

From Seismic Precision to Offshore Power

SeaBird Exploration

12, February, 2025

SeaBird Exploration Plc ("SeaBird" or "the Company") is a market-leading provider in the growing seismic service sector, operating with a lean, asset-light business model, utilizing two Ocean Bottom Node ("OBN") vessels with a 99% utilization rate and a 24-month backlog including options. SeaBird's revenue derives from collecting offshore seismic data of oil deposits through the OBN-system, a technique that now represents 40% of all offshore seismic data gathering, addressing the increased demand of data for Exploration and Production ("E&P") companies. Recently, SeaBird announced a transformational merger with Energy Drilling, expanding into offshore drilling and strengthening cash flow stability with a 24-month dividend yield estimated at up to 50%. With strong market tailwinds in OBN and a diversified revenue base post-merger, SeaBird presents a compelling investment case in a structurally growing industry.

Company Overview

SeaBird Exploration is a leading provider of offshore seismic data vessels for the oil and gas industry. Unlike traditional seismic methods, OBN uses seabed-deployed sensors (nodes) to capture seismic data with higher resolution and lower noise interference, which is essential in deepwater and near-field exploration where precision is critical. SeaBird leverages a fleet of 2 specialized vessels, the "Fulmar Explorer" and "Eagle Explorer", which are secured with contracts in the Gulf of Mexico ("GoM"), holding a backlog totalling 24 months.

In early 2025, the Company announced a strategic merger with Energy Drilling, a market leader in tender-assisted offshore drilling. This transaction enhances SeaBird's ability to capitalize on offshore oil and gas growth, securing access to a USD 490m firm backlog and expanding the Company's footprint into drilling services, a high-margin segment with long-term demand. The Company's future strategy includes leveraging synergies from the merger, expanding the contract portfolio, and maintaining high asset utilization in a structurally growing offshore market.

Strong Position in the OBN Market

SeaBird is well positioned in the fast-growing OBN market, which now represents over 40% of all offshore seismic data collection, up from 15% in 2017 where structural demand still has grown through downturns.

Diversification Through Strategic Merger

The merger with Energy Drilling strengthens SeaBird's financial position and operational reach by expanding into offshore drilling services, unlocking a larger contract backlog and higher cash flow visibility.

Increased Pressure in the Sector

Since 2020, OBN spending in the market has increased from USD 0.8bn to USD 1.4bn, while the number of active vessels has decreased from 30 to 14 with SeaBird owning 30% of the high-end seismic vessels.

SeaBird's revenue model is now built on two key business segments: Offshore Seismic Services and Tender-Assisted Drilling

- **Seismic Services (OBN and 2D Surveys):** The Company operates two high-capacity vessels contracted for OBN seismic work for the coming year. These services are provided under long-term contracts that are market-leading in terms of day rates, at approximately USD 60k per day. With only 14 vessels available for work in the market, SeaBird's fleet represents two of the top 6 in high-end seismic operations.
- **Tender-Assisted Drilling Services:** Following the merger with Energy Drilling, SeaBird now has exposure to a high-margin drilling business with a strong contract backlog of USD 490m. Energy Drilling's rigs operate alongside offshore platforms, providing cost-efficient drilling solutions under long-term contracts. With Energy Drilling controlling 38% of the world's actively marketed capacity, this segment diversifies SeaBird's revenue streams and increases cash flow stability.



Expanded Premium Asset Base

The Company owns two of the top 6 actively operating OBN vessels and now benefits from a fleet of tender-assisted rigs through the merger with Energy Drilling. The demand for high-quality offshore services has increased, while the number of active vessels and rigs remains constrained, creating a highly favourable market dynamic, where the newly integrated Energy Drilling assets provide additional long-term revenue security.



Strong Backlog

The Company holds a 24-month contract backlog with multi-year agreements for SeaBird's OBN vessels, estimated to be worth around USD 50m. Additionally, Energy Drilling brings a backlog of USD 490m, with 80% of available rig days contracted for 2025 and 2026. The contracts are estimated to generate an FCFF of USD 273m, supporting a potential 50% dividend yield for the next 24 months.



Rapidly Growing Market

The OBN seismic market accounts for over 40% of offshore seismic activity, and total spending in the segment is projected to grow at a CAGR of 5% until 2032, reaching an estimated market size of USD 4.9bn. Simultaneously, the offshore drilling sector remains a critical component of global oil and gas exploration, with Energy Drilling's tender rigs playing a key role in supporting regional natural gas production.

Company Overview – SeaBird

Strong Position in a Rapidly Growing Market

SeaBird holds a dominant position in the fast-growing OBN market, which represents over 40% of offshore seismic data acquisition in 2024, an increase of 25% from 2017. As offshore exploration intensifies, the demand for OBN technology is expected to rise further, growing at a CAGR of 6% until 2032 supported by increasing investments in energy security and offshore development by E&P companies at approximately 12% (10%) of the E&P companies revenues. SeaBird has recently secured major contracts in the GoM, resulting in a contract backlog of 24 months. The contracts are estimated to be worth USD 50m at current day rates, enabling stable revenue growth as day-rates are estimated to increase due to increased demand in the OBN sector. With no new OBN vessel builds in sight, day rates have the potential of reaching the 2013-peak of USD 85k per day. Making current contracts worth an estimated USD 53m.



“With increased structural demand and decrease in active vessels, day-rates are estimated to rise from USD 50k to 70k per day. With SeaBird’s leading position, the estimated increase of day-rates secure revenue growth going forward”, says the responsible analyst at Analyst Group.

Contract Backlog Enables Future Dividends

The Company benefits from a 24-month contract backlog, which ensure high fleet utilization at 99% and provide predictable cash flows, reducing financial risk. The secured backlog allows SeaBird to maintain financial stability and support shareholder returns, evident by the Company’s first-ever cash dividend in Q2 2024 of NOK 0.25 per share. As demand for OBN services grows and day rates estimated to rise due to reduction in the supply chain, SeaBird’s backlog serves as a strong foundation for sustainable growth. This financial predictability allows the Company to keep doing cash distributions to shareholders in the future, with an estimated dividend yield of 34% in the next 24 months.

Business Model and Asset Portfolio

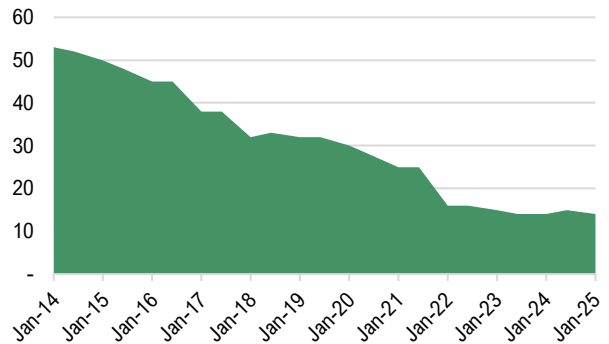


The **Fulmar Explorer** is operating as a source vessel for OBN work. The vessel is in the top 3 of active vessels on the market and has been employed ever since the acquisition in 2019. The Fulmar is on OBN work in the GoM until September 2025 but given the vessel’s strong market presence it is poised to be signed for new work soon after.



The **Eagle Explorer** is a versatile vessel capable of operating as a 3D, 2D or source vessel. The Eagle is a top 6 vessel in the current market and is on OBN work in the GoM until July 2025 with extension options until July 2026. The vessel is one of the youngest in the market, allowing to continue operations for 10-15 years.

Seismic Vessels Suitable for Source Operations

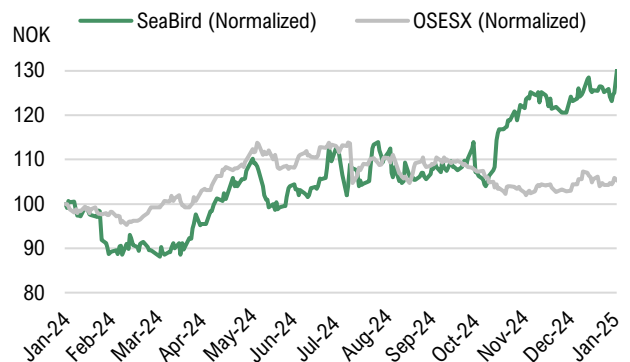


Source: Fearnley Research, the Company

Key Stats as of 2025-02-11

Share Price (NOK)	6.45
Shares Outstanding (m)	80.5
Market Cap (NOKm)	519.1
Net Debt (NOKm)	105.4
EV (NOKm)	624.4
Exchange	Euronext Expand Oslo
CEO	Finn Atle Hamre

Share Price Development



SeaBird to Merge with Energy Drilling

Overview of the Deal

On February 3rd, 2025, SeaBird announced a merger with Energy Drilling, a market leader in tender-assisted drilling services. The transaction, structured as a share-for-share acquisition, will result in Energy Drilling shareholders owning 89% of the combined company, with approximately 651 million new SeaBird shares issued, in contrast to the current 80.5 million shares. The acquisition will result in a name change from the current SeaBird, but the seismic and drilling businesses will continue operations as SeaBird and Energy Drilling.

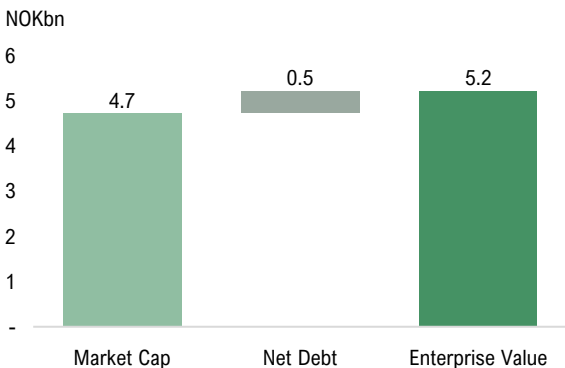
This marks a strategic shift for SeaBird, expanding the Company's focus beyond seismic services to become a diversified offshore energy services provider. By integrating Energy Drilling's market-leading position in tender rigs, SeaBird is strengthening the position in the offshore oil and gas industry while reducing single-market dependency.

Energy Drilling brings significant operational synergies, controlling roughly 38% of the world's actively marketed tender rigs. These rigs are well-positioned in Southeast Asia, a region experiencing structural natural gas demand growth as countries transition away from coal. With long-term contracts already in place at a 95% utilization rate for 2025 and 2026, the combined company is set to capitalize on high-margin contracts with a total backlog valued at USD 320m EBITDA.

Additionally, the merger enhances SeaBird's ability to scale and consolidate niche offshore markets. By leveraging Energy Drilling's strong contract backlog, the Company strengthens the position in an industry characterized by increasing demand for contract-driven offshore services.

Despite the strategic benefits, the transaction is subject to regulatory approvals, shareholder consent, and final due diligence. If successfully executed, the deal could fundamentally transform SeaBird, positioning the Company as a major offshore energy services player with multi-segment exposure and stronger earnings potential, with a backlog estimated to generate a total of USD 270m.

Pro-forma Valuation as of 2025-02-11

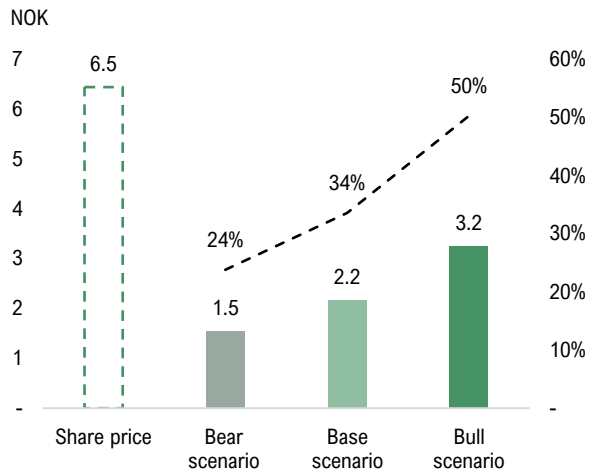


Source: the Company, Bloomberg

Shareholder Value is Prioritized

A core objective of the merger is enhancing shareholder value through an increased focus on capital allocation. The combined company will prioritize quarterly distributions, aiming to return all FCFE to investors. Based on the estimated SG&A expenses and current day rates on the backlog, the Company can potentially distribute a total NOK 2.2 per share the next 24 months, or 34% of the current share price, including the approved NOK 0.4 per share for Q1 2025.

Total Dividends per Share and Yield (%) Next 24 Months



Source: Analyst Group estimates, the Company

The merger's increased financial scale and diversified revenue base should allow for improved debt financing terms, enhancing capital efficiency. The stronger balance sheet also provides flexibility for potential strategic acquisitions or fleet optimizations that could drive further earnings growth and shareholder value.

Both SeaBird and Energy Drilling operate within the most profitable and fastest-growing niches of their respective segments. SeaBird's high-margin OBN technology, known for its superior imaging capabilities and increasing adoption in offshore exploration, combined with Energy Drilling's market-leading semi-tender rigs—offering cost-efficient and contract-driven operations—creates a strategically positioned company with diversified revenue streams. The merger strengthens the combined entity's presence in key offshore markets characterized by structural growth, robust demand for advanced seismic data, and rising natural gas exploration activity, further enhancing long-term cash flow visibility and shareholder value.

While the transaction presents a compelling financial case, key risks remain. Successful execution depends on regulatory approvals, market conditions, and effective operational integration. However, if these factors align, SeaBird's evolution into a leading dividend-paying offshore services firm could be a major value catalyst for investors.

Company Overview – Energy Drilling

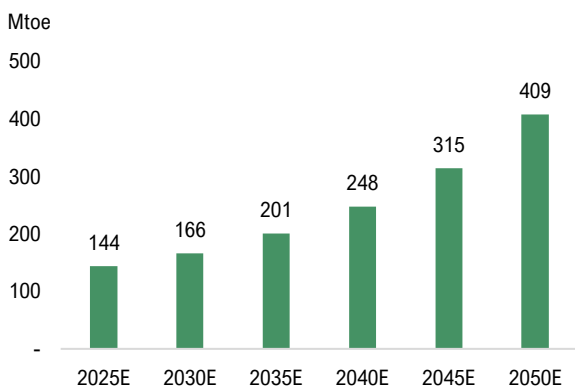
Market Leader in Tender-Assisted Drilling

Energy Drilling Pte. Ltd. (“Energy Drilling” or “EDrill”) is a leading provider of tender-assisted drilling services, controlling approximately 38% of the world’s actively marketed tender rigs. The company specializes in cost-efficient offshore drilling operations, primarily in Southeast Asia, where demand for natural gas is accelerating as countries transition from coal-based energy sources.

EDrill’s fleet consists of tender barges and semi-tender rigs, which are designed to operate alongside fixed platforms, providing cost-effective and flexible drilling solutions. This method is particularly attractive for long-term development projects, as it reduces operational costs compared to other offshore drilling alternatives. Energy Drilling’s fleet is fully contracted, with an estimated firm revenue backlog of USD 491m and FCFF of USD 273m according to our base scenario. The high-margin contracts are expected to entirely paid out in dividends to shareholders, where the base scenario shows a total dividend of NOK 2.2 per share over the next 24 months.

With strategic exposure to Malaysia, Thailand, Indonesia, and Myanmar, Energy Drilling is well-positioned to capitalize on the increasing demand for offshore drilling services in regions with long-term natural gas expansion.

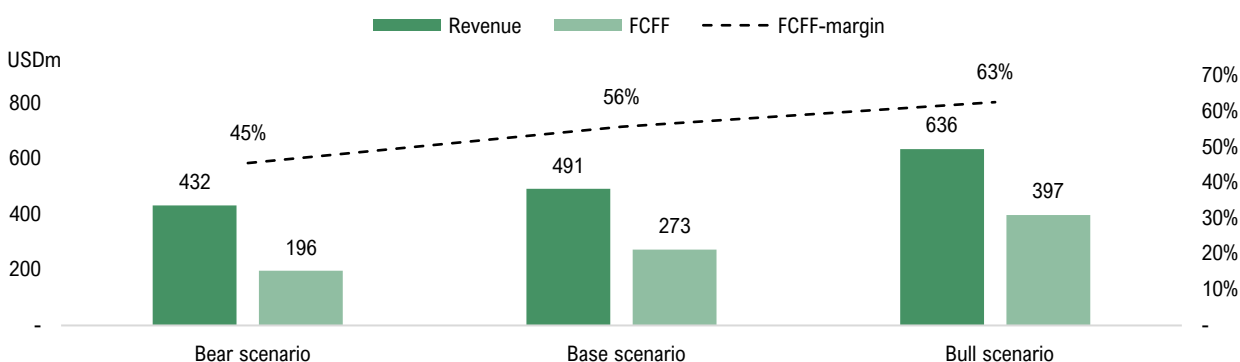
SE Asia Projected Natural Gas Demand



Source: UN ESCAP

Energy Drilling’s Total Backlog Estimated to Yield High Margins

Estimated revenue and FCFF from Energy Drilling’s total backlog



Source: Analyst Group estimates, Energy Drilling

Resilient Financials and Strong Cash Flow Generation

Energy Drilling operates with a highly cash-generative business model, supported by long-term contracts, strong EBITDA margins and disciplined financial management. Energy Drilling benefits from stable day rates averaging at USD 135k per day, which, combined with a fully contracted fleet, provide predictable revenue streams and high cash conversion rates.

EDrill’s estimated rig EBITDA backlog covers more than 80% of the implied enterprise value, highlighting the ability to generate strong earnings relative to the implied valuation. Additionally, Energy Drilling maintains a conservative net debt position of USD 33m, ensuring financial flexibility and a lower risk profile compared to more leveraged offshore drilling peers.

Energy Drilling Backlog EBITDA Valuation, USDm



Source: Analyst Group estimates, Energy Drilling

With 80% of available rig days already secured for 2025 and 2026, Energy Drilling offers exceptional cash flow visibility in a capital-intensive industry where volatility is often a concern. Moreover, EDrill has limited near-term CapEx commitments, allowing Energy Drilling to retain more cash for operational growth and financial stability.

In an industry where asset utilization is crucial, Energy Drilling has consistently optimized fleet efficiency, securing long-term contracts with major energy operators. The combination of a strong contract backlog, stable revenue generation, and strong financial management makes Energy Drilling a highly resilient and profitable player in the offshore drilling sector.

Market Analysis

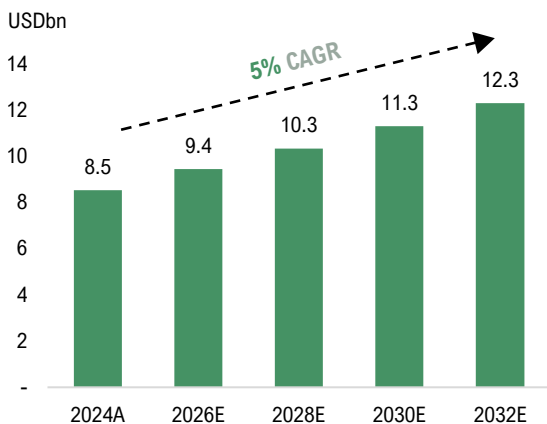
Strong Position in a Rapidly Growing Market

SeaBird operates in the global offshore seismic services market, valued at approximately USD 8.5bn in 2024, with a projected CAGR of 5% until 2032, reaching USD 12.3bn. The market's recovery post-COVID and oil price volatility due to global events is expected to further stabilize in 2025, driving steady market growth. A key driver of the market is the growing adoption of OBN technology, which now represents over 40% of offshore seismic activity, up from 15% in 2017. OBN provides superior imaging for complex subsurface structures, making it critical for oil recovery and carbon capture storage projects, areas where SeaBird has built significant expertise.

The Company holds a competitive edge through a lean asset-light model and operational efficiency, enabling SeaBird to offer cost-effective solutions compared to competitors. This advantage is amplified in regions like the GoM, West Africa, And Southeast Asia, key growth areas with high exploration and production activity. While competitors face challenges with high fixed costs, SeaBird's business model allows the Company to be the most profitable in the segment with an LTM gross margin of 52%.

Ongoing consolidation and a 47% reduction in vessel supply since 2020 have tightened the market, supporting a 30–40% increase in OBN day-rates in 2025. SeaBird's strong positioning allows the Company to capture an estimated 20% of this high-margin market.

Offshore Seismic Market Value Forecast



Source: Market Research Future

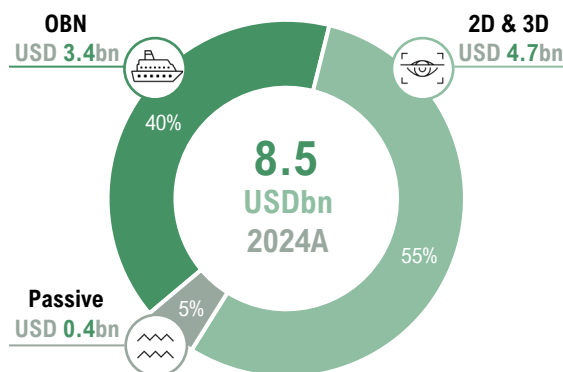
The forecasted growth in the offshore seismic market value highlights the increasing demand for advanced seismic services. As investment in offshore exploration rises to meet global energy needs, the need for high-resolution imaging technologies like OBN is expanding significantly. SeaBird is well positioned to capitalize on the growing demand by leveraging the Company's expertise in precision subsurface mapping with SeaBird's scalable business model.

Market Segments of the Seismic Industry

The seismic services market can be divided into four primary segments based on the methods used.

- **Ocean Bottom Node** technology involves deploying nodes on the seabed to collect high-resolution seismic data. This segment has grown rapidly due to its ability to provide superior imaging in complex geological environments, making it essential for offshore oilfield development and monitoring. OBN now accounts for approximately 40% of the total seismic market and its applications extend beyond traditional exploration to include enhanced oil recovery and carbon capture storage monitoring, positioning it as a key growth driver within the industry.
- Traditional **streamer seismic methods (2D and 3D)**, where sensors are towed behind a vessel, which remain the largest segment, consisting of approximately 50% of the seismic market. Streamer seismic is widely used for early exploration and regional surveys, offering a balance between cost and data coverage. The technique is particularly effective for large-scale mapping and remains a staple in less complex geological regions.
- The **niche 3D seismic** segment focuses on specialized 3D seismic surveys conducted in smaller or shallow water environments. Since niche 3D surveys are often tailored to specific client needs and geographies. It accounts for only 5% of the current market value. Niche 3D supplies information in areas where traditional 2D and 3D methods fail, such as shallow areas.
- **Passive seismic** methods, which utilize natural seismic events or environmental noise, and hybrid solutions that combine multiple technologies, make up the remaining 5% of the market. These methods are emerging as innovative approaches, especially for monitoring purposes or when active seismic acquisition is impractical. While these segments are still small, they represent areas of growing interest for their versatility and reduced environmental impact.

Seismic Segment's Global Market Share



Source: ABG Sundal Collier Research

Comment on Recent 2025 Offshore Seismic News

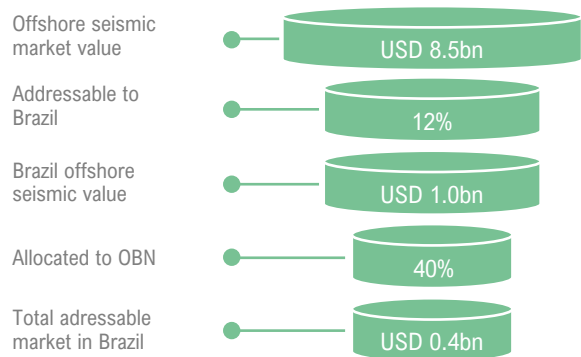
TGS Opens Advanced Imaging Centres for Brazil Offshore

TGS-NOPEC Geophysical Company (“TGS”) recent establishment of advanced imaging centres in collaboration with Petrobras presents a significant growth opportunity for SeaBird. These centres are designed to enhance seismic capabilities in Brazil’s Campos and Santos basins, leveraging technologies like 4D Full Waveform Inversion and hybrid solutions combining Streamer, OBN, and Ocean Bottom Cable data. With SeaBird’s expertise in leasing seismic vessels for OBN deployment, this initiative is expected to drive increased demand for the Company’s services.

The focus on optimizing exploration and production in some of Brazil’s most oil-rich offshore basins directly aligns with SeaBird’s strengths. The Company’s fleet is well-suited for supporting deepwater seismic surveys, making SeaBird a natural partner for TGS’s plans. Analyst Group expects SeaBird and TGS to partner up for this project given the Companies earlier business together. This increased activity in the Brazilian offshore sector could translate into higher vessel utilization, longer contracts at 2 or more years, And continued stable revenue streams for SeaBird.

Additionally, the emphasis on sustainability within this collaboration highlights the growing importance of environmentally responsible practices in the energy sector. SeaBird’s modern and efficient fleet positions the Company as a valuable partner in projects that prioritize both advanced technology and reduced environmental impact.

By participating in high-profile projects like this, SeaBird not only secures immediate business opportunities but also strengthens the Company’s long-term market position. The partnership between TGS and Petrobras underscores Brazil’s commitment to offshore exploration, SeaBird is well positioned to play a crucial role in supporting this through the Company’s specialized capabilities. Overall, the initiative represents a clear pathway for SeaBird to expand the Company’s presence in a key market while solidifying SeaBird’s relationships with industry leaders like TGS.



Source: Analyst Group estimates, Market Research Future

Iran Restarts Offshore Exploration After Five-Year Pause

Iran’s decision to resume offshore oil exploration after more than five years represents a development with potential implications for companies like SeaBird Exploration. The National Iranian Oil Company (“NIOC”) announced plans to restart offshore seismic surveys And drilling activities, beginning with the Nosrat oil field in the Persian Gulf. This field has recoverable reserves estimated at 2.9bn to 5.8bn barrels. The renewed focus on exploration comes after a period of inactivity caused by a lack of rigs and limited geological studies.

This announcement signals an increase in demand for seismic survey services and specialized vessels. SeaBird’s expertise in providing cost-efficient, high-quality seismic vessels for offshore operations makes the Company well-suited to meet these emerging needs, particularly in regions requiring advanced subsurface imaging.

The NIOC’s plans to double its exploration rigs by March 20th 2025 could further drive demand for seismic support as exploration efforts accelerate. A higher number of active rigs implies an increase in survey requirements, both for new fields and to reassess existing reserves. This aligns with SeaBird’s capacity to provide flexible and reliable seismic services to meet the growing operational needs of energy companies in dynamic markets like the Persian Gulf.

Additionally, the shared nature of the Nosrat oil field with the UAE adds an element of urgency to the exploration activities. As neighbouring states vie for effective resource management and production optimization, SeaBird is capable to support multi-national projects or provide competitive services in the region. The strategic location of the Persian Gulf, a key global energy hub, reinforces the importance of accurate seismic data for maximizing resource utilization and planning long-term production strategies.

Beyond immediate operations, Iran’s return to offshore exploration reflects broader trends in the global energy sector, where nations are ramping up efforts to unlock untapped reserves amid fluctuating oil prices And geopolitical shifts. Maintaining a strong position in such markets ensures access to lucrative opportunities and positions the Company as A critical partner in revitalizing exploration efforts in previously underutilized regions.

In summary, Iran’s move to resume offshore exploration marks a significant step in the revitalization of its energy sector, creating new opportunities for companies like SeaBird. With increased rig availability, substantial reserves in fields like Nosrat, And a renewed focus on exploration, the Company is well positioned to support these efforts, ensuring SeaBird remains a valuable partner in the global seismic services market.

Investment Thesis

Increased OBN Spending, SeaBird's Share Lagging

As the energy sector continues its transition, major E&P companies like BP, Chevron, and Shell are progressively optimizing their operational structures. This is evident in their increase of capital expenditure. Most of these major E&P companies are expected to experience drawbacks in their top-line, yet invest more in exploration such as seismic data collection. This signifies the importance of seismic data collection as the market fluctuates, creating opportunities for specialized service providers like SeaBird.

E&P Companies capex guidance as % of revenue



Source: BP, ConocoPhillips, Exxon Mobil, Chevron, Equinor, Eni, Shell

The seismic exploration market is showing signs of recovery, highlighted by a significant resurgence in asset values and replacement costs. The second-hand Platform Supply Vessel (PSV) market has seen valuations increase by 173% since 2022, meanwhile OBN replacement costs have rebounded by 92% over the same period, up to USD 50m. These metrics underscore a growing commitment to offshore exploration, driven by both the need to sustain production levels and an anticipated uptick in global energy demand.

Amidst these favourable market trends, SeaBird stands out as an underappreciated asset. Despite the broader market recovery, the Company's enterprise value has only risen by 35% since 2022, compared to Peers with an approximated increase of 90%. This relatively modest increase contrasts sharply with the broader industry recovery, suggesting that SeaBird is undervalued relative to the Company's growth potential. This valuation disconnect provides a compelling entry point for investors seeking exposure to the seismic exploration market.

SeaBird Poised for Growth Amid Rising Day Rates

Moreover, the outlook for day rates, which is a critical profit driver for seismic service providers, is highly promising. Analyst Group estimates rates to reach approximately USD 70k per day in 2025, reflecting tightening capacity and growing demand for seismic solutions. Higher day rates not only enhance revenue streams but also significantly improve profit margins, positioning SeaBird for strong financial performance in the coming years as the Company signs new contracts.

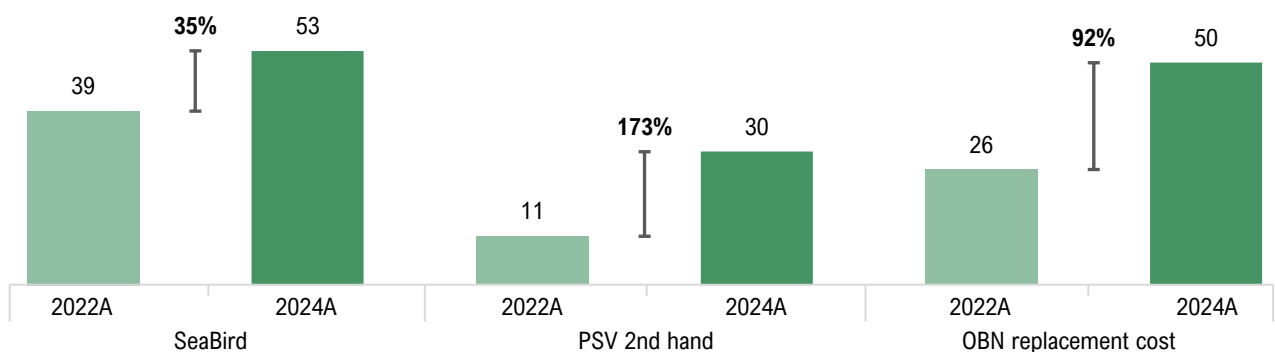
With the industry dynamics strongly favouring cost-effective and flexible seismic operators, SeaBird is positioned to capture a larger share of the recovering market, where the Company has approximately 13% of the market, estimated to increase to 20% in 2027. The growth in asset values, increasing replacement costs, and a rising trajectory in day rates all point to a sector poised for sustained growth, with SeaBird well-placed to benefit from these trends. This does not only boost SeaBird's competitiveness but also ensures that the Company is well-equipped to capture growth in both mature and emerging offshore basins.

Additionally, the global push for energy security and the diversification of energy portfolios by governments and corporations are expected to drive further investments in offshore exploration. The growing demand for seismic surveys to support renewable energy projects, such as offshore wind farm installations, opens additional revenue streams for specialized seismic providers like SeaBird. This expansion into renewable sectors could further diversify and stabilize the Company's revenue base, enhancing the long-term investment potential.

In conclusion, the intersection of macroeconomic recovery in offshore exploration, SeaBird's valuation relative to Peers and favourable market dynamics creates a compelling investment case for investors. The Company's potential to deliver market leading returns amidst these developments' positions SeaBird as an excellent opportunity for long-term growth And value creation.

Off-Shore Markets Repricing While SeaBird's Stock is Lagging

SeaBird enterprise value, PSV 2nd hand market, OBN replacement costs, USDm



Source: the Company, Bloomberg, Upstream Online, Ship Selector

Investment Thesis

Asset-Light Business Model Allows for High Margins

Over the past few years, the offshore seismic market has experienced a significant resurgence, driven by increased energy security concerns and a growing demand for efficient resource exploration. SeaBird Exploration, with the Company's focused strategy on high-end 2D seismic services And OBN solutions, is uniquely positioned to capitalize on these market dynamics. Leveraging decades of expertise and a lean operational model, the Company offers a compelling investment opportunity.

SeaBird's transition to an asset-light business model has been instrumental in unlocking value. By upgrading the Company's fleet with cutting-edge vessels like the Fulmar Explorer, optimized for OBN surveys, the Company has maintained high utilization rates and improved day rates. The Fulmar Explorer's contract execution in the GoM underscores SeaBird's ability to consistently deliver operational excellence, even in a competitive market.

The OBN market, which now constitutes 40% of global offshore seismic activity, represents a structural growth area where SeaBird has a distinct advantage. SeaBird's focus on energy security-related projects aligns with the needs of emerging markets, providing a robust demand foundation. With vessel supply reduced by over 50% since 2017 and no new builds in sight, day rates are poised for continued growth.

SeaBird's performance has turned a corner, with a positive net profit in 2023 for the first time in 8 years. A streamlined cost structure and disciplined capital allocation has enabled the Company to deliver shareholder value. This operational leverage positions the Company to thrive as the seismic market tightens further.

In a market increasingly driven by specialized technology And operational reliability, SeaBird stands out as a lean, agile player. With a strong order backlog, industry-leading vessel capacity, and a focus on high-margin projects, the Company is poised to generate strong cash flows and sustainable returns.

Decreased Vessel Supply Leads to Higher Day-Rates

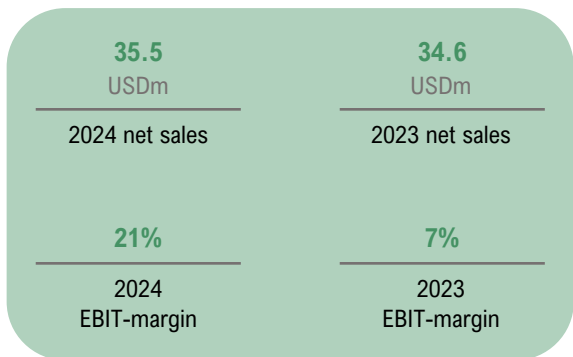
SeaBird's competitive edge is further reinforced by the asset-light strategy And focus on operational excellence. Following a comprehensive restructuring, the Company has optimized the fleet to deliver superior performance while maintaining flexibility to adapt to changing market conditions. The Fulmar Explorer And Eagle Explorer are prime examples, consistently achieving industry-leading utilization rates (99% in Q4 2024) and delivering strong operational results. The Fulmar Explorer's 7-month contract in the GoM, coupled with the Eagle Explorer's 1-year engagement in the same region highlights SeaBird's ability to secure long-term contracts at an estimated 50% gross margin.

The market environment for offshore seismic services is increasingly favourable. Vessel supply in SeaBird's core segments has halved since 2017, while demand for OBN surveys has surged by 60% during the same period. This supply-demand imbalance has led to rising day rates, creating a strong pricing backdrop for SeaBird's services. While rates have not yet returned to their pre-2014 peaks of USD 85k per day, the market trajectory suggests significant room for further growth from the current USD 60k per day. SeaBird's focus on energy security projects in developing and emerging markets, where exploration budgets are less sensitive to short-term oil price fluctuations, adds another layer of resilience to the Company's business model.

SeaBird's financial turnaround in 2023 is a pivotal achievement, marked by the Company's first net profit since 2015. This success stems from cost management And a focus on reducing debt, cutting nearly half the Company's liabilities. The introduction of an inaugural cash dividend in Q2 2024 of NOK 0.25 per share reflects management's commitment to creating share holder value, while maintaining financial flexibility. These efforts highlight SeaBird's strong foundation for sustained growth And resilience in an improving seismic market.

Looking ahead, SeaBird's substantial order backlog, growing presence in high-margin OBN contracts, and renewed focus on leveraging the Company's 2D seismic expertise provide a solid foundation for sustainable growth. The Company's operational flexibility, combined with the lean structure and strategic alignment with market trends, positions SeaBird to capitalize on the seismic industry's tightening dynamics. For investors, SeaBird represents a combination of operational reliability, financial discipline, And exposure to a structurally growing niche.

In conclusion, Analyst Group is of the opinion that SeaBird presents a compelling risk-reward profile as the seismic industry recovers. Positioned as a market leader, the Company's strong cash flow generation, high-value contract backlog, and commitment to shareholder returns make SeaBird an attractive opportunity for investors seeking exposure to the energy transition and the next phase of offshore exploration.



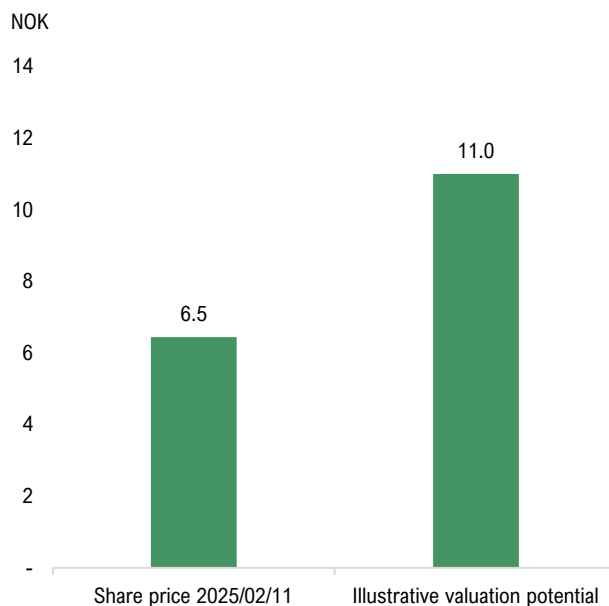
Source: the Company

Appendix

Income Statement, USDm	2023A	2024A
Net sales	34.6	35.5
Activated work for own account	0.0	0.0
Other revenue	0.0	0.0
Total revenue	34.6	35.5
Cost of goods sold (COGS)	-19.1	-17.0
Gross profit	15.6	18.5
Gross margin	45%	52%
SG&A	-4.0	-4.1
Other operating costs	-2.9	-0.9
EBITDA	8.7	13.5
EBITDA margin	25%	38%
D&A	-6.3	-6.1
EBIT	2.4	7.4
EBIT margin	7%	21%

Valuation Potential of SeaBird

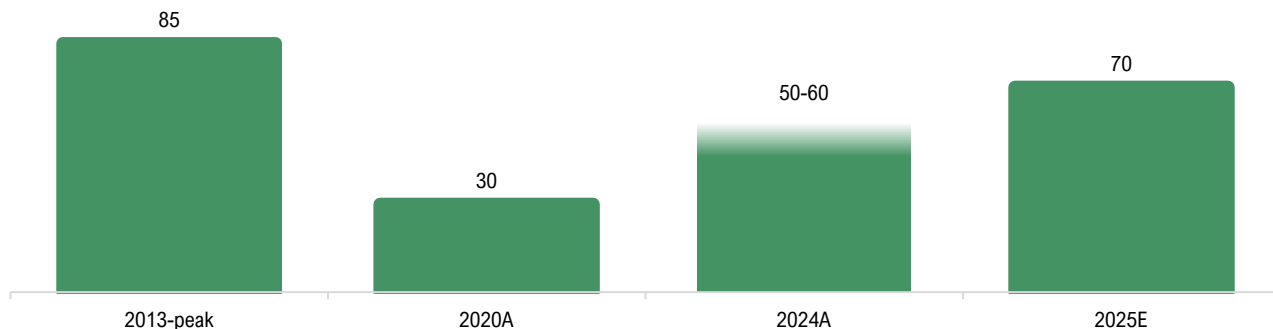
Price per share, using a target EV/EBITDA 5.0x



Source: Analyst Group estimates, the Company

OBN Market is Sold Out with Rates Yet to Justify Conversion

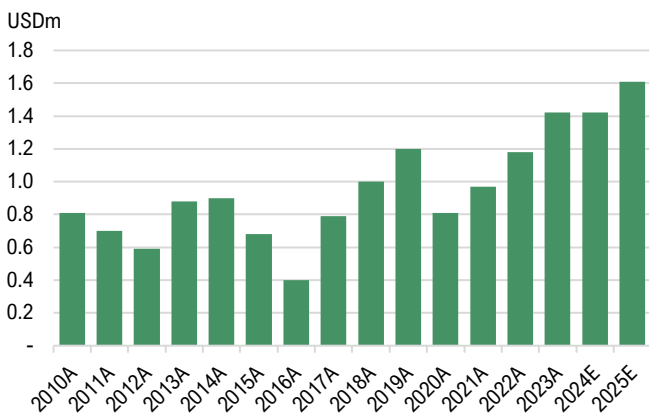
OBN day rates, USDk/day



Source: Analyst Group estimates, the Company

OBN Spending Estimated to Recover Rapidly

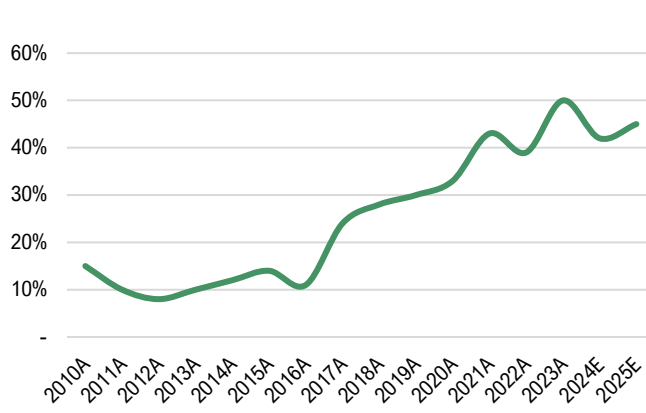
Total spending in the global OBN market



Source: ABG Sundal Collier Research

Demand for OBN Rising Through Market Downturns

OBN market share (%) of total offshore seismic spending



Source: ABG Sundal Collier Research

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Other

The Principal, **SeaBird Exploration** (furthermore” the Company”) has had no opportunity to influence the parts where Analyst Group has had opinions about the Company’s future valuation or anything that could constitute an objective assessment.

The analyst does not own shares in the Company.

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