023</b>	<b>38,971</b>	<b>3,960</b>	<b>53</b>	<b>42,984</b>
Additions	51	-	-	51
Sale of assets	-	-	-	-
Depreciation	-1,340	-136	-13	-1,490
Impairments	-	-	-	-
Reclassified	255	-190	-	65
<b>Net book amount 31 March 2023</b>	<b>37,937</b>	<b>3,634</b>	<b>40</b>	<b>41,611</b>
Acquisition cost	51,843	6,908	159	58,910
Acc. Depreciation / amortization	-13,906	-3,275	-119	-17,300
<b>Net book amount 31 March 2023</b>	<b>37,937</b>	<b>3,634</b>	<b>40</b>	<b>41,611</b>

# Selected notes and disclosures

## Multi-client library

The multi-client library consists of seismic data surveys to be licensed to customers on a non-exclusive basis. Costs directly incurred in acquiring, processing and otherwise completing multi-client seismic surveys, including depreciation and mobilization costs, are capitalized to the multi-client library. Generally, each multi-client survey is amortized in a manner that reflects the pattern of consumption of its economic benefits. Upon completion of data processing and delivery to the prefunding customers and client surveys in South East Asia. The multi-client library has a book value of USD 0.02 million as per 31 March 2023, which relates to the two 2018 surveys in the Europe, Africa and Middle-East region.

Multi-client library	
USD '000	
Net book amount 01 January 2023	54
Amortization	-35
Other	-
Net book amount 31 March 2023	19

## Net interest-bearing debt

The Company has one USD 16 million bank facility and one USD 5.2 million bank facility from Sparebank 1 SMN. The aggregated outstanding amount as per 31 March 2023 is USD 14.9 million. The loans have final maturity in June 2023.

The loans are recognized in the books at par value. Instalments of USD 0.7 million for the USD 16 million facility are due quarterly. The USD 5.225 million facility is a bullet loan with no scheduled instalments. In addition, certain cash sweep mechanism has been introduced from Q3 2022.

We are in advanced dialogue with our main lender about refinancing our bank facilities.

Net interest-bearing debt			
USD '000	Q1 2023	Q1 2022	2022
Debt to credit institutions	-	12,136	-
Long term tax liabilities	-	-	-
<b>Total non-current interest-bearing debt</b>	<b>-</b>	<b>12,136</b>	<b>-</b>
Debt to credit institutions	14,946	9,785	16,287
Other current interest-bearing debt	-	-	-
<b>Total current interest-bearing debt</b>	<b>14,946</b>	<b>9,785</b>	<b>16,287</b>
<b>Total interest-bearing debt</b>	<b>14,946</b>	<b>21,921</b>	<b>16,287</b>
Cash and cash equivalent	2,476	2,164	855
<b>Total net interest-bearing debt</b>	<b>12,469</b>	<b>19,757</b>	<b>15,431</b>

## Financial covenants

The loan agreement of the company includes the following covenants, which the company is in compliance with:

- The Company shall have available cash of at least USD 1 million at all times

- The Company shall have positive working capital at all times, excl. current portion of interest-bearing debt

## Shareholders

Largest shareholders per 31 March 2023.

Largest Shareholders		
Name	Number of shares	Ownership
Mh Capital As	10,159,676	12.6%
Anderson Invest As	6,098,626	7.6%
Alden As	5,577,219	6.9%
Grunnfjellet As	5,075,301	6.3%
Europa Link As	3,890,371	4.8%
Storfjell As	3,255,775	4.0%
Langebru As	2,500,300	3.1%
Myrseth	2,476,999	3.1%
Nordnet Livsforsikring As	1,740,843	2.2%
Vicama Capital As	1,666,700	2.1%
North Sea Group As	1,638,914	2.0%
Sigstad	1,390,000	1.7%
The Bank Of New York Mellon Sa/Nv	1,284,860	1.6%
Hubris Industrier As	1,208,333	1.5%
Miel Holding As	1,125,446	1.4%
Kfs As	1,100,000	1.4%
F Storm As	953,122	1.2%
Sandberg Jh As	890,307	1.1%
Grønland	790,000	1.0%
Hema Group As	552,923	0.7%
Other	27,100,556	33.7%
<b>Total</b>	<b>80,476,271</b>	<b>100.0%</b>

## Share capital and share options

The total number of ordinary shares on 31 March 2023 was 80,476,265 with a nominal value of EUR 0.17 per share.

3.1 million share options and warrants have been allocated to key employees. All options may be exercised at any time within one year from the corresponding vesting dates.

Share options	
	Number of options
Granted	3,140,000
Forfeited	-
<b>Total as of 31 March 2023</b>	<b>3,140,000</b>
Vested	820,000
Non-vested	2,320,000
<b>Total as of 31 March 2023</b>	<b>3,140,000</b>

## Related party transactions

No related party transactions

## Going concern

The company's consolidated accounts have been prepared based on a going concern assumption.

# Selected notes and disclosures

## Alternative performance measurements

Seabird presents the alternative performance measurements (APM) that are regularly reviewed by management and aim to enhance the understanding of the Company's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below.

Alternative performance measurements		
Measure	Description	Reason
<b>EBITDA -Operating profit before depreciation</b>	EBITDA is defined as operating profit before depreciation and impairment of fixed assets and represents earnings before interest, tax and depreciation, and is a key financial parameter for Seabird.	This is a measure for evaluation of operating profitability on a more variable cost basis as it excludes depreciation and impairment. EBITDA shows operating profitability regardless of capital structure and tax situations.
<b>EBIT-Operating profit</b>	EBIT represents earnings before interest and tax.	EBIT shows operating profitability regardless of capital structure and tax situations.
<b>Equity ratio</b>	Equity divided by assets at the reporting date.	Measure capital contributed by shareholders to fund the Company's assets.
<b>Earnings per share</b>	Earnings divided by average number of shares outstanding.	Measures the Company's earnings on a per-share basis.
<b>Net interest bearing debt</b>	Net interest-bearing debt consists of both current and non-current interest-bearing liabilities less interest bearing financial assets, cash and cash equivalents.	Net interest-bearing debt is a measure of the Company's net indebtedness that provides an indicator of the overall statement. It measures the Company's ability to pay all interest-bearing liabilities within available interest bearing financial assets, cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measurement of the risk related to the Company's capital structure.

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