

SeaBird Exploration

Q1 2024 presentation



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Agenda / Presenters

- Introduction
- Key developments
- Contract and outlook
- Financial
- Summary
- Q&A



Ståle Rodahl

Executive Chairman



Finn Atle Hamre

CEO



Sveinung Alvestad

CFO

SeaBird Exploration Plc

- **Only pure play OBN source company listed globally**
- Headquarter in Bergen
- Listed in Oslo under ticker SBX NO
- Market Cap.: USD 35.4m
- NIBD: USD 13.1m
- Positive market outlook
- Distribution of NOK 0.25 per share approved by EGM



Eagle Explorer

OBN Source
2D



Fulmar Explorer

OBN Source



Equipment

Can equip one 2D and one OBN source, alternatively two OBN source

Seabird Exploration at a glance

- Provides marine seismic acquisition services to E&P- and integrated seismic companies
- Operates within the seismic source vessel market and 2D streamer market
- **Not active** in the Data Processing- or Multi-Client market
- Competitive advantages:
 - Young, state-of-the-art purpose-built source and streamer vessels
 - No vessel age restrictions
 - Industry leading operational- and cost efficiency within its segments
 - Following company restructuring, solid financial and operational track record



Fleet overview



Eagle Explorer (2009)

- Designed and built as a 12-streamer 3D vessel
- Currently equipped for 2D streamer and source vessel operations
- Completed 5-year special periodic survey (SPS) in Q4 2023 (next 2028)
- Replacement value estimated to around USD 100m



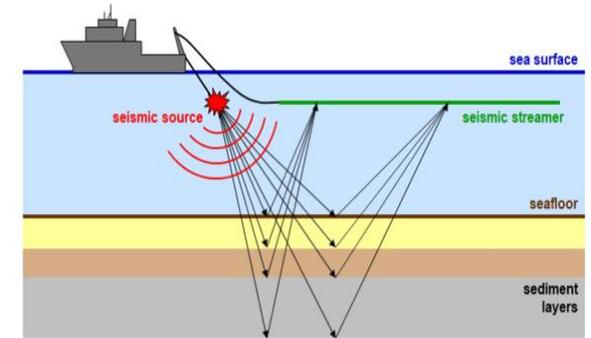
Fulmar Explorer (2009)

- High-end source vessel
- Special periodic survey scheduled in 2026
- Replacement value estimated to around USD 75m



Equipment

- Extensive equipment pool to replenish existing operations
- Can be used to supplement equipment on new capacity



Key events Q1 2024

Operational

- Utilization of 80 %
- LTI of NIL

Eagle Explorer

- Completed 2D project in Malaysia late February,
- in Singapore in anticipation of new work

Fulmar Explorer

- Good steady production in GoM
- 100% utilisation in Q1
- Executing on 2-year firm contract until September 2025

Financial

- Revenues of USD 10.3m (Q1/23: USD 9.9m)
- EBITDA of USD 4.6m (USD 4.4m)
- Net profit of USD 2.6m (USD 6.9m)

- Cash flow operating activities of USD 1.7m (USD 3.4m)
- Net interest bearing debt of USD 13.1m (USD 15.0m) with cash at a low USD 2.4m due to WC cycle. Cash as of end-April was USD 4.1m
- Equity ratio of 56% (49%)

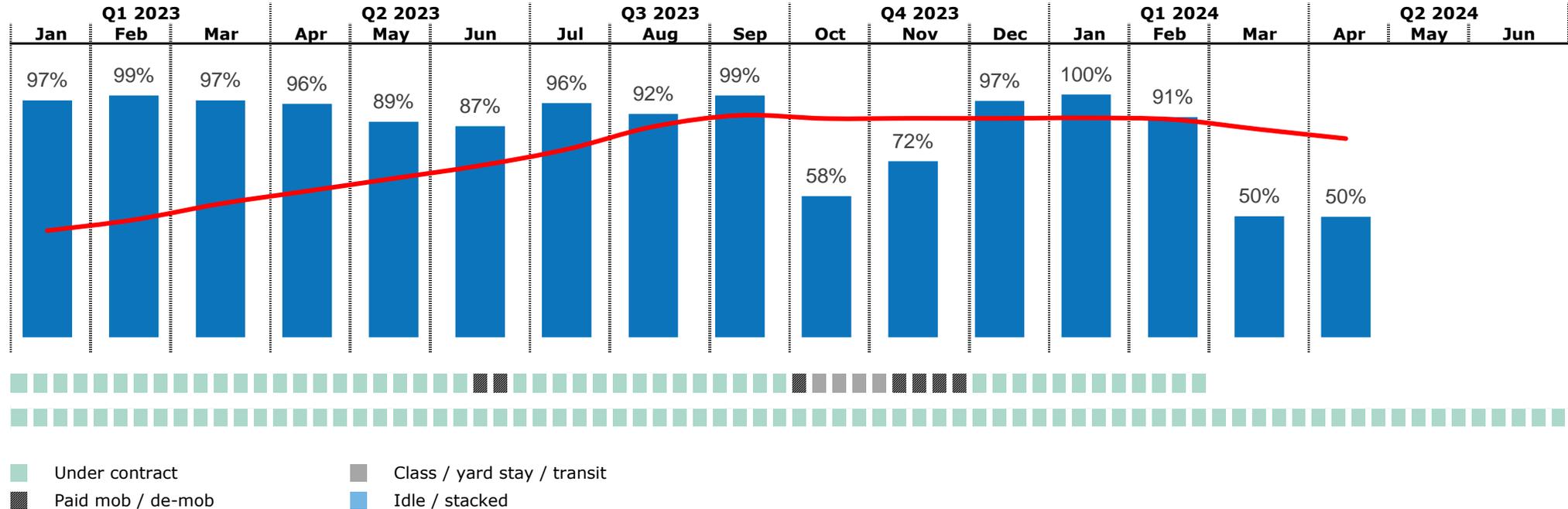
- Extraordinary General Meeting approved distribution of NOK 0.25 per share

Strong operational performance and first cash dividend announced

Contract overview and outlook



Contract coverage and utilisation



Q1 utilisation was 80%

- Fulmar has had 100% utilisation
- Eagle 60%
- LTM utilisation 90%

Fulmar Explorer

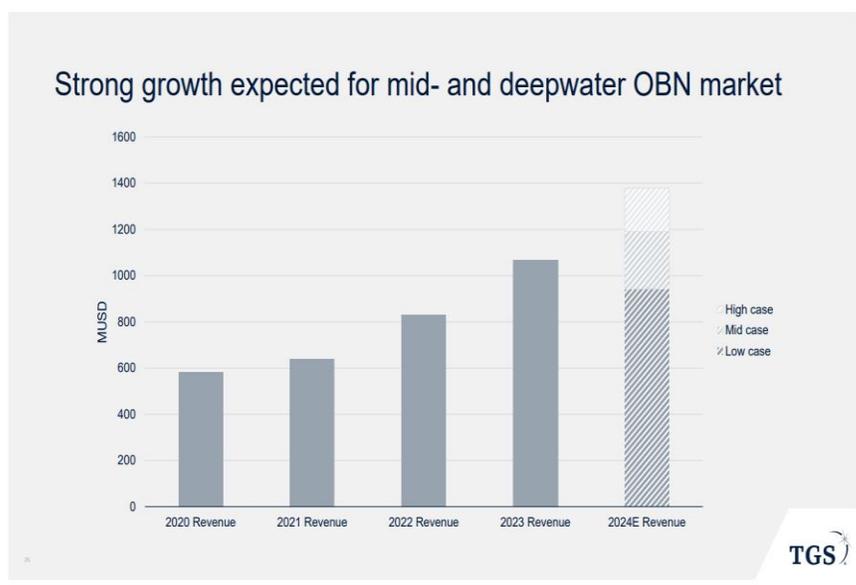
- In production
- Employed until September 2025

Eagle Explorer

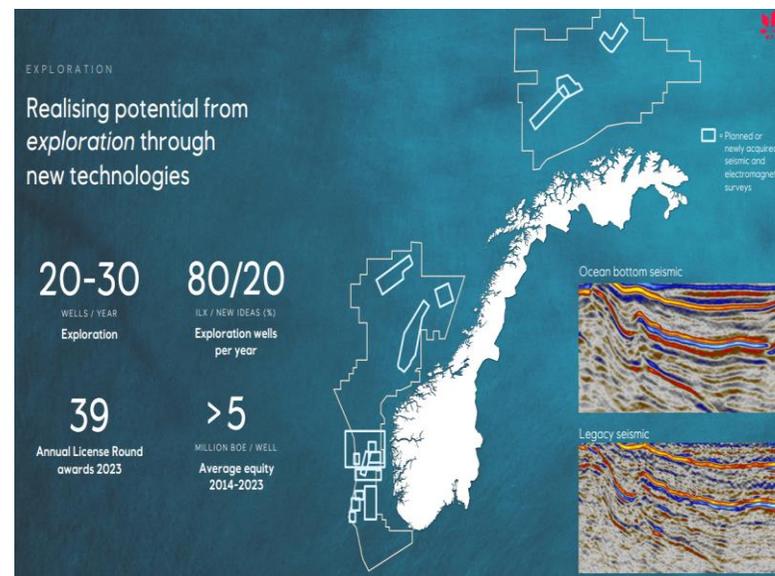
- Relocated against advanced discussions for new work in the Western hemisphere

OBN

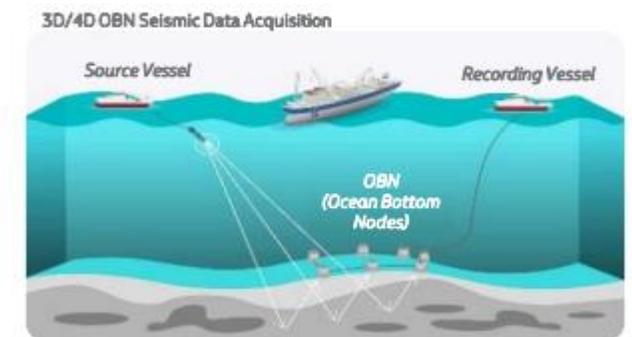
- The OBN market have gained market share of the total seismic market over the last few years
- Reasons for the increased adoption is oil companies focus infrastructure led exploration (ILX) and its superior image quality (further enhanced by AI)



Source: TGS Q4 2023 presentation



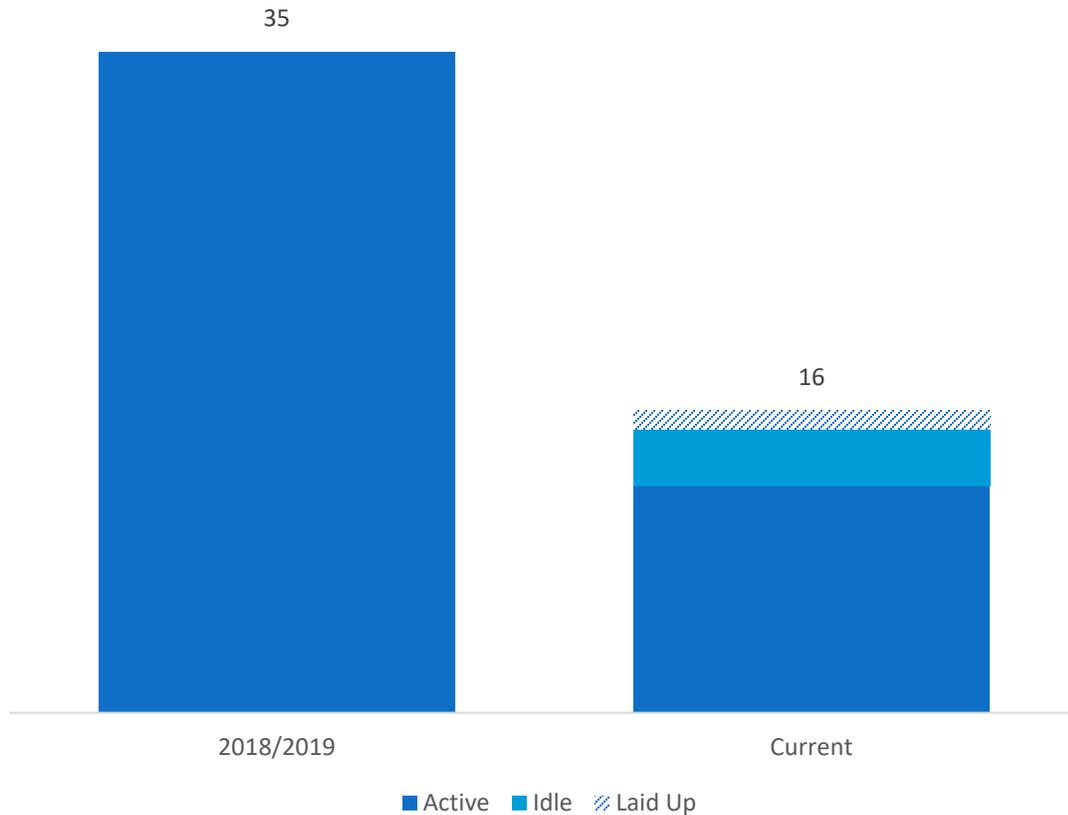
Source: Equinor CMD 2024



Investments of ~ US\$ 4 billion in the 2024-28 timeframe

Source: Petrobras Strategic Plan 2024

Source fleet overview



- Current fleet of active source vessels consists of 16 vessels*
- The comparable fleet in 2018/2019 was 35 vessels.
- Active fleet reduced by ~60%
- Two (2) 3D streamer vessels changed hands in Q1 at an avg. price of approx. USD 43m each**

* This is the "free" fleet competing for work globally, excluding Russian and Chinese vessels due to limitations and also "inhouse" vessels from integrated players not being offered to competitors

** Skipsrevyen

Financials



Financial highlights

Q1 2024

- Revenues of USD 10.3m (Q1/23: USD 9.9m)
- EBITDA of USD 4.6m (USD 4.4m)
- Net profit of USD 2.6m (USD 6.9m)
- Cash flow operating activities of USD 1.7m (USD 3.4m)
- Net interest bearing debt of USD 13.1m (USD 15.0m) with cash at a low USD 2.4m due to WC cycle. Cash as of end-April was USD 4.1m

Guidance

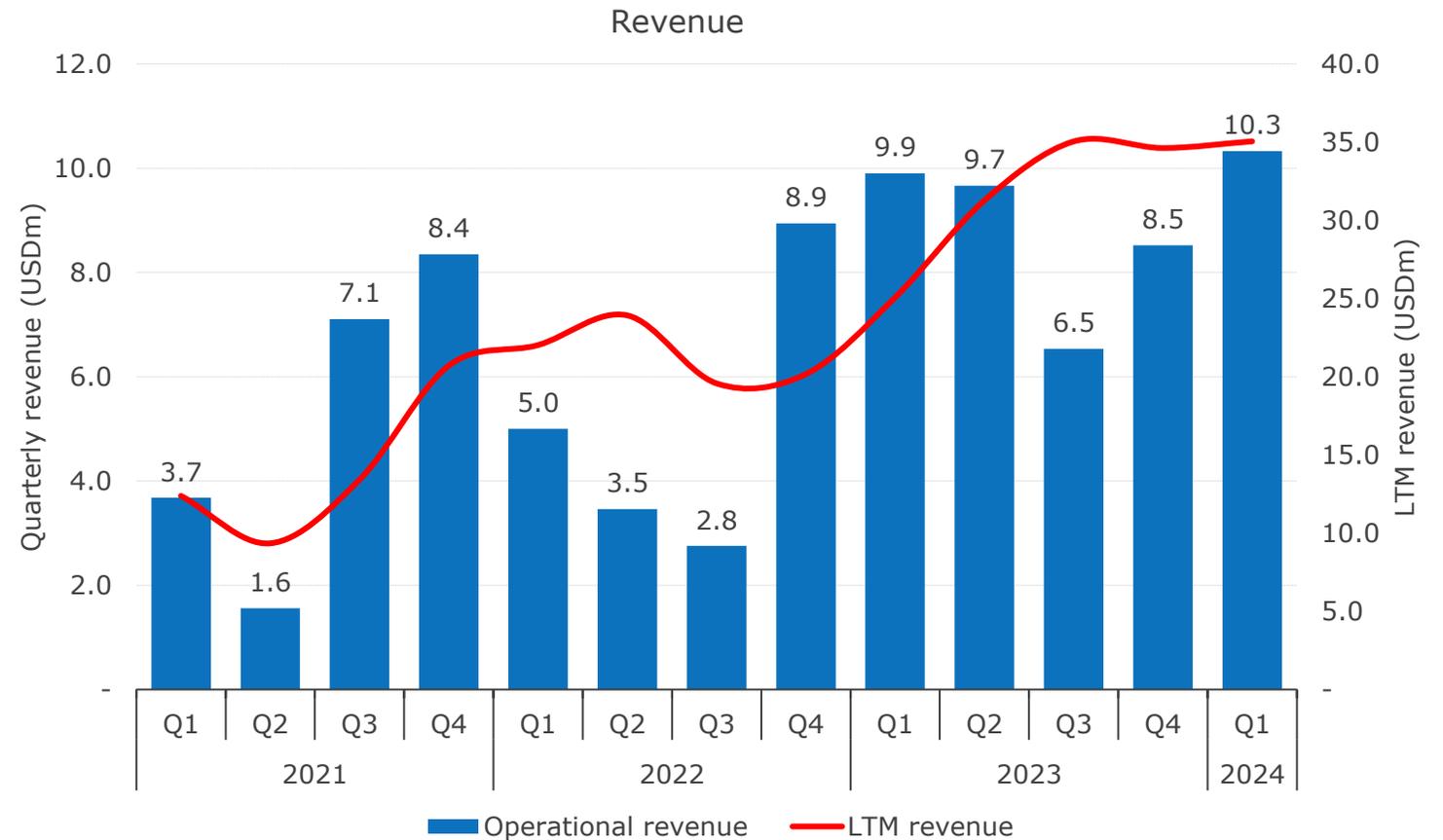
- SG&A: Annual run-rate of USD 3.5-4.0 million
- Strong focus on working capital optimization, cash conversion and free cash flow to equity

Key figures				
All figures in USD '000 (except EPS and equity ratio)	Quarters*		Full year*	
	Q1 2024	Q1 2023	2023	2022
Revenues	10,333	9,906	34,635	20,164
EBITDA	4,648	4,376	8,665	-1,275
EBIT	3,172	2,851	2,411	-9,617
Profit/(loss) for the period	2,630	6,931	3,127	-12,861
Earnings per share	0.03	0.09	0.04	-0.21
Cash flow operating activities	1,729	3,448	8,496	-16,459
Total assets	52,088	59,861	0	0
Net interest bearing debt	13,139	14,954	14,058	15,435
Equity ratio	56%	49%	50%	45%

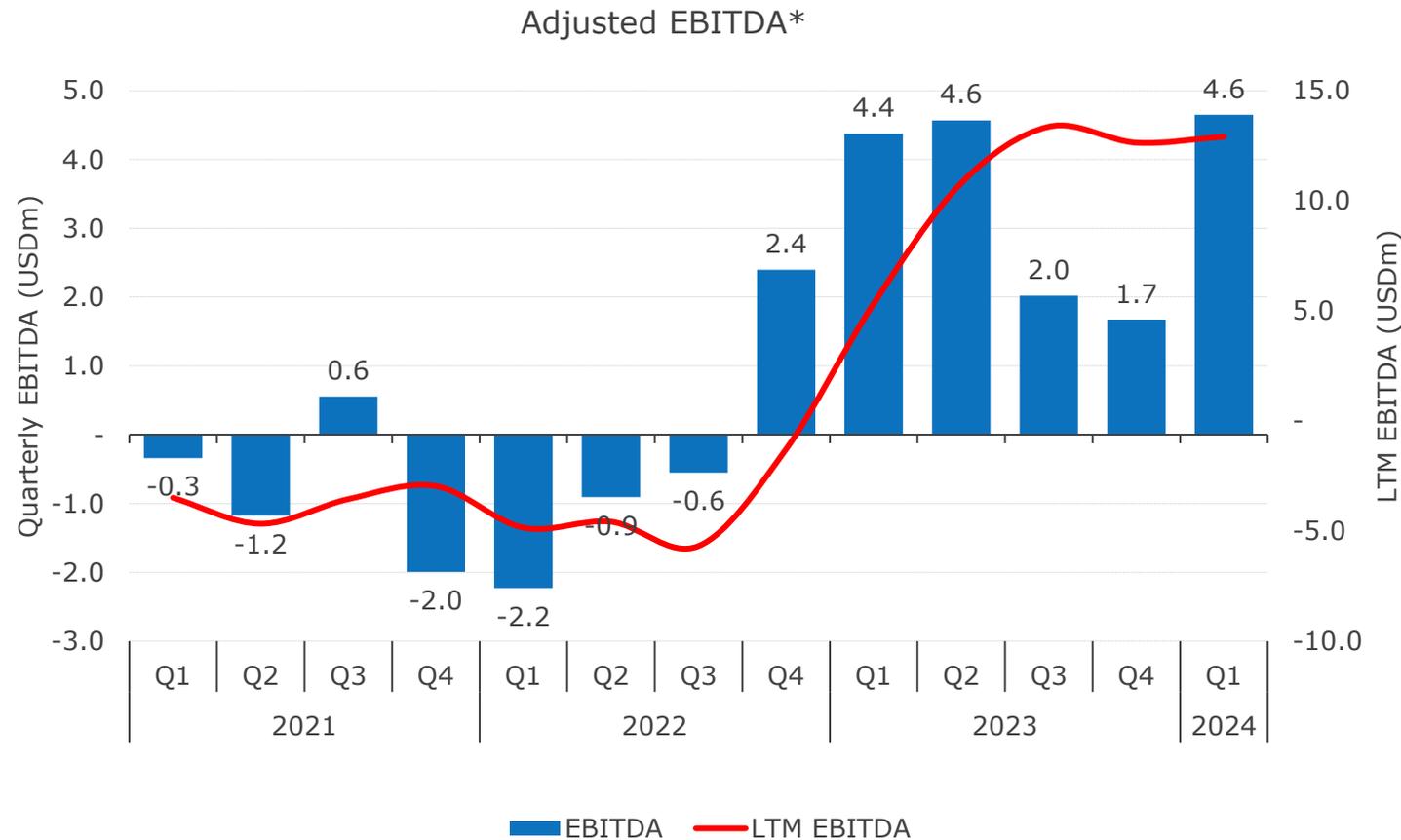
* Quarterly figures are unaudited. Full year 2023 and 2022 figures are audited

Revenue

- Q1 revenue of USD 10.3m reflected strong production and utilisation on both vessels
- Economical utilisation was 80%
 - Fulmar Explorer 100%
 - Eagle Explorer 60%
- Revenue for the last twelve months was USD 35.1 million, up substantially from USD 25.1 millions the same period last year



EBITDA

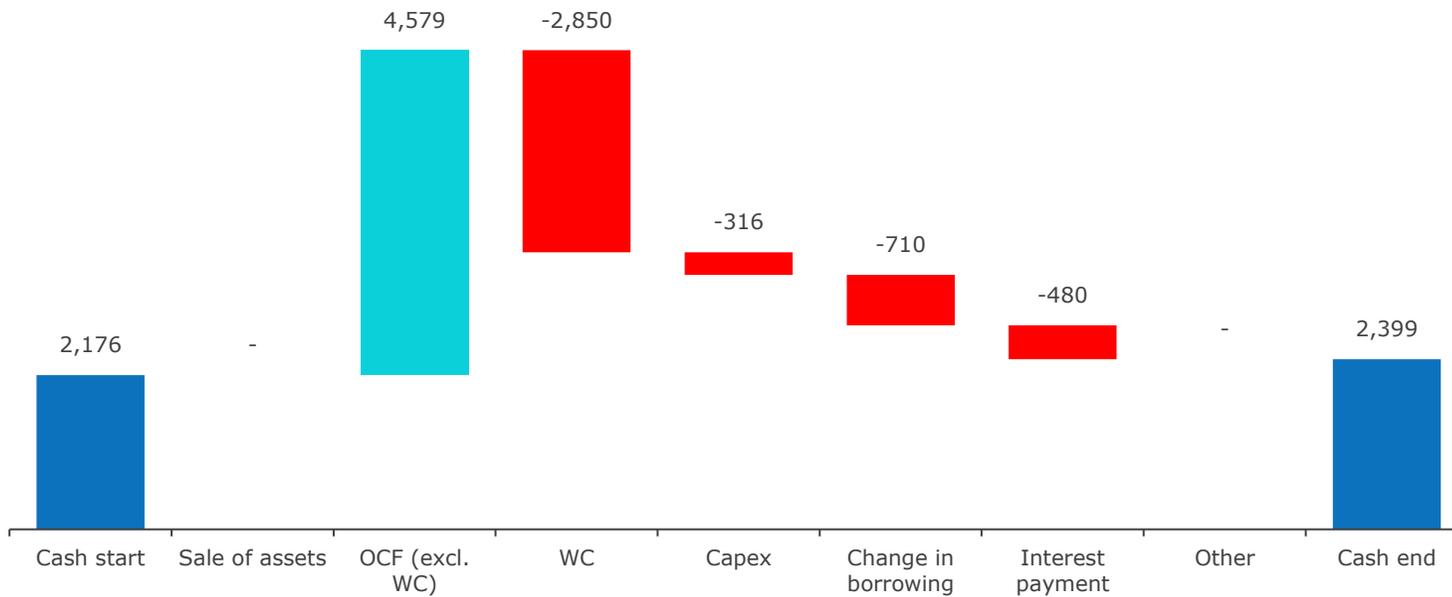


- Q1 EBITDA of USD 4.6m, up from USD 4.4m the same period last year
- Underlying EBITDA for the last twelve months was USD 12.9m, up from a loss of 5.3m the same period last year
- SG&A for Q1 was USD 1.0m and USD 3.9m for the last twelve months. We continue to forecast SG&A of 3.5-4.0m on an annual basis.

* Adjustments to the EBITDA is enclosed in the appendix

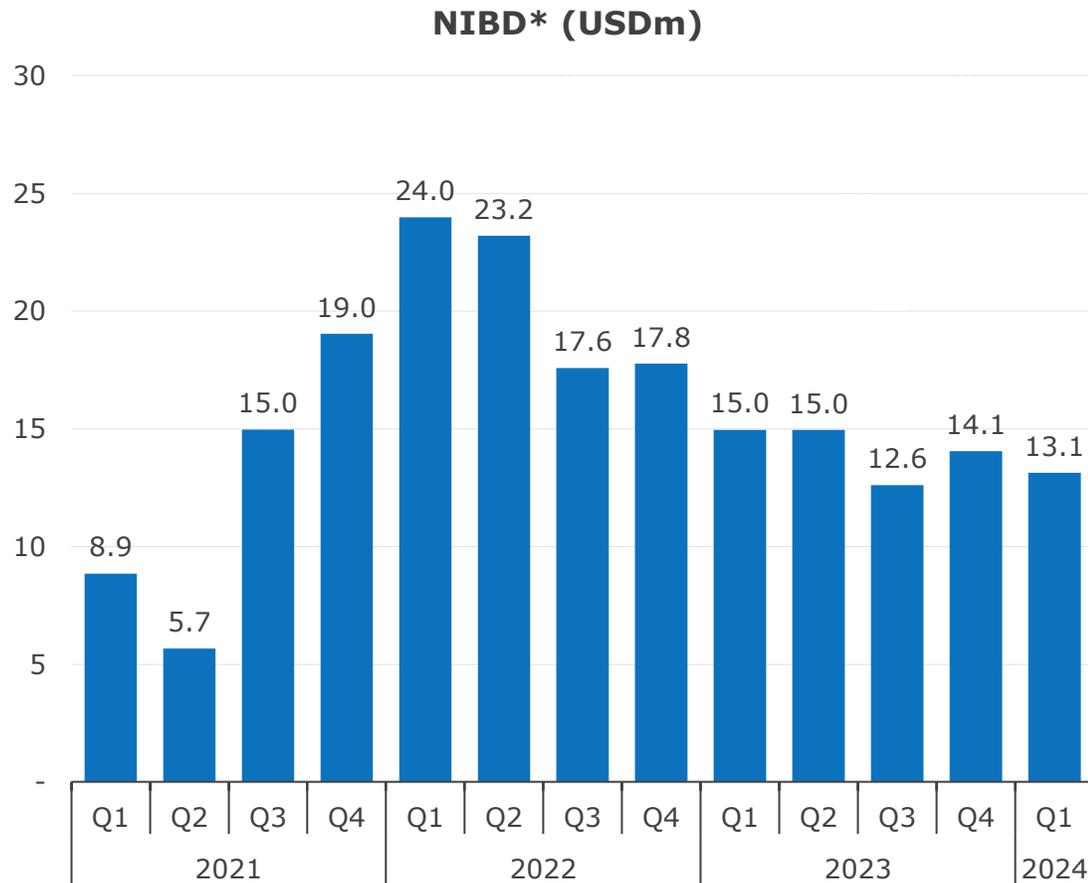
Cash flow bridge

Quarterly cash flow (USDk)



- Net cash flow for Q1 was USD 0.2m
- Cash flow from operation of USD 1.7m was hampered by Working capital build of USD 2.9m
 - Cash as of end-April was USD 4.1m
- Maintenance capex was USD 0.3m
- Debt service cost was USD 1.2m

Net interest-bearing debt



- Net interest-bearing debt was USD 13.1m as of Q1 2024
 - Bank financing: USD 12.8m
 - Equipment financing: USD 2.6m
 - Cash: USD 2.4m
- Reduced NIBD by ~USD 11m (~45%) since peak
- The company is in compliance with all bank covenants

Summary



Illustrative dividend capacity

Assumptions	Both vessels at 2013 rate level and 100% utilization	LTM	Current Fulmar contract + Eagle working:			
			2D w/ 70% utilization	2D w/ 90% utilization	OBN w/ 70% utilization	OBN w/ 90% utilization
Vessel EBITDA	45	17	24	32	19	23
SG&A	- 4	- 4	- 4	- 4	- 4	- 4
Company EBITDA	41	13	20	28	15	19
Debt service (incl. repayment)	-4.5	-4.5	-4.5	-4,5	-4,5	-4,5
CapEx (est. '24/'25 mid-point)	-2.5	-2.5	-2.5	-2,5	-2,5	-2,5
Free Cash Flow to Equity	34	6	13	21	8	12
Dividend per share (NOK)	4,4	0,8	1,7	2,7	1,0	1,6
Dividend yield (NOK 4.63/share)	93 %	17 %	36 %	57 %	21 %	34 %

- Rates are based on current levels
- 1 OBN vessel LT contract OBN
- Flexible charter capacity would add to the dividend potential above
- Eagle Explorer will most likely work as mix between 2D and OBN source. There is also opportunities in the low-end 3D/hybrid marked
- CapEx is estimated as average between 2024 and 2025
- Other assumption: USDNOK 10.5 and 80.5m shares outstanding

Capital Allocation

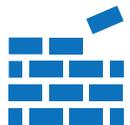


Aim to distribute excess cash to shareholders on a quarterly basis without jeopardizing Seabirds sound financial position



First dividend of NOK 0.25/share approved by EGM and will be paid in Q2 2024.

Ex-date:	10 June 2024
Record date:	11 June 2024
Payment date:	24 June 2024



A prerequisite for further dividends is continued strong operational performance of Fulmar Explorer and new contract for Eagle Explorer.

Strategy

- Strong operational performance
- Strong market outlook.
- Actively monitor value accretive opportunities. Key next 12 months:
 - New Eagle contract
 - Capitalize on several 2D opportunities
- Fragmented industry in need of further consolidation
- Focus on cash conversion and free cash flow to equity
- Company has entered **capital distribution** phase



Sound platform for profitability and consolidation in place

Q&A



Adjustments to EBITDA

USDk	2021				2022				2023				2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Reported EBITDA	-533	-1,420	284	-2,516	106	-1,172	-609	-401	4,376	4,567	2,018	-2,296	4,648
Green Minerals	194	247	269	524	468	268	59						
Write down of receivables					-2,800			2,800					
Legal provisions												3,969	
Adjusted EBITDA	-338	-1,173	553	-1,992	-2,226	-904	-551	2,399	4,376	4,567	2,018	1,673	4,648