SeaBird Exploration

# SeaBird Exploration Plc
# Annual Report
# 2024

# Table of content

# Financial highlights for the Group

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's except equity ratio | 2024 | 2023 |
| Revenues | 35,454 | 34,635 |
| Cost of sales | -16,956 | -19,062 |
| SG&A | -4,263 | -3,969 |
| | | |
| EBITDA* | 13,212 | 8,665 |
| EBIT* | 7,080 | 2,411 |
| Profit/(loss) for the period | 6,192 | 3,127 |
| | | |
| Capital expenditures | 2,336 | 2,745 |
| Total debt | 13,458 | 16,234 |
| Net interest-bearing debt* | 9,398 | 14,058 |
| Equity ratio* | 59% | 50% |

*Note* see Note 32 in Consolidated Financial Accounts for definitions.*

# Letter from the Chairman

Dear Shareholders and Stakeholders,

As we close 2024, I am proud to share that the relentless commitment and hard work at SeaBird has enabled us to secure a landmark transaction within the year 2025 with Energy Drilling Pte Ltd to form SED Energy Holdings Plc.

**Repositioning for a Stronger Future**

Our journey these past few years has been one of rigorous restructuring and disciplined execution. By repositioning the company, building excellence into our operations and streamlining our processes, we have built a robust financial platform characterized by strong cash generation and low debt. The combination with Energy Drilling elevates our financial metrics to unprecedented heights, driving marked improvements in revenue, EBITDA, and free cash flow metrics, and positioning us for sustainable, long-term shareholder value creation. From the outset, Energy Holdings provides visibility for strong shareholder returns:

- Firm Revenue Backlog: Over USD 500 million
- Firm EBITDA Backlog: In excess of USD 320 million
- Free Cash Flow from Backlog: Exceeding USD 270 million

**Strategic Rationale**

The merger with Energy Drilling is driven by a clear strategic rationale aimed at creating a leading dividend company on OSE. This integration is not just about combining operations; it is about forging a more resilient, diversified, and financially robust entity with substantial benefits for our shareholders. Key elements of this rationale include:

- Aligned Shareholder Interests: By uniting our complementary strengths with those of Energy Drilling, the merger harmonizes the interests of both shareholder groups, creating a unified platform for long-term value creation.

- Increased Scale and Market Presence: The combined entity will be significantly larger, enhancing our attractiveness to investors and improving our positioning in the capital markets. A larger scale supports improved pricing and better access to capital, as well as more favorable debt financing terms.

- Elimination of "Single-Asset" Risk: The merger diversifies our revenue streams and operational focus, mitigating the risks associated with a reliance on a single asset or market segment. This derisking provides a more balanced and resilient business model.

- Enhanced Consolidation of Niche Markets: Continued consolidation of our respective niche market positions allows us to capture a high market share in small, attractive oil service segments. With a very strong, multi-year order book, this unified approach offers greater operational stability and growth potential.

- Disciplined Capital Allocation and Dividend Focus: With an emphasis on targeting free cash flow to equity and maintaining strict capital discipline, the merger enables us to transform our financial metrics. The robust platform created by this transaction is designed to generate predictable cash flows and support sustained, quarterly shareholder distributions of all excess cash.

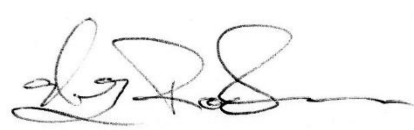
Together, these strategic pillars propel our financial metrics to a new level and establish a solid foundation for sustainable long-term growth and enhanced shareholder value.

**Looking Forward**

I extend my sincere gratitude to our dedicated employees, board members, business partners, and you, our valued shareholders. Your trust and continued support have been essential in driving Seabird's transformation. As we embark on this new chapter with Energy Holdings, we remain steadfast in our commitment to operational discipline, robust financial management, and delivering sustainable returns to our shareholders.

Together, we are well-positioned to build a leading offshore oil services platform that addresses past challenges and sets new standards of performance and stability.

Sincerely,



Ståle Rodahl
Executive Chairman
SeaBird Exploration

# Group Management

**Finn Atle Hamre –** Chief Executive Officer.
Position held from 2021.

Mr. Hamre has held the position as Chief Operating Officer of the company since June 2018, before taking over as CEO in 2021. Mr. Hamre has more than 25 years of experience in the Offshore Oil and Gas industry across both European and Asian markets. He has more than 15 years of experience in senior executive management positions including VP, MD, CCO and CFO. He holds a B.Eng. (Hons) in Naval Architecture, and a Master of Business Administration.

**Sveinung Alvestad –** Chief Financial Officer.
Position held from 2022.

Mr. Alvestad has joined the company as Director M&A in May 2021 and appointed CFO in August 2022. He has worked in investment banking for about 10 years, with a special focus on research on renewables and energy markets and companies. He holds a MSc in Industrial Economics and Technology Management from the Norwegian University of Science and Technology (NTNU) in Trondheim. His engineering specialization is within electrical energy while the economics specialization is in investment, finance and financial management.

# Board of Directors

**Ståle Rodahl** – *Executive Chairman of the board*

Ståle Rodahl has served 30 years in the financial industry, amongst others as a hedge fund manager and in various executive positions in the Investment Banking industry in New York, London and Oslo and in companies such as Alfred Berg, ABN Amro and ABG Sundal Collier. He has also served on the Board of Directors in companies in other industries. Mr. Rodahl holds a MSc with a major in Finance from the Norwegian Business School, BI with additional programs from London School of Economics (LSE) and NASD, New York.

**Øivind Dahl-Stamnes –** *Director*

Øivind Dahl-Stamnes has worked 36 years in the petroleum industry in Norway and internationally. He has held executive/management positions in Equinor and Esso/Exxon for more than 15 years within exploration and production operations. Recent assignments in Equinor include Vice President positions for the Troll field, the North Area Initiative and Partner Operated Licenses. He has also served as chairman and member of numerous Production License Management Committees for Equinor and Esso. Mr. Dahl-Stamnes holds a master's degree in geology from NTNU in Trondheim.

**Sverre Strandenes –** *Director*

Sverre Strandenes has worked more than 35 years in the oil and gas industry,and has extensive experience from the seismic industry. He obtained an MSc degree in geophysics from the University in Bergen in 1981. Following that, he held various positions in Norsk Hydro E&P division within the Research Center and the Exploration Department. In 1995 he joined PGS where he has held several senior/executive management positions, most recently as Executive Vice President Sales & Services.

**Hans Christian Anderson** – *Director*

Hans Christian Anderson works as a portfolio manager for one of the company's largest shareholders, Anderson Invest AS. He founded his first company when he was 18 years old and has a broad, international background as an investor in multiple industries. Mr. Anderson also serves on the board of directors of other companies.

**Odd Sondre Svalastog Helsing** – *Director*

Mr. Helsing currently holds the position as investment manager at MH Capital AS, the Company's largest shareholder. Mr Helsing has worked more than 11 years in finance and prior to joining MH Capital AS held the position as Co-Head of Equity and Sales at Clarksons Platou Securities. Mr. Helsing holds a bachelor's in economics and business administration from Norwegian School of Economics (NHH). He is a Norwegian citizen and resides in Norway.

# Environmental, social, and corporate governance

# 1. Key figures 2024

| | | Unit | 2024 | 2023 | Disclosure Reference |
|---|---|---|---|---|---|
| **Environmental** | | | | | |
| Scope 1 GHG Emissions | | mtCO2-e | 26 877 | 21 031 | ESRS E1-6-48a<br>GRI 305-1a<br>SDG 13<br>AASB S2 29-a-i-1 |
| Scope 2 GHG Emissions | | mtCO2-e | 1.14 | | ESRS E1-6-49a<br>GRI 305-2a<br>SDG 13<br>AASB S2 29-a-i-2 |
| Scope 3 GHG Emissions | Scope 3 GHG Emissions | mtCO2-e | 950 525 | 29.98 | ESRS E1-6-51<br>GRI 305-3a<br>SDG 13<br>AASB S2 29-a-i-3<br>AASB S2 29-a-vi-1<br>GRI 305-3a |
| | Business Travel - Air Travel (Scope 3) | mtCO2-e | 950 492 | - | |
| | Business Travel - Hotel Nights (Scope 3) | mtCO2-e | 4.51 | - | |
| | Waste generated in operations (Scope 3) | mtCO2-e | 27.88 | 29,99 | |
| | Employee Commuting (Scope 3) | mtCO2-e | 0.01 | - | |
| Other emissions to air | Emissions to air - NOx | kgNOx | 468 039 | 366 240 | ESRS E2-4-28a<br>GRI 305-7i<br>SDG 13<br>SASB TR-MT-120a.1<br>GRI 305-7 vi<br>GRI 305-7ii |
| | Emissions to air - PM2.5 | kgPM25 | 6 850 | 360 | |
| | Emissions to air – Sox | kgSOx | 11 307 | 8 848 | |
| Biodiversity and Marine Protected Areas | | Number | 0 | 0 | ESRS E4-SBM-3-16ai<br>GRI 304-1a-vi<br>SASB TR-MT-160a.1<br>SDG 14<br>UNEP WCMC |
| Spills to environment | | m³ | 0 | 0 | SASB TR-MT-160a.3<br>GRI 306-3 (2016)<br>(Sector std 11.5.4)<br>SDG 14 |
| **Social** | | | | | |
| Training | | hr | 38,5 | 9,58 | ESRS S1-13-83<br>GRI 404-1a |
| Work Related Injuries | Fatalities – Number | Number | 0 | 0 | ESRS S1-14-88b<br>GRI 403-9-a-i<br>GRI 403-9-a-ii<br>SASB TR-MT-320a.1.<br>ESRS S1-14-88c<br>GRI 403-9-a-iii |
| | High Consequences Injuries - Number | Number | 0 | 0 | |
| | Lost Time Incident Rate | Number | 0 | 0 | |
| | Recordable Work Related Injuries - Number | Number | 1 | 0 | |
| Marine incidents | Marine Casualties | Number | 0 | 0 | SASB TR-MT-540a.1<br>SDG 8 |
| | Marine Casualties - Very Serious | Number | 0 | 0 | |
| Port State Control | | Number | 0 | 0 | SASB TR-MT-540a.3<br>SDG 8, 1 |
| **Governance** | | | | | |
| Whistleblowing | | Number | 0 | 0 | GRI 2-26<br>GRI 2-16 |

## 2. Strategy and commitment

**About this ESG report**

This report covers the period 1/1/2024 - 31/12/2024, thereby aligning with our financial reporting period.

Since 2020 reporting is conducted on an annual basis. In previous years, we have aligned with UN Sustainable Development Goals and in reference with GRI standards. This year, we have opted to take our ESG efforts a step further by reporting in accordance with GRI standards while continuing our alignment with previous standards. This enables us to create an interconnected and diverse framework. We are also aware of upcoming regulations and, whilst these may not directly impact us, we remain focused on aligning with the highest industry standards.

**Policies and commitments**

Our commitment to the highest standards of transparency and responsibility is unwavering in all our activities. In essence, our governance practices are rooted in honesty, integrity, and professionalism.

SeaBird Exploration has implemented a range of policies related to safety, quality, environmental issues, health, drug and alcohol use, cyber security, social media, and anti-bribery and corruption. These policies align with our Code of Conduct. We provide regular training and establish procedures to ensure we meet both regulatory and market expectations.

The company strictly prohibits the use of alternative routes or channels to offer or receive improper advantages from agents, contractors, suppliers, employees of these entities, or government officials.

**Embedding policy commitments**

The responsibility of embedding the policy commitments of SeaBird Exploration span throughout the entire organization, from the CEO to all other employees. Each individual is expected to actively and positively contribute to achieving efficient and effective operations. All staff members should be well-acquainted with and implement the Company's Policies and objectives.

These policies are displayed prominently on board the managed vessels and at the Company's premises and are reviewed as needed to ensure they remain relevant. All Company activities, both onshore and onboard, should align with our Policies and objectives.

**Our policies**

- <u>Code of Conduct:</u> The Code is based on the Company's beliefs and values establishing its commitment to honesty, integrity, professionalism, and impartiality. The aim of the Code is to ensure that we are all united by strong and clear values and the highest standards of behaviour. The Company does not tolerate the engagement in, or concealment of, any humiliating/intimidating or other behaviour which may be interpreted as harassment, abuse/bullying, racism or discrimination.

- <u>Health, safety and environment:</u> The Company is committed to provide safe practices in ship operation and a safe working environment for ensuring prevention of human injury or loss of life, welfare of employees and avoidance of any adverse impact on property and its goal is to achieve ZERO accidents through continuous improvement. Safety management objectives also include assessing all identified risks to its ships, personnel and the environment and establishing appropriate safeguards; as well as continuously improving safety management skills of personnel ashore and aboard. The Company is committed to improve environmental performance in all areas of vessels' operation. We are committed to controlling emissions and waste to below harmful levels, eliminating spills and environmental incidents, and identifying and mitigating key environmental risks. Our long-term goals are to achieve ZERO incidents and ZERO spills at sea through continuous improvement. In order to achieve these goals, we review and assess each of the areas of our operations, measure progress and compliance with this policy, evaluate practices from industry leaders in order to continually revise and improve our environmental management system, we provide adequate funds and human resources in order to effectively maintain and repair the systems, equipment and components in the machinery spaces. The Company always ensures that all employees execute their work under healthy conditions and its goal is to achieve the highest standards of health through continuous improvement.

- <u>Quality:</u> The Company is committed to providing quality services which consistently and continuously meet the requirements of its customers. By adopting a proactive approach concerning the needs of our clients and by being responsive to their requests, suggestions or complaints, we are always trying to improve the value of our services. The criteria for the quality of our services are established by monitoring, measuring and analysing our objectives and targets, by reviewing our objectives and targets for continual suitability, and by verifying that those processes are effectively implemented.

- <u>Drug and alcohol policy:</u> SeaBird Exploration actively promotes a substance-abuse-free environment. The company strategy is zero tolerance towards drug or alcohol abuse. Purchasing, possession or consumption of alcoholic substances, illicit drugs, non-prescription medication with the potential to impair performance, is banned aboard SeaBird operated vessels. Reporting for work, being at work or returning home from work when under the influence of alcohol or drugs can affect performance and safety and is strictly prohibited.

- Social media policy: This policy aims at assisting our seafarers in making responsible decisions about the way they use social media. It prohibits postings that might have discriminatory remarks, harassment and threats of violence. It also gives guidelines for a more prudent use of the internet and their postings.

- Anti-harassment policy: SeaBird Exploration believes that providing a positive and harmonious workplace motivates the workforce and optimises effective work practices. A key requirement to achieve this is to be an "equal opportunity employer" committed to providing a work environment that is free from harassment and discrimination. Harassment or discrimination based upon an individual's sex, race, ethnicity, national origin, age, religion or any other legally protected characteristic will not be tolerated. The Chief Executive Officer (CEO) oversees SeaBird Exploration's operations, with Technical Managers handling incidents on the front line. Regular training ensures that the team is equipped to carry out their duties in a vigilant and safe manner. Continuous monitoring and reporting allow for management follow-up, and significant cases are reported to the Board of Directors.

In alignment with the Norwegian Corporate Governance Code, SeaBird Exploration's commitment to sustainability is evident in its consideration of the United Nations' Sustainable Development Goals (SDGs). The company believes in contributing positively to the broader global agenda and collaborates with industry, customers, suppliers, investors, and regulators to make a meaningful contribution towards achieving the SDGs.

**Stakeholder engagement**

Stakeholder engagement is a crucial component of the sustainable development strategy for companies like Seabird Exploration. As a global provider of marine seismic data acquisition, Seabird Exploration operates across diverse regions, requiring collaboration with various stakeholders, including governments, NGOs, local communities, employees, and customers.

To support sustainable development, the company employs multiple stakeholder engagement strategies. One key approach is maintaining ongoing dialogue with local communities, governmental bodies, and NGOs. Collaboration with these groups is essential for regulatory compliance, identifying and mitigating environmental and social risks, and promoting responsible practices.

Seabird Exploration also prioritises employee engagement through various initiatives, ensuring they are well-informed about the company's sustainability policies and practices. This includes training on environmental and social issues, encouraging employees to voice concerns, and recognising their contributions to sustainability efforts.

Beyond its internal and regulatory stakeholders, Seabird Exploration actively involves its customers in the process. Close collaboration with customers enables the company to understand their needs, identify opportunities for improvement, and advocate for responsible practices within the energy sector.

Ultimately, Seabird Exploration's commitment to stakeholder engagement helps identify and address environmental and social risks, promote responsible operations, and build trust and support among its stakeholders. These efforts not only enhance the company's reputation as a socially and environmentally responsible organisation but also help attract and retain customers, employees, and investors who prioritise sustainability.

**Materiality assessment**

This section discusses several key issues and standards relevant to SeaBird Exploration's operations. It emphasizes the importance of internal governance documents, international standards, and references, particularly in relation to climate change, environmental policy, and air emissions. Key frameworks mentioned include the Paris Agreement, the IPCC, and the Initial IMO Strategy on Reduction of GHG Emissions from Ships, as well as the IMO MARPOL Convention Annex VI and the EU Sulphur Directive 2016/802.

| **Material issue** | **Internal governance documents** | **International standards and references** |
|---|---|---|
| Climate change | Environmental policy (HSE policy) SeaBird Exploration KPIs | The Paris Agreement The Intergovernmental Panel on Climate Change (IPCC) Initial IMO Strategy on Reduction of GHG Emissions from Ships |
| Air emissions | Environmental policy (HSE policy) SeaBird Exploration KPIs | IMO MARPOL Convention Annex VI EU Sulphur Directive 2016/802 |
| Ecological impact | Environmental policy (HSE policy) SeaBird Exploration KPIs | UN Global Compact IMO MARPOL Convention Annex VI IMO Ballast Water Management Convention Hong Kong Convention |
| Anti-corruption | Company's Code of Conduct SeaBird Exploration KPIs | UN Global Compact The US Foreign Corrupt Practices Act and the UK Bribery Act |
| Employee health and safety | Company's Code of Conduct HSE policy SeaBird Exploration KPIs | UN Global Compact ILO Conventions Maritime Labour Convention, 2006 International |

| | | |
|---|---|---|
| | | Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) Hong Kong Convention Marine Crew Resource Management |
| Accident and safety management | Safety management system | International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) Marine Crew Resource Management |

**Material topics**

We wish to be transparent regarding the impacts that our operations and activities have and may have.

By establishing the topics that are most material to us, we commit to managing these in accordance with international standards and regulations so as to eliminate or minimize the risks that are associated with these.

Environment
- Emissions
- Energy

Social
- Occupational health and safety
- Training and education
- Employment
- Non-discrimination

Governance
- Compliance with international regulations and industry standards
- Supplier assessments
- Anti-corruption

## 3. Environmental

**GHG emission management**

At an operational level, SeaBird Exploration has been running a SEEMP (Ship Energy Efficiency Management Plan) for many years. This plan monitors and improves the energy efficiency of its vessels with the aim of reducing their greenhouse gas emissions. It applies to all vessels in the fleet and provides procedures and practices for best energy management under various operational modes. The plan undergoes an annual review regarding its effectiveness, with corrective actions and improvements implemented if targets are not met. Additionally, the company has tested new data information processing platforms on some other vessels to achieve higher energy efficiency levels.

Since its establishment, SeaBird Exploration has conducted quarterly Management Review Meeting to evaluate the implementation and effectiveness of the IMS, as well as the modifications already made. The meeting also examines the necessity for further adjustments and enhancements to the IMS, policies, objectives, and targets.

Furthermore, it promotes environmental and energy efficiency awareness through training and communication methods for both shore and sea-going personnel.

Finally, supplementary to the IMO regulations and customary ship management company accreditations, SeaBird Exploration has voluntarily adopted the ISO 9001 on Quality Management, ISO 14001 on Environmental Management, and ISO 45001 on Health and Safety. Accreditation for these standards have been obtained from DNV.

**Scope 1 GHG emissions**

Late 2023, we applied antifouling paints to one of our vessels and we plan to repeat this to the other vessel that undergoes dry docking next year. We calculated that their use creates up to 5% emission cut.

Having ballast water treatment systems (BWTS) which significantly contribute towards minimizing our ecological impact and effectively treating all organisms contained in ballast water.

BWTS are designed to remove organisms, such as zooplankton and algae, from ballast water using methods such as filtration and electrolysis.

It is difficult to set a target for 2025, as consumption is based on the projects and depends on the volume of the source, shooting speed and shotpoint interval.

| | **2023** | **2024** | **Target 2025** | **Unit** |
|---|---|---|---|---|
| Scope 1 GHG emissions | 21 031 | 26 877 | - | *mtCO₂-e* |
| ***Reference Standards*** *ESRS E1-6-48a \| GRI 305-1a \| SDG 13 \| AASB S2 29-a-i-1* | | | | |

**Scope 2 GHG emissions**

In 2024 we made the commitment as a company to start calculating our Scope 2 emissions. SeaBird Exploration has two sites, an office building in Bergen, and a warehouse at Ågotnes. Measures have been taken to install low consumption LED lighting both indoor and outdoor and movement detection LED lighting in certain areas and ventilation with heat exchange for enhanced indoor air quality and energy efficiency.

| | **2023** | **2024** | **Target 2025** | **Unit** |
|---|---|---|---|---|
| Scope 2 GHG emissions | - | 1.14 | - | *mtCO₂-e* |
| ***Reference Standards*** *ESRS E1-6-49a \| GRI 305-2a \| SDG 13 \| AASB S2 29-a-i-2* | | | | |

**Scope 3 GHG emissions**

The year 2024 marked a significant milestone for SeaBird Exploration, as we committed to calculating our Scope 2 and Scope 3 emissions going forward. We have measured waste generated by our fleet since 2020, but this year is reported as Scope 3 emissions.

Additionally, 2024 was the inaugural year for calculating emissions generated by employee commuting and air travel.

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Scope 3 GHG emissions | 29.98 | 950 525 | - | *$mtCO_2$-e* |
| *Reference Standards ESRS E1-6-51 \| GRI 305-3a \| SDG 13 \| AASB S2 29-a-i-3* | | | | |
| Business Travel - Air Travel (Scope 3) | - | 950 492 | | *$mtCO_2$-e* |
| Business Travel - Hotel Nights (Scope 3) | - | 4.51 | | *$mtCO_2$-e* |
| *ESRS E1-6-51 \| GRI 305-3a \| SDG 13 \| AASB S2 29-a-vi-1 \| GRI 305-3a* | | | | |
| Waste generated in operations (Scope 3) | 29.99 | 27.88 | | *$mtCO_2$-e* |
| *ESRS E1-6-51 \| GRI 305-3a \| SDG 13 \| AASB S2 29-a-vi-1* | | | | |
| Employee Commuting (Scope 3) | - | 0.01 | | *$mtCO_2$-e* |
| ***Reference Standards*** *ESRS E1-6-51 \| GRI 305-3a \| SDG 13 \| AASB S2 29-a-vi-1* | | | | |

**Activity metrics**

| Activity metrics | Unit of measure | Data 2023 | Data 2024 |
|---|---|---|---|
| Number of shipboard employees | Number | 198 | 192 |
| Total distance travelled by vessels | Nautical miles (nm) | 50 181 | 59 718 |
| Operating days | Days | 365 | 366 |
| Number of vessels in total shipping fleet | Number | 2 | 2 |
| Port calls | Number | 28 | 28 |
| PSC deficits | Number | 0 | 0 |
| **PSC detentions** | Number | 0 | 0 |

**Air pollution**

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Emissions to air – NOx | 366 240 | 468 039 | - | *$kgNO_x$* |
| Emissions to air - PM2.5 | 5 360 | 6 850 | - | *kgPM25* |
| Emissions to air – SOx | 8 848 | 11 307 | - | *$kgSO_x$* |
| ***Reference Standards*** *ESRS E2-4-28a \| GRI 305-7i \| SDG 13 \| SASB TR-MT-120a.1 \| GRI 305-7 vi \| GRI 305-7ii* | | | | |

**Biodiversity and marine protected areas**

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Shipping duration in Marine Protected Areas | 0 | 0 | - | *Number* |
| ***Reference Standards*** *ESRS E4-SBM-3-16ai \| GRI 304-1a-vi \| SASB TR-MT-160a.1 \| SDG 14 \| UNEP WCMC* | | | | |

**Spills to environment**

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Spills and releases to the environment | 0 | 0 | - | *$m^3$* |
| ***Reference Standards*** *SASB TR-MT-160a.3 \| GRI 306-3 (2016) (Sector std 11.5.4) \| SDG 14* | | | | |

**Waste management**

At SeaBird Exploration we handle waste according to all existing rules and regulations while always following MARPOL Annex V.

The total waste generated through our operations is 644.71 $m^3$ and our goal is to continue our efforts on waste reduction. In our dedication to minimizing waste and promoting good stewardship while educating our seafarers, we implemented a plan to eliminate plastic from our vessels.

| Waste generated | 2024 | 2023 |
|---|---|---|
| A - Plastics | 154.4 | 137.3 |
| B - Food waste | 40.1 | 44.01 |
| C - Domestic waste | 327.58 | 291.28 |
| D - Cooking oil | 0.35 | 0.46 |
| E - Incinerator ashes | 6.2 | 3.3 |
| F - Operational waste | 107.28 | 176.73 |

| | | |
|---|---|---|
| I - Electronic waste | 8.8 | 8.38 |

**Climate risk reporting**

The maritime industry has demonstrated that without substantial measures to reduce risks, there is a high likelihood of risk-related injuries and incidents. To address this, SeaBird Exploration has implemented suitable processes and procedures to identify, mitigate, and assess both climate and operational risks when they arise. The responsibility for identifying and managing these risks falls to the Board, which is kept informed by Senior Management.

**Ship recycling**

All our ships maintain a IHM certificate which proves compliance with IMO's Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (2009). *Disclosure Reference: Hong Kong Convention | EU Ship Recycling Regulation (EU 1257/2013) | Forskrift 2018-12-06-1813 and Basel Conv. | SDG 8, 12, 14*

## 4. Social

**Training**

At SeaBird Exploration, we recognize that our employees are our most valuable asset. Our commitment to Human Capital Development is a fundamental aspect of our Environmental, Social and Governance (ESG) Strategy.

Our comprehensive approach to shore and seagoing employee training encompasses a wide range of topics, from soft skills to technical expertise, maintaining workforce engagement and training levels at optimal level.

Our training and development plan is implemented through our training matrices which are developed and regularly reviewed for their effectiveness and adequacy. Our training programs are designed to cover leadership, teamwork, emotional intelligence and communication skills as well as technical skills, industry-specific training requirements, health, safety, quality and environment. In alignment with this, we facilitate ongoing career development and upskilling through our e-learning platform, performance appraisals and the identification of strengths and areas for improvement.

We are dedicated to creating an inclusive, safe, and empowering work environment that encourages personal and professional growth, ensures well-being and supports our business goals and objectives. Investment in our people ensures high levels of motivation, retention and loyalty, increases productivity and reinforces our commitment to long-term sustainability and success.

Together, we build a future where our employees, our community and our company thrive.

| | 2023 | 2024 | Unit |
|---|---|---|---|
| Average training hour per employee | 9.58 | 38.5 | hr |
| ***Reference Standards*** *ESRS S1-13-83 \| GRI 404-1a* | | | |

**Health and safety**

In the demanding field of offshore operations, where safety and security risks are ever-present, SeaBird Exploration upholds the highest standards of risk management to protect its crew, vessels, cargo, and the environment. At the core of its operational philosophy is a firm commitment to a zero-accident policy, ensuring that every aspect of its activities aligns with the International Safety Management (ISM) Code.

Recognizing safety and security as fundamental pillars of its operations, SeaBird Exploration prioritizes them at every level. The zero-accident policy serves as the foundation of the company's risk management framework, reinforced by robust safety systems and stringent operational procedures. Crew members undergo extensive training programs designed to equip them with the necessary skills to identify, assess, and mitigate potential hazards, fostering a proactive safety culture across the fleet.

Strict adherence to the ISM Code is integral to the company's safety strategy, providing a comprehensive framework for ensuring compliance with international safety and security standards in the maritime industry. To maintain these high standards, regular audits and inspections are conducted, with immediate corrective actions taken whenever necessary to uphold operational integrity.

Beyond its own fleet, SeaBird Exploration embraces its broader responsibility within the maritime industry, actively engaging with regulatory bodies, industry groups, and other key stakeholders to drive continuous improvement in safety practices. By championing industry best practices and collaborating on safety initiatives, the company contributes to elevating security standards across the sector.

**Commitment to safety and continuous improvement**

At SeaBird Exploration, the safety and well-being of both onshore and offshore personnel remain paramount. The company's unwavering commitment to health and safety is not just a regulatory obligation but a cornerstone of its long-term success. Understanding the inherent risks in offshore operations, SeaBird Exploration has implemented a comprehensive risk assessment framework, ensuring that all potential threats to crew members, vessels, and cargo are systematically identified and mitigated.

To foster a culture of accountability and transparency, crew members are encouraged to report all accidents, incidents, and near-miss events, with full managerial support to ensure thorough investigation and resolution. By leveraging the Oil Companies International Marine Forum (OCIMF) guidelines on Lost Time Incidents (LTI) and Total Recordable Cases and Frequency, the company conducts fleet-wide incident analyses, identifying root causes to enhance future safety measures.

**2024 safety performance**

In 2024, SeaBird Exploration recorded only four first-aid cases, all attributed to situational awareness issues. More significantly, the company achieved zero Lost Time Incidents (LTI) and one recordable injury (restricted work case), a testament to its rigorous safety protocols and proactive risk management.

As part of its ongoing commitment to continuous improvement, SeaBird Exploration remains dedicated to refining its safety measures, ensuring that all employees operate in a secure and well-managed environment. Through steadfast adherence to best practices and proactive engagement with industry stakeholders, the company continues to set the standard for excellence in offshore safety and security.

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Fatalities - Number | 0 | 0 | 0 | *Number* |
| High Consequences Injuries - Number | 0 | 0 | 0 | *Number* |
| Lost Time Incident Rate | 0 | 0 | 0 | *Number* |
| Recordable Work Related Injuries – Number | 0 | 1 | 0 | *Number* |
| ***Reference Standards*** *ESRS S1-14-88b \| GRI 403-9-a-i \| GRI 403-9-a-ii \| SASB TR-MT-320a.1. \| ESRS S1-14-88c \| GRI 403-9-a-iii* | | | | |

**Marine incidents**

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| Marine Casualties | 0 | 0 | 0 | *Number* |
| Marine Casualties - Very Serious | 0 | 0 | 0 | *Number* |
| ***Reference Standards*** *SASB TR-MT-540a.1 \| SDG 8* | | | | |

**Port state control**

| | 2023 | 2024 | Target 2025 | Unit |
|---|---|---|---|---|
| PSC (Port State Control ) - Deficiencies | 0 | 0 | 0 | *Number* |
| ***Reference Standards*** *SASB TR-MT-540a.3 \| SDG 8, 1* | | | | |

**Gender diversity and equality**

Employees by position and age group 2024

| Position level | Age < 30 | Age < 30 % | Age 30-50 | Age 30-50 % | Age 50 > | Age 50 > % |
|---|---|---|---|---|---|---|
| Level 1 | 3 | 4.69 | 31 | 48.44 | 30 | 46.88 |
| Level 2 | 1 | 2.22 | 19 | 42.22 | 25 | 55.56 |
| Level 3 | 1 | 1.79 | 30 | 53.57 | 25 | 44.64 |
| Level 4 | 0 | 0 | 8 | 66.67 | 4 | 33.33 |
| Level 5 | 0 | 0 | 7 | 46.67 | 8 | 53.33 |
| Level 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Reference Standards*** *ESRS S1-9-66b \| GRI 405-1b-ii* | | | | | | |

**Human and labour rights**

At SeaBird Exploration, we uphold a steadfast commitment to human rights, ensuring that our operations align with universally accepted international standards. Guided by the UN Guiding Principles on Business and Human Rights (UNGP), we recognize that our operational legitimacy is directly tied to our respect for fundamental human rights. This commitment extends across all levels of our business, including our workers, clients, customers, society, governments, and other stakeholders, in accordance with targets 8.7 and 8.8 of the UN Sustainable Development Goals.

**Integration of human rights into business practices**

Understanding that the protection and promotion of human rights are integral to responsible and sustainable business conduct, we embed these principles into every aspect of our operations. Our adherence to the UNGP framework ensures that we actively integrate human rights considerations into:

- Hiring and training practices, fostering a fair and inclusive workplace
- Supply chain management, ensuring ethical sourcing and responsible procurement
- Community engagement, maintaining positive relationships with the societies in which we operate

Recognizing that upholding human rights requires continuous effort, we regularly review and refine our policies and procedures to align with evolving international standards and best practices. Through collaboration with diverse stakeholders, we strive to maximize the effectiveness and impact of our human rights initiatives.

**Compliance with international conventions and industry standards**

At SeaBird Exploration, we take tangible steps to ensure compliance with key international regulations safeguarding workers' rights. We adhere to the Maritime Labour Convention (MLC 2006), ensuring that all our vessels meet its stringent labor standards. Each vessel in our fleet holds a certificate affirming compliance, guaranteeing fair working conditions for our crew members.

Additionally, we have established a special agreement with the International Transport Workers' Federation (ITF) to regulate and uphold fair and ethical seafarer working conditions. We recognize that a safe and healthy work environment is a fundamental right, and we are fully committed to safeguarding the well-being of our employees.

**Proactive risk management and stakeholder collaboration**

To uphold human rights and prevent potential violations, we maintain robust monitoring systems designed to identify, prevent, and mitigate risks across our operations. Our teams vigilantly oversee all activities to ensure that no part of our business engages in practices that could compromise human rights.

We also foster close collaboration with key stakeholders, including local communities, regulatory authorities, and industry organizations, to proactively address concerns and drive meaningful improvements in human rights practices. By maintaining open communication and engagement, we reinforce our dedication to transparency and accountability.

**A commitment to continuous improvement**

SeaBird Exploration remains resolute in its commitment to human rights, ensuring that our policies and operational frameworks evolve in line with the highest international standards. We firmly believe that respecting human rights is not just a corporate responsibility but a moral imperative, essential for the long-term sustainability and integrity of our business.

## 5. Governance

This section provides a comprehensive overview of SeaBird Exploration's corporate governance framework, detailing the company's board composition, risk management strategies, and internal control mechanisms. It highlights the structures and policies in place to ensure transparency, accountability, and ethical business conduct across all levels of the organization.

Additionally, SeaBird Exploration outlines its commitment to ethical business practices, including the guidelines and principles that govern decision-making, regulatory compliance, and stakeholder engagement. Through a strong corporate governance framework, the company ensures that its operations align with industry best practices and international standards, fostering long-term sustainability and corporate integrity.

Our company remains steadfast in its commitment to upholding human rights and advocating for universal labor standards. We actively promote responsible conduct among our employees by ensuring that our values, policies, and procedures are fully aligned with the principles outlined in Sustainable Development Goals (SDG) target 16.1.

As part of our dedication to ethical business practices, we strictly prohibit corruption across all levels of our organization, reinforcing our commitment to SDG target 16.2. We uphold the highest standards of integrity and compliance, ensuring that all business operations are conducted transparently and ethically.

To further support a culture of accountability, we strongly encourage our employees to speak up and report any concerns regarding unethical practices. By fostering open communication and transparency, we create a workplace where honesty, integrity, and ethical responsibility are deeply embedded in our corporate culture.

**Ethical business conduct**

SeaBird Exploration maintains the highest standards of ethics and integrity throughout its business operations. This commitment is clearly articulated in the company's Code of Conduct, which adheres to the most stringent regulations and industry recommendations, including the OSEBX.

Recognising that robust governance and risk management structures are integral to achieving commercial success and generating long-term value for stakeholders such as employees, owners, and society, SeaBird Exploration prioritises transparency, reliability, and accountability in its reporting and communications.

To ensure that employees are well-prepared with the necessary training and reporting channels, the company has established robust policies and procedures for incident reporting and follow-up. SeaBird Exploration is fully dedicated to operating safely and in compliance with local laws and regulations, communicating the implications of relevant legislation to employees through comprehensive training programs.

The company remains steadfast in its dedication to promoting effective, accountable, and inclusive institutions at all levels of the organisation, recognising their pivotal role in building a sustainable future.

**Code of Conduct**

SeaBird Exploration's unwavering commitment to transparency, accountability, and ethical conduct permeates every facet of its operations. The company ensures compliance with all laws and regulations in the jurisdictions where it operates, even in areas with underdeveloped frameworks for human rights and corruption. Employees are held to high standards of integrity and honesty, irrespective of any personal or organisational conflicts of interest. Notably, SeaBird Exploration's activities align with the goals of Sustainable Development Goal 8, emphasising the promotion of decent work and economic growth.

In order to guarantee that all individuals associated with SeaBird uphold these elevated standards of behaviour and business practices, the company has formulated a comprehensive Code of Conduct. This document delineates the company's principles and expectations on crucial matters such as human and labour rights, health and safety, business ethics, and legal compliance. The Code of Conduct is readily accessible on the company's website, integrated into the Safety Management System, and included in the orientation for new employees. Furthermore, it serves as a standard addendum in every significant contract that SeaBird Exploration enters into with third parties.

**Whistleblowing**

SeaBird Exploration places a high value on fostering a culture of transparency and effective communication, recognising their pivotal role in achieving organisational objectives. In line with this commitment, the company has formulated a Whistleblowing Policy designed to offer support to all employees and contractors willing to report any concerns related to the company's activities. This includes actions or incidents that may violate the law, the company's Code of Conduct, or other policies.

To promote a conducive environment for reporting, SeaBird Exploration has instituted secure channels for reporting incidents and whistleblowing. The company actively encourages employees to feel comfortable bringing forth any concerns. Colleagues can confidentially report critical issues by sending an email to whistle@sbexp.com.

SeaBird Exploration wants to assure its employees and contractors that the company and its representatives are committed to non-retaliation against anyone who reports a concern through this channel. It's noteworthy that, as of now, there have been no reports made through this whistleblowing channel.

**Anti-bribery and corruption**

SeaBird Exploration firmly opposes corruption and bribery within the shipping industry, recognising the detrimental impact these practices can have on social and economic development. They pose risks to the safety of shipping crews, increase legal and reputational liabilities, and contribute to elevated costs. To address these concerns, SeaBird Exploration has established a zero-tolerance policy against bribery and corruption at all stages of its operations, as outlined in its Code of Conduct.

In actively managing corruption risks, the company closely monitors operations in high-risk countries and refrains from making port calls in any of the nations ranked in the bottom 20 of Transparency International's Corruption Perception Index for the year 2024. Moreover, SeaBird Exploration ensures that no facilitation payments were made in 2024 and reports no instances of non-monetary sanctions imposed on the company.

Demonstrating a commitment to transparency and anti-corruption efforts, SeaBird Exploration employs various measures to combat corruption. All personnel undergo mandatory anti-corruption training to enhance awareness of corruption issues and equip them with the skills to navigate potential bribery challenges.

**Supply chain management**

SeaBird Exploration operates with the highest level of integrity and expects all its business partners to adhere to similarly stringent ethical standards. Before committing to any significant undertakings or large-scale projects, we make sure to gather sufficient information about potential collaborators to assess the risk of corruption or human rights issues.

The extent of due diligence conducted on a specific business associate is directly proportional to the degree of cooperation involved. Consequently, we may undertake a comprehensive due diligence investigation on potential partners, evaluating any potential reputational concerns. Prior to each engagement, we screen key suppliers, such as shipping agents and commercial agents, and mandate their completion of a thorough due diligence checklist.

In an effort to improve supplier compliance and streamline management, we are currently in the process of implementing new procedures for onboarding, supplier management, and the tendering and selection of chase vessels. All vendors must certify that they have read and comprehended SeaBird Exploration's policies, including the Code of Conduct, to ensure a collective commitment to ethical standards.

**Supply chain environmental assessment**

Through our environmental assessment, we have identified four suppliers with a significant actual and potential negative environmental impact. These suppliers are all responsible for providing fuel and lubricants to our vessels, making them critical to our operations but also key contributors to environmental risks.

Due to the essential nature of these supplies, switching to alternative providers is not currently feasible. However, we are committed to mitigating environmental impact through efforts to optimize fuel efficiency and reduce overall consumption. By implementing energy-saving measures, enhancing operational efficiency, and exploring sustainable alternatives where possible, we aim to minimize our environmental footprint while maintaining operational reliability.

| | 2024 | 2023 |
|---|---|---|
| New supplier screened | 100% | 100% |
| Suppliers assessed for environmental impact | 300 | 1 |
| Suppliers with significant actual and potential negative environmental impact | 4 | 0 |
| Suppliers where impacts have improved as a result of assessment | 0% | 0% |
| Suppliers where relationship were terminated | 0% | 0% |
| ***Reference Standards*** *ESRS G1-2-15b \| GRI 308-1a* | | |

**Supply chain social assessment**

As part of our social assessment process, we have identified ten suppliers with significant actual or potential negative social impacts. These suppliers have been evaluated based on key risk factors, including labor rights, corruption risk, and overall compliance with ethical business practices.

Ten suppliers were identified from list of countries defined by the Global Right Index as having significant actual or potential negative social impacts, primarily related to labor rights violations and corruption risks. These include six suppliers in Malaysia, one in the Philippines, and three in UAE, Türkiye, and India (considered lower risk).

The majority of supplier spending is concentrated in a few key countries, with Norway accounting for the largest share by a significant margin. The United States and the United Kingdom also represent major spending hubs, with substantial financial allocations spread across multiple suppliers. Some countries, such as Croatia, receive a high amount of spending despite having only a single supplier, indicating high-value contracts.

In Asia, Malaysia and the Philippines stand out due to notable supplier spending, which may be linked to fuel supply or labor-related costs. Additionally, some countries with relatively few suppliers still receive considerable financial allocations, suggesting that these vendors provide essential goods or services.

| | 2024 | 2023 |
|---|---|---|
| New supplier screened | 100% | 100% |
| Suppliers assessed for social impact | 270 | 1 |
| Suppliers with significant actual and potential negative environmental impact | 10 | 0 |
| Suppliers where impacts have improved as a result of assessment | 0% | 0% |
| Suppliers where relationship were terminated | 0% | 0% |
| ***Reference Standards*** *ESRS G1-2-15b \| GRI 414-1a (Sector Std 11.10.8)* | | |

**Corporate governance**

Openness and confidence are crucial elements in effective corporate governance, and SeaBird Exploration acknowledges the significance of cultivating transparency and trust among various stakeholders. These stakeholders encompass shareholders, the board of directors, executive management, employees, customers, suppliers, government agencies, and the public.

## 6. Disclaimer and assumption for the ESG reporting

The information provided relies on the most trustworthy data accessible during the reporting period. Although ESG disclosures offer a glimpse into the handling of sustainability risks, there are instances where certain data may be approximated.

# Transparency Act



**Finn Atle Hamre**
CEO, Seabird Exploration Plc
Director, Seabird Exploration Norway AS
Director, Geobird Management AS

**Sveinung Alvestad**
CFO, Seabird Exploration Plc
Director, Seabird Exploration Norway AS
Director, Geobird Management AS

## 1. Purpose of the report

The Norwegian Transparency Act aims to promote transparency and accountability in business operations by requiring companies to assess, prevent, and mitigate risks related to human rights violations and environmental harm in their supply chains. By mandating public reporting, the Act seeks to increase awareness, encourage responsible business conduct, and provide stakeholders—including investors, clients, and civil society organizations—with the information necessary to make informed decisions. Ultimately, the Act is designed to drive sustainable business practices and protect fundamental rights.

This report serves as a comprehensive account of SeaBird Exploration's commitment to transparency and compliance with the Transparency Act. Its key objectives are to:

- Provide stakeholders with insight into our operations, governance, and risk management efforts.
- Demonstrate our due diligence in identifying and addressing risks related to human rights and environmental impact.
- Ensure compliance with regulatory requirements by documenting our policies, strategies, and mitigation measures.
- Enhance trust and accountability by publicly sharing our commitment to ethical and sustainable business practices.

## 2. Overview of SeaBird Exploration

SeaBird Exploration is a leading provider of high-quality marine seismic services, specializing in acquiring and processing seismic data for the oil and gas industry. With a strong operational presence in various offshore regions, the company focuses on delivering cost-effective and efficient seismic solutions tailored to client needs.

**Core business activities:**

- Marine seismic acquisition: Conducting 2D, source, and niche 3D seismic surveys to support offshore exploration and development projects.
- Project management and operations: Managing the end-to-end process of seismic surveys, from planning and mobilisation to data delivery and analysis.
- Fleet management: Operating a specialised fleet of seismic vessels equipped with advanced technology to ensure high-quality data acquisition and operational efficiency.

**Commitment to safety and compliance**

As a company managing ships, SeaBird Exploration adheres to the International Safety Management (ISM) Code, ensuring compliance with global maritime safety standards. The company has implemented a structured safety management system (SMS) to oversee risk management, environmental impact, and operational governance.

**ISO certifications**

To ensure the highest standards of quality, safety, and environmental responsibility, SeaBird Exploration is certified under the following ISO standards:

- ISO 9001: Quality Management System – Ensuring consistent service delivery and continuous improvement.
- ISO 14001: Environmental Management System – Managing environmental responsibilities to minimize impact and enhance sustainability.
- ISO 45001: Occupational Health and Safety Management System – Providing a safe and healthy workplace for employees and contractors.

**Sustainability and ethical business practices:**

SeaBird Exploration is committed to conducting business with integrity and in compliance with the Norwegian Transparency Act. The company prioritizes:

- Human rights and labor standards: Ensuring fair labor practices and preventing human rights violations across its operations and supply chain.
- Environmental responsibility: Implementing measures to minimize environmental impact, including responsible waste management, emissions reduction, and sustainable resource use.
- Stakeholder engagement: Collaborating with clients, investors, employees, and local communities to uphold corporate social responsibility (CSR) standards.

SeaBird Exploration continues to evolve its operational strategies to align with regulatory requirements, industry best practices, and stakeholder expectations, ensuring sustainable and ethical business growth.

## 3. Compliance with the Norwegian Transparency Act

SeaBird Exploration is fully committed to complying with the Norwegian Transparency Act, which requires companies to identify, assess, and mitigate risks related to human rights and environmental impact in their operations and supply chains. To ensure responsible business practices, we have established a structured due diligence process that evaluates potential risks, implements mitigation measures, and engages with suppliers to uphold ethical standards.

Risk assessments are an integral part of our operations, allowing us to identify potential human rights violations such as forced labor, child labor, and discrimination, as well as environmental risks related to emissions, waste management, and sustainable resource use. These assessments help us align with both national and international regulations governing corporate responsibility.

Transparency and accountability are central to our compliance efforts. We publish an annual Transparency Report, providing stakeholders with detailed disclosures on our policies, risk assessments, and corrective actions. We also maintain open communication with investors, clients, suppliers, and civil society organizations to foster trust and engagement.

To address any concerns related to human rights or unethical business practices, we have established secure grievance mechanisms, including a whistleblower policy that ensures confidentiality and fair handling of reports. Additionally, we continuously refine our compliance processes through regular audits, training programs, and enhancements to our internal controls.

By embedding these principles into our business operations, SeaBird Exploration remains committed to responsible and transparent corporate conduct, in full alignment with the requirements of the Norwegian Transparency Act.

## 4. Compliance with the ISM code and safety management system

SeaBird Exploration operates in full compliance with the International Safety Management (ISM) Code, which establishes a global standard for the safe operation of ships and the prevention of environmental pollution. As a maritime company, we are required to implement and maintain a Safety Management System (SMS) that ensures regulatory compliance, risk mitigation, and continuous improvement in safety and environmental performance.

Our SMS provides a structured approach to managing operational risks, covering all aspects of vessel management, emergency preparedness, environmental protection, and workplace safety. It includes documented policies and procedures designed to promote a strong safety culture across all levels of our organization. Regular audits, both internal and external, are conducted to verify compliance with the ISM Code and ensure that our safety practices meet international standards.

In addition to our ISM Code compliance, SeaBird Exploration holds ISO certifications that further reinforce our commitment to quality, environmental responsibility, and occupational health and safety. These include:

- ISO 9001: Quality Management System, ensuring a commitment to continuous improvement, customer satisfaction, and operational excellence.
- ISO 14001: Environmental Management System, demonstrating our dedication to sustainable operations, pollution prevention, and compliance with environmental regulations.
- ISO 45001: Occupational Health and Safety Management System, ensuring a safe and healthy work environment for our employees, both onshore and offshore.

By integrating ISM Code compliance with ISO-certified management systems, SeaBird Exploration maintains the highest standards of safety, environmental responsibility, and operational efficiency. These frameworks guide our decision-making processes, help us mitigate risks, and ensure that our business practices align with international best practices and regulatory requirements.

## 5. Overview of governance documents

SeaBird Exploration maintains a robust governance framework that includes policies and procedures to ensure responsible business conduct. Our governance documents include:

- Code of Conduct
- Mission Statement
- Policies on**:** Anti-harassment, Health, safety, and environment (HSE), Quality, Right to refuse work, Security, Smoking, Social media and internet use, Substance abuse, Whistleblower protection, Working alone

These policies are integrated into our safety management system (SMS) and are continuously reviewed to align with evolving regulatory requirements and industry best practices.

## 6. Risk assessment process at the tender stage

Risk assessment and due diligence are integral to SeaBird Exploration's business operations, ensuring that potential risks are proactively identified, evaluated, and mitigated. Our approach is comprehensive and begins at the tender stage, where we conduct thorough evaluations across multiple critical areas. These assessments guide decision-making processes, safeguard operational integrity, and uphold our commitments to responsible business practices.

At the operational level, we assess risks related to general business activities, client-specific requirements, and health, safety, security, and environmental (HSSE) concerns. This includes evaluating the working conditions onboard our vessels, the safety of our employees, and the environmental impact of our operations. Through continuous monitoring and improvement, we ensure compliance with regulatory frameworks and industry best practices.

As part of our Corporate Social Responsibility (CSR) efforts, we analyze potential socio-political risks, including local content requirements, political stability, and the presence of forced or child labor risks. Additionally, we assess the availability of medical evacuation (medevac) facilities in remote operational areas, as well as local regulations governing CSR activities. By integrating these considerations, we ensure that our operations contribute positively to the communities where we operate while preventing human rights violations.

A key component of our due diligence is emergency preparedness, which involves rigorous contingency planning and crisis management. We implement structured emergency response plans to address potential operational disruptions, safety incidents, or environmental hazards. These plans are regularly tested through drills and audits to ensure readiness in real-world scenarios.

Technology and equipment are also subject to thorough assessments to evaluate potential risks related to functionality, safety, and efficiency. By adopting cutting-edge technology and maintaining strict maintenance protocols, we minimize equipment failures, enhance operational efficiency, and reduce environmental impact.

The logistics and supply chain are scrutinized to ensure that subcontractors and partners meet our strict operational, ethical, and regulatory standards. We conduct due diligence to assess the integrity of our suppliers, ensuring compliance with human rights and environmental standards throughout our value chain.

From a legal and financial perspective, we ensure that our business activities comply with maritime regulations, contractual obligations, and international laws governing ethical business conduct. Financial risk assessments help us manage exposure to market volatility, investment risks, and regulatory fines.

Additionally, we evaluate personnel and information and communication technology (ICT) risks to safeguard the well-being of our employees and the security of our digital infrastructure. Cybersecurity measures are in place to prevent data breaches, while workforce safety is prioritized through robust training programs and compliance with occupational health standards.

By maintaining a structured and multi-dimensional approach to risk assessment, SeaBird Exploration actively identifies, prevents, and mitigates negative impacts on human rights and the environment. This commitment ensures that we operate ethically, sustainably, and in alignment with both regulatory expectations and industry best practices.

## 7. Key risk areas assessed

**Risk parameters for human rights violations in the supply chain**

The risk of human rights violations in the supply chain varies by industry and geographical location. However, some common risk factors include:

- Geographical location: Certain regions pose a higher risk due to poor human rights records, political instability, conflict, or high labor migration.
- Working conditions: Issues such as forced labor, child labor, unfair wages, excessive working hours, hazardous environments, and lack of union rights can contribute to human rights violations.
- Environmental impact: Irresponsible environmental practices, including pollution of water, air, and soil, as well as destruction of natural habitats and indigenous lands, can lead to human rights concerns.
- Business practices: Corruption, bribery, and abuse of corporate power to pressure suppliers can negatively impact human rights.
- Political involvement: Companies engaged in political activities, such as supporting authoritarian regimes or participating in illegal practices, may also contribute to human rights violations.

Identifying these risk parameters is essential for assessing and mitigating potential risks in the supply chain, ensuring compliance with international human rights standards.

**Supplier Evaluation Questionnaire**

SeaBird Exploration has developed a questionnaire to assess suppliers across key areas, including quality management, health and safety, environmental management, corporate social responsibility (CSR), and financial stability.

The CSR section of the questionnaire includes the following questions:

- Is your company certified under a social accountability management system?
- Does your company have a policy commitment to respect human rights?
- Does your company conduct human rights due diligence (e.g., human rights impact assessments) in line with its size and operational context?
- Has your company ever been investigated or accused of violating anti-corruption laws such as the FCPA or UK Bribery Act, or engaged in improper payments to public officials?
- Does your company have policies to maintain a workplace free from abuse, threats, and mistreatment?
- Do your hiring procedures ensure compliance with local minimum age laws in accordance with ILO conventions?
- Do you provide anti-corruption training to employees?
- Does your company acknowledge workers' rights to collective bargaining?
- Do you have policies preventing discrimination based on race, gender, age, religion, disability, sexual orientation, or ethnicity?
- Do your workforce policies ensure reasonable working hours and fair wages in accordance with ILO conventions?
- Do you provide workers with legally mandated holidays and leave?

Suppliers are also required to submit relevant policies and indicate whether they hold certifications from recognized organizations such as ISO or FPAL. If not, they must provide additional details.

**Code of Conduct**

SeaBird Exploration has developed its own Code of Conduct, available on our website. All Purchase Orders (POs) reference this document, and by accepting an order, suppliers agree to comply with its principles.

**Supplier Audits**

SeaBird conducts regular supplier audits to ensure compliance. In 2024, two audits of manning agencies were completed. No findings related to the Transparency Act were reported.

Below an overview of data from 2024 are found:

SUPPLY CHAIN ENVIRONMENTAL ASSESSMENT

| | 2024 | 2023 |
|---|---|---|
| NAME | VALUE | VALUE |
| New suppliers screened | 100 % | 100 % |
| Suppliers assessed for environmental impact | 300 | 1 |
| Suppliers with significant actual and potential negative environmental impact | 4 | 0 |
| Suppliers where impacts have improved as a result of assessment | 0 % | 0 % |
| Suppliers where relationship were terminated | 0 % | 0 % |

*Reference Standards* *ESRS G1-2-15b | GRI 308-1a*

Through our environmental assessment, we have identified four suppliers with a significant actual and potential negative environmental impact. These suppliers are all responsible for providing fuel and lubricants to our vessels, making them critical to our operations but also key contributors to environmental risks.

Due to the essential nature of these supplies, switching to alternative providers is not currently feasible. However, we are committed to mitigating environmental impact through efforts to optimize fuel efficiency and reduce overall consumption. By implementing energy-saving measures, enhancing operational efficiency, and exploring sustainable alternatives where possible, we aim to minimize our environmental footprint while maintaining operational reliability.

SUPPLY CHAIN SOCIAL ASSESSMENT

| | 2024 | 2023 |
|---|---|---|
| NAME | VALUE | VALUE |
| New suppliers screened | 100 % | 100 % |
| Number of suppliers assessed for social impact | 270 | 1 |
| Suppliers that is having significant actual and potential negative social impact | 10 | 0 |
| Suppliers where impacts have improved as a result of assessment | 0 % | 0 % |
| Suppliers where relationship were terminated | 0 % | 0 % |

*Reference Standards* *ESRS G1-2-15b | GRI 414-1a (Sector Std 11.10.8)*

As part of our social assessment process, we have identified ten suppliers with significant actual or potential negative social impacts. These suppliers have been evaluated based on key risk factors, including labor rights, corruption risk, and overall compliance with ethical business practices.

Ten suppliers were identified from list of countries defined by the Global Right Index as having significant actual or potential negative social impacts, primarily related to labor rights violations and corruption risks. These include six suppliers in Malaysia, one in the Philippines, and three in UAE, Türkiye, and India (considered lower risk).

The majority of supplier spending is concentrated In a few key countries, with Norway accounting for the largest share by a significant margin. The United States and the United Kingdom also represent major spending hubs, with substantial financial allocations spread across multiple suppliers. Some countries, such as Croatia, receive a high amount of spending despite having only a single supplier, indicating high-value contracts.

In Asia, Malaysia and the Philippines stand out due to notable supplier spending, which may be linked to fuel supply or labor-related costs. Additionally, some countries with relatively few suppliers still receive considerable financial allocations, suggesting that these vendors provide essential goods or services.

| | FREEDOM HOUSE | HUMAN DEVELOPMENT INDEX (HDI) | CORRUPTION PERCEPTIONS INDEX | UNIFIED VALUE (USD) | NUMBER OF COMPANIES |
|---|---|---|---|---|---|
| Austria | 93 | 0.926 | 67 | 44255 | 2 |
| Bahamas | 90 | 0.82 | 65 | 36125 | 2 |
| Bermuda | | | | 10452 | 3 |
| Bulgaria | 77 | 0.799 | 43 | 573824 | 7 |
| Croatia | 82 | 0.878 | 47 | 1232970 | 1 |
| Cyprus | 91 | 0.907 | 56 | 484706 | 23 |
| Denmark | 97 | 0.952 | 90 | 334976 | 6 |
| Finland | 100 | 0.942 | 88 | 23180 | 2 |
| France | 89 | 0.91 | 67 | 341269 | 5 |
| Germany | 95 | 0.95 | 75 | 206497 | 9 |
| Greece | 85 | 0.893 | 49 | 1489 | 2 |
| India | 63 | 0.644 | 38 | 80323 | 1 |
| Italy | 89 | 0.906 | 54 | 2253 | 1 |
| Malaysia | 53 | 0.807 | 50 | 366470 | 6 |
| Marshall Islands | | 0.731 | | 11676 | 1 |
| Netherlands | 97 | 0.946 | 78 | 481002 | 7 |
| Norway | 99 | 0.966 | 81 | 6645853 | 117 |
| Panama | 83 | 0.82 | 33 | 670 | 1 |
| Philippines | 58 | 0.71 | 33 | 131340 | 1 |
| Poland | 82 | 0.881 | 53 | 24423 | 5 |
| Romania | 82 | 0.827 | 46 | 9956 | 1 |
| Singapore | 48 | 0.949 | 84 | 726022 | 21 |
| South Africa | 81 | 0.717 | 41 | 26718 | 2 |
| Sri Lanka | 58 | 0.78 | 32 | 1760 | 1 |
| Sweden | 99 | 0.952 | 80 | 8833 | 1 |
| Turkey | 33 | 0.855 | 34 | 4320 | 1 |
| United Arab Emirates | 18 | 0.937 | 68 | 2945 | 1 |
| United Kingdom | 92 | 0.94 | 71 | 2195344 | 20 |
| United States of America | 84 | 0.927 | 65 | 3079258 | 37 |

## 8. Policies and measures to prevent negative impacts

Risk assessments are an integral part of how we do business. Already on tender stage, a risk assessment is performed, where the following areas of activities are assessed: opportunities, general, client, health, safety, security, environment, CSR, emergency response and contingency, technology and equipment, logistics, subcontractors/partners, operation, maritime, legal, and contractual, finance, personnel, and ICT. Within CSR the following are considered: local content requirements, politically inconvenient regime, child labor, medevac facilities and possibilities, local CSR regime and local information campaign.

**SeaBird Exploration's values:**

- Integrity**:** We treat everyone involved in the organization - staff, stakeholders, and customers alike - with dignity and respect. We are truthful and candid and endeavor to keep our promises and deliver on our commitments.

- Commitment: We are committed to creating a culture that values individual and collective energy, spirit, leadership, creativity, and innovation.

- Excellence: In everything the group do, we search for excellence and continuous improvement to ensure client satisfaction and business success.

**Training**

SeaBird Exploration has pre-defined training requirements for both office and vessels. All job descriptions define what is expected in terms of education and experience. In addition, a matrix of required training to be taken ad hoc or annually is part of our safety management system, and subject for yearly review. The latest additions to the training matrix concern cyber security and anti-corruption.

**Management system**

As a ship management company, SeaBird is controlled by regulators to have a safety management system in place. This system is approved by Class society and is subject to yearly audit, both internal and external. In addition, are we audited by clients and contractors on a regular basis. The safety management systems contain among others document control, incident reporting, management of change, risk assessments, system of permit to work and all our processes and procedures. All processes and procedures are reviewed on an annual basis. The safety management system also includes handling and follow-up of any findings from any kinds of audits.

**Handling of deficits**

Any kind of incidents or deviation from our standard operations shall be reported and analyzed with the purpose of improving health, safety, environmental, security and quality performance. The process covers the reporting requirements defined in the ISM Code, ISPS Code, MLC, ISO standards. All personal injuries, spills, property damages, non-conformities and near-misses shall be reported and considered for investigation as per SeaBirds Incident Management Matrix.

**Knowledge sharing**

The group's safety management system allows the possibility to distribute the acquired knowledge within in the fleet. This is encouraged through procedures, and the question is automatically raised through the handling of incidents. For safety observations, the possibility would be same, in addition good practice and improvement suggestions are categories to be used.

## 9. Stakeholder engagement and grievance mechanisms

Effective stakeholder engagement is essential for maintaining responsible business practices and ensuring transparency throughout the supply chain. We actively engage with key stakeholders, including suppliers, employees, customers, regulatory bodies, and local communities, to identify risks, address concerns, and promote sustainable operations. Regular communication, audits, and assessments help us align with international human rights, labor, and environmental standards.

To support ethical business conduct, we have established grievance mechanisms that allow stakeholders to report concerns related to human rights violations, labor conditions, corruption, and environmental impacts. These mechanisms provide a confidential and accessible platform for employees, suppliers, and third parties to voice their concerns without fear of retaliation. Complaints are reviewed thoroughly, and corrective actions are taken where necessary.

**Whistleblowing**

SeaBird Exploration has developed a policy for whistleblowing in order to prevent or detect and correct improper activities, encourage all SeaBird employees and contractor personnel to report what he or she in good faith believes to be a material violation of law or policy or questionable business or financial activities by any SeaBird employees. This includes members of line management and senior management and ensures that a formal reporting process is established, and to protect Reporting Individuals from retaliatory action.

This procedure is also available for external parties, for example suppliers, and can be reached on our public webpage.

SeaBird Exploration conducts yearly internal and external audits to ensure that we follow our own and regulatory standards.

## 10. Methods for assessing the effectiveness of risk mitigation

Assessing the effectiveness of risk mitigation requires a structured and continuous evaluation process that combines direct oversight, measurable indicators, and stakeholder input. Regular audits play a crucial role in this process, allowing for a detailed review of supplier compliance with ethical, labor, and environmental standards. Both scheduled and unannounced audits help verify that corrective actions are not only implemented but sustained over time.

In addition to audits, key performance indicators are monitored to track improvements in areas such as labor rights compliance, safety performance, and environmental impact. These indicators provide a data-driven approach to understanding whether risk mitigation measures are yielding the desired results or if further intervention is needed. Stakeholder feedback is another essential component, as grievance mechanisms and direct engagement with suppliers, employees, and external parties offer valuable insights into ongoing concerns and areas where risks may still persist despite implemented measures.

Beyond internal assessments, third-party certifications and industry benchmarks serve as external validation of compliance. Monitoring suppliers' adherence to recognized frameworks such as ISO standards and responsible business certifications helps ensure that mitigation strategies align with global best practices. Periodic risk reviews further contribute to this effort by evaluating changes in the risk landscape and comparing internal performance with industry peers to identify areas for continuous improvement.

## 11. Management's assurance of report accuracy

Ensuring the accuracy and reliability of reports is a fundamental responsibility of management, requiring a structured approach to data verification, internal oversight, and adherence to established reporting standards. To achieve this, management implements rigorous internal controls that oversee data collection, validation, and analysis processes, ensuring that information presented in reports is both precise and reflective of actual conditions.

Cross-functional reviews play a crucial role in this assurance process, involving key departments such as compliance, finance, legal, and sustainability. These teams collaborate to verify data accuracy, ensuring consistency across different reporting areas and identifying any discrepancies that may require correction. Audits, both internal and external, further strengthen this process by providing independent assessments of data integrity and confirming alignment with regulatory requirements and industry best practices.

In addition to formal audits, management relies on standardized reporting frameworks, such as those established by international regulatory bodies and sustainability organizations, to ensure transparency and accountability. By adhering to these frameworks, reports maintain credibility and comparability, allowing stakeholders to assess performance with confidence. Regular engagement with key stakeholders, including investors, regulatory bodies, and external auditors, also serves as a mechanism for validating report accuracy, as it provides an opportunity for independent verification and feedback.

# Management Report

This Management Report is prepared for Seabird Exploration PLC (alone or together with its subsidiaries referred to as "Seabird" or "Company" or "Group").

## 1.1 Operating activities

2024 was a year of high activity, with both vessels operating at high utilization rates.

The *Eagle Explorer* completed a 2D project in Malaysia, which concluded at the end of February 2024. In Medio-April a decision was made to start mobilizing to the US Gulf of Mexico where she was awarded a 365-day contract she now is executing on.

The *Fulmar Explorer* remained fully committed throughout the year to the 2 years' contract secured in 2023 and which ends in August 2025.

## 1.2 Seismic services outlook

Throughout 2024, demand remained strong, with expected seasonal fluctuations.

SeaBird operates within two primary segments of the seismic market: 2D acquisition and OBN (Ocean Bottom Node) source services. The OBN segment is largely driven by increased recovery efforts from producing fields. In recent years, seismic spending has predominantly focused on improved oil recovery (IOR) and near-field exploration activities.

This trend has led to a corresponding rise in demand for source vessels supporting ocean bottom seismic (OBS) surveys. The OBS market continues to be a core focus for the Company and is less sensitive to oil price volatility compared to conventional 2D and 3D seismic segments.

Contract rates have shown improvement compared to previous years and are expected to continue increasing.

SeaBird is well-positioned in this evolving market with a modern, upgraded, and flexible fleet consisting of two owned vessels, along with the capability to outfit and deploy additional vessels as required.

## 1.3 Quality, Health, Safety, and Environment

We are guided by our commitment to quality, health, safety, and environment (QHSE).

SeaBird's operating management system is central to the company's performance evaluation process and is fully endorsed and supported by senior management through the company's policies.

In addition to quality, the system ensures safe operations. The company had none Loss time incidents (LTI) in 2024.

SeaBird's detailed analysis of past performance ensures that continual improvements are being made to QHSE procedures and also ensures that set QHSE targets for 2024 are achievable. Focal points for 2025 is to continue to streamline operations without compromising on health, safety, environment, and quality.

Our management system is certified to ISO 14001:2015 (environmental management systems), ISO 9001:2015 (quality management systems) and ISO 45001:2018 (occupational health and safety management systems).

All SeaBird vessels comply with the requirements of the International Safety Management code and the Marine Labor Convention 2006.

The company continues to work actively on minimizing its impact on the environment. We strive to achieve the highest levels of environmental awareness and operational competency. Continual improvement is achieved by developing ever more stringent internal environmental plans and targets annually. No environmental incidents were recorded in 2024.

Established QHSE processes ensures the company:

- ✓ Provides a safe, healthy work environment both offshore and onshore;
- ✓ Continuously improves operational performance and quality;
- ✓ Deliver its services promptly and cost effectively;
- ✓ Considers the environment in all aspects of its operations.

## 1.4 Transparency act

The Transparency Act came into effect in Norway on July 1, 2022, and requires several Norwegian companies to have a relationship with how their business operations may impact fundamental human rights and decent working conditions. The background for this law is a clear expectation from the authorities, society, and clients that businesses should act with increased responsibility throughout their value chain.

SeaBird Exploration, as an ISO-certified company has already developed routines to identify and manage risk in our day-to-day operations, where negative impacts on human rights and the environment in supply chains are identified. We have developed a questionnaire, where among others forced labour, child labour and other human rights violations, as well as environmental risks and impacts are addressed. One of the challenges encountered is to have the questionnaires returned in a timely manner, but so far we have not identified any negative impacts on neither human rights nor environment. SeaBird Exploration has a system in place to address and handles any non-compliance to our code of conduct. We also carry out in-house audits to verify the compliance of our suppliers (in 2024, 2 [two] companies where audited). In 2024, we have used 300 different suppliers, 300 were assessed for potential negative environmental impact and 270 for potential negative social impact. Please see the separate transparency act section for more information.

## 1.5 Financial calendar

| | |
|---|---|
| 6 June 2024 | Annual General Meeting |
| 15 May 2024 | First quarter report |
| 15 August 2024 | Half-year report |
| 13 November 2024 | Third quarter report |
| 20 February 2025 | Fourth quarter report |
| 30 April 2025 | Annual report 2024 |

## 1.6 Shareholders' table

20 largest shareholders per 31 December 2024:

| Investor | No. of shares 31.12.2024 | % of total |
|---|---|---|
| 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 | 5,100,000 | 6.3% |
| Storfjell As | 3,255,775 | 4.0% |
| Interactive Brokers Llc | 2,565,722 | 3.2% |
| Sigstad | 2,250,000 | 2.8% |
| North Sea Group As | 1,775,000 | 2.2% |
| Sigurdsen | 1,728,660 | 2.1% |
| Tinden Holding As | 1,700,000 | 2.1% |
| Nordnet Livsforsikring As | 1,318,661 | 1.6% |
| Kfs As | 1,210,000 | 1.5% |
| Hubris Industrier As | 1,208,333 | 1.5% |
| Ubs Ag | 1,089,140 | 1.4% |
| Håland | 1,000,000 | 1.2% |
| F Storm As | 953,122 | 1.2% |
| Husveg | 714,204 | 0.9% |
| Mp Pensjon Pk | 679,816 | 0.8% |
| Ps Investments As | 655,344 | 0.8% |
| Austrått | 605,850 | 0.8% |
| **Total number owned by top 20** | **49,645,148** | **61.7%** |
| **Total number of shares** | **80,476,271** | **100.00%** |

## 1.7 Financial review

The consolidated financial statements of SeaBird Exploration Plc as well as the separate financial statements for the parent company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. Revenues were USD 35.5 million in 2024 compared to USD 34.6 million in 2023. Vessel utilization was strong at 92% in 2024, a slight increase from 90% in 2023. The revenues were related to contracts with seismic companies. Cost of sales was USD 17.0 million in 2024 (USD 19.1 million in 2023). SG&A was USD 4.3 million in 2024, broadly in line with 2023 of USD 4.0 million. Depreciation and amortization were USD 6.3 million in 2024, the same level as on 2023. The Group reports a net profit of USD 6.2 million for 2024 (USD 3.1 million in 2023). Capital expenditures were USD 2.3 million in 2024, slightly down from USD 2.7 million in 2023. Cash and cash equivalents at the end of the year were USD 4.1 million (USD 2.2 million in 2023). Net cash from operating activities was USD 12.4 million in 2024 (USD 8.5 million in 2023). The company's term loan facility is secured with 1st priority mortgage on Eagle Explorer and Fulmar Explorer. As of 31 December 2024, the balance of the facility was USD 10.7 million. Net interest-bearing debt was USD 9.4 million as per 31 December 2024 (USD 14.1 million as per 31 December 2023). The company has financial risk management objectives and policies to handle cash flow, liquidity, and credit risk, which includes frequent forecasting, review by management and board and by holding sufficient cash reserves to fund the company's operations. The company does not hedge currency, credit, bunker, or other forms of risk. Please see notes 3 and 29 in the Consolidated Financial Accounts for further details on the company's risk management policies and key risk exposures.

## 1.8 Significant events during the year

On **23 February 2024**, the parent Company announced that the Board of Directors has proposed a cash distribution of NOK 0.25 per share.

On **18 April 2024**, the parent Company announced that in the extraordinary general meeting had been approved the cash distribution of NOK 0.25 per share to its shareholders, which will be effected through the reduction of share premium.

On **21 May 2024**, the company announced 6-month contract award with two 6-month options for Eagle Explorer.

On **26 June 2024**, the company announced that the previous 6-month contract for Eagle Explorer has been extended to 12 months with two 6-month options.

On **15 August 2024**, the parent Company announced that the Board of Directors has proposed a cash distribution of NOK 0.25 per share.

On **10 September 2024**, the parent Company announced that in the extraordinary general meeting had been approved the cash distribution of NOK 0.25 per share to its shareholders, which will be effected through the reduction of share premium.

On **13 November 2024**, the parent Company announced that the Board of Directors has proposed a cash distribution of NOK 0.40 per share.

On **19 December 2024**, the parent Company announced that in the extraordinary general meeting had been approved the cash distribution of NOK 0.40 per share to its shareholders, which will be effected through the reduction of share premium.

## 1.9 Subsequent events

The most significant events occurred after the date of the statement of the financial position include:

On **3 February 2025**, the Company announced that it has signed a letter of intent (LOI) to combine with premier tender assisted drilling provider, Energy Drilling Pte Ltd ("Energy Drilling") in a share-for-share acquisition (the "Transaction"). The Transaction will be carried out by issuing approximately 651 million new SeaBird shares to Energy Drilling shareholders. The listed company will in conjunction with the transaction change its name, while the seismic and drilling businesses will continue to operate as Seabird Exploration and Energy Drilling.

On **28 March 2025**, the company announced that the final transaction agreement of the combination of SeaBird Exploration Plc and Energy Drilling Pte Ltd has been signed, subject to approval at an Extraordinary General Meeting ("EGM") of SeaBird Exploration Plc and certain other customary closing conditions.

On **25 April 2025** an Extraordinary General Meeting (EGM) was held, at which all the resolutions put forward were adopted by the shareholders. Amongst other, the transaction between Seabird Exploration Plc and Energy Drilling to form Energy Holdings was approved. The said transaction is subject to certain customary closing conditions that are expected to be resolved shortly.

For the full list of subsequent events please refer to Note 31 of the consolidated financial statements.

## 1.10 Corporate Governance

Our corporate governance policy guides our operations and culture. The company's corporate governance policies are set out in the corporate governance section of this annual report.

As Seabird Exploration Plc is listed on the Oslo Stock Exchange, it follows the Norwegian Code of Practice for Corporate Governance of 14 October 2021 (the "Code of Practice"). Adherence to the Code of Practice is based on a "comply or explain" principle, whereby companies will be expected to either comply with the Code of Practice or explain why they have chosen an alternative approach. The Code of Practice is published on www. Nues.no/English.

## 1.11 Going concern

The company's accounts have been prepared on the basis of a going concern assumption. Please refer to note 2.1 in the consolidated financial statements.

## 1.12 Group Outlook

The Company continues to observe robust tendering activity within the OBN source segment, with clients increasingly seeking longer-term commitments. Additionally, a number of promising 2D opportunities are emerging. This elevated activity, paired with extended contract durations, appears to reflect the broader energy landscape and sustained oil price levels. SeaBird believes that oil and gas will remain a key component of the global energy mix for the foreseeable future.

The focus on improved oil recovery and near-field developments is expected to remain a key driver of demand for the Company's OBN source services. With vessels like the *Eagle Explorer* and the *Fulmar Explorer*, SeaBird is well-positioned to deliver consistent high utilization in this segment. OBN source is anticipated to form the foundation of the Company's seismic service offering going forward.

2D seismic continues to be a cost-effective exploration method, particularly relevant in regions where national energy security is a strategic priority. Ongoing tendering activity in the 2D segment reflects this demand.

To capitalize on these market dynamics, SeaBird is pursuing a strategy of consolidating high-end capacity to increase market share. The Company's versatile equipment pool further enhances its ability to leverage its seismic expertise and market reach by outfitting third-party vessels under flexible charter arrangements. With the capability to offer both 2D and OBN source services, SeaBird is uniquely positioned to benefit from the higher utilization potential of OBN operations, while also capturing the attractive earnings potential offered by the niche 2D market.

## 1.13 Deviation from Q4 2024 report

The group's annual consolidated financial statement has been adjusted compared to the unaudited quarterly results announced on 24 February 2025. The total effect is a reduced net profit of USD 0.5 million in the Company's consolidated statement of income and USD 0.3 million in reduced net assets for 2024.

## 1.14 Resolution

The financial statements for the company have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (EU). They were prepared under the historical cost convention, except financial investment and share options that are held at fair value through profit and loss. Also, the Financial Statements have been prepared on a going concern basis.

The company's net profit for 2024 is USD 6.1 million. The profit for the year will be transferred to the Group's reserves.

## 1.15 Financial risk and instruments

SeaBird's activities are exposed to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and monitors and controls risks with a potential significant negative effect for the Group and evaluates to minimize the risks if the cost of doing so is acceptable. For further information please see Note 3 and 29 in the Consolidated Financial Statement.

## 1.16 Group composition

With reference to Note 18 in the Consolidated Financial Statement

| Company | Shareholding and voting rights |
|---|---|
| Biliria Marine Company Limited* | 100% |
| GeoBird Management AS | 100% |
| Harrier Navigation Company Limited | 100% |

| | |
|---|---|
| Hawk Navigation Company Limited* | 100% |
| Munin Navigation Company Limited* | 100% |
| Oreo Navigation Company Limited* | 100% |
| Raven Navigation Company Limited* | 100% |
| Sana Navigation Company Limited | 100% |
| Seabed Navigation Company Limited | 100% |
| SeaBird Crewing Mexico S. DE R.L. DE C.V. | 100% |
| SeaBird Exploration Americas Inc. | 100% |
| SeaBird Exploration Asia Pacific PTE. Ltd.* | 100% |
| SeaBird Exploration Crewing Limited | 100% |
| SeaBird Exploration Cyprus Limited | 100% |
| SeaBird Exploration Finance Limited | 100% |
| SeaBird Exploration FZ-LLC | 100% |
| SeaBird Exploration Multi-Client Limited | 100% |
| SeaBird Exploration Nigeria Ltd. | 100% |
| SeaBird Exploration Norway AS | 100% |
| SeaBird Exploration Private Limited | 26% |
| SeaBird Exploration Shipping AS | 100% |
| SeaBird Exploration Vessels Limited | 100% |
| SeaBird Seismic Mexico S. DE R.L. DE C.V. | 100% |

*) Biliria Marine Company Limited, Hawk Navigation Company Limited, Munin Navigation Company Limited, Oreo Navigation Company Limited, Raven Navigation Company Limited and Seabird Exploration Asia PTE filed for voluntary liquidation.

## 1.17 Dividend and distribution

No dividend was distributed for the year ended 31 December 2024 (2023: USD nil).

The Group completed two cash distributions to its shareholders during 2024 in the form of repayment of paid in capital. In June 2024 the company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.9 million) and November 2024 the company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.8 million). The shareholders of the Group in December 2024 approved a NOK 0.4 per share distribution of paid in capital, which was completed in February 2025 (NOK 32.2 million or USD 2.9 million).

For further information please see Note 26 in the Consolidated Financial Statement.

## 1.18 Share capital

There are no any restrictions in exercising of voting rights. Please be referred to Note 14 in the Consolidated Financial Statement for further information.

## 1.19 Board of Directors

The Board of Directors consists of Ståle Rodahl (Executive Chairman of the board), Øivind Dahl-Stamnes (Director), Hans Christian Anderson (Director), Odd Sondre Svalastog Helsing (Director) and Sverre Strandenes (Director).

The General Meeting on 6 June 2024 re-elected Mr Ståle Rodahl, Mr Øivind Dahl-Stamnes, Mr Hans Christian Anderson, Mr Odd Sondre Svalastog Helsing and Mr Sverre Strandenes as directors of the Board.

In accordance with the Company's Articles of Association, all Directors who are presently members of the Board will continue in office until the next Annual General Meeting and are eligible for re-election.

The Board shall attend to the common interests of all shareholders, and its members shall meet the Company's need for expertise, capacity and diversity. Attention should be paid to the fact that the Board of Directors can function effectively as a collegiate body. The Board will consider all aspects on diversity when reviewing the composition and balance of the Board and when conducting the annual Board effectiveness review. The Board of Directors expect to progress on the Board members and senior management diversity in the near future.

Please be referred to Note 28 for further information.

## 1.20 Committees

The audit committee has responsibility for overseeing financial reporting and related internal controls, risk, independent and internal auditors, and ethics and compliance. The Group's audit committee consist of:

- Ståle Rodahl – Executive Chairman of the board
- Sverre Strandenes – Director of the board

The Nominating committee members work to evaluate the characteristics and performance of board members and are responsible for selecting the best candidates for each seat on the board. The Group's nomination committee consist of:

- Stig Myrseth
- Per Øyvind Berge
- Hans Jan Henry Anderson

## 1.21 Internal control

The Group operates an internal control system and procedures, the adequacy of which is evaluated by the Board of Directors and by an independent Audit Committee which was established by the Board of Directors. The operation of the internal control system is intended to manage the risks of not achieving business objectives and ensure to a reasonable extent the proper management of the risks of its financial and operational systems Group. The internal control system includes procedures aimed at detection and prevention of errors, omissions and/or fraud which they could cause material inaccuracies in the preparation of the Group's financial statements. The adequacy of the internal control system ensures the validity of financial data and protection against material errors in the presentation of the Group's results.

The Company, through internal controls implemented by management and supervised by the Audit Committee, implemented effective procedures for the composition and preparation of financial statements and periodic information, as provided by the Laws and Regulations of listed companies. In addition to the above, the main features of these procedures, are as follows:

- The financial statements of the Group companies and the consolidated financial statements are prepared with the responsibility of the Chief Financial Officer and reviewed by the Audit Committee.

- The financial statements and the periodic announcements are approved by the Board of Directors prior to their publication.

Furthermore, the Group performs annual internal audit; Internal audit to control compliance towards requirements in; ISO 9001, ISO 14001, ISO 45001, ISM code, ISPS code, MLC and requirements of the Management System.

## 1.22 Independent Auditors

The independent auditors RSM Cyprus Ltd have expressed their willingness to continue in office as the Company's auditors. A resolution authorizing the Board of Directors to appoint and fix their remuneration will be proposed at the next AGM.

Ståle Rodahl, Executive Chairman

Hans Christian Anderson, Director

Øivind Dahl-Stamnes, Director

Sverre Strandenes, Director

Odd Sondre Svalastog Helsing, Director

**The board of directors Seabird Exploration PLC**
**Date 29 April 2025**

# Consolidated Financial Accounts

# Consolidated statement of income

| All figures in USD 000's | Note | Year ended 31 December 2024 | 2023 |
|---|---|---|---|
| Revenues | 5, 6 | 35,454 | 34,635 |
| Cost of sales | 12, 21 | -16,956 | -19,062 |
| Selling, general and administrative expenses | 21 | -4,263 | -3,969 |
| Other income (expenses), net | 10, 20 | -1,023 | -2,939 |
| **Earnings before interest, tax, depreciation and amortization (EBITDA)** | - | **13,212** | **8,665** |
| Gain/(loss) on sale of property, plant and equipment | - | 173 | 74 |
| Depreciation | 7 | -6,305 | -6,274 |
| Amortization | 9 | - | -54 |
| **Earnings before interest and taxes (EBIT)** | - | **7,080** | **2,411** |
| Finance income | - | 152 | 63 |
| Finance expense | 24 | -2,017 | -2,588 |
| Share of net income/(loss) of associates | 18 | -16 | -26 |
| Other financial items, net | 19 | -311 | 3,539 |
| **Profit/(loss) before income tax** | - | **4,888** | **3,399** |
| Income tax | 8 | -190 | -272 |
| **Profit/(loss) continuing operations** | - | **4,698** | **3,127** |
| Net profit/(loss) discontinued operations | 18 | 1,494 | - |
| **Profit/(loss) for the period** | - | **6,192** | **3,127** |
| | - | | |
| **Earnings per share** | 25 | **0.08** | **0.04** |
| From continuing operations | 25 | 0.06 | 0.04 |
| From discontinued operations | 25 | 0.02 | - |

# Consolidated statement of comprehensive income

| | | Year ended 31 December | |
|---|---|---|---|
| All figures in USD 000's | Note | 2024 | 2023 |
| **Profit/(loss)** | | **6,192** | **3,127** |
| Other comprehensive income | | - | - |
| Exchange difference arising on the consolidation of foreign companies financial accounts | | - | - |
| **Total other comprehensive income, net of tax** | | **-** | **-** |
| **Total comprehensive income** | | **6,192** | **3,127** |

# Consolidated statement of financial position

| All figures in USD 000's | Note | 2024 | 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 7 | 35,483 | 39,453 |
| Investment in associates and other investments (FVTPL) | 18 | 130 | 327 |
| **Total non-current assets** | | **35,613** | **39,780** |
| | | | |
| **Current assets** | | | |
| Inventories | 12 | 378 | 1,125 |
| Trade receivables | 10 | 6,712 | 9,642 |
| Other current assets | 11 | 3,181 | 1,258 |
| Restricted cash | 13 | 67 | 42 |
| Cash and cash equivalents | 13 | 4,060 | 2,176 |
| **Total current assets** | | **14,398** | **14,243** |
| | | | |
| **TOTAL ASSETS** | | **50,011** | **54,023** |

# Consolidated statement of financial position

| | | As of 31 December | |
|---|---|---|---|
| All figures in USD 000's | Note | 2024 | 2023 |
| **EQUITY** | | | |
| **Shareholders' equity** | | | |
| Paid in capital | 14 | 21,058 | 36,944 |
| Currency translation reserve | - | -395 | -395 |
| Share options granted | 14 | 258 | 153 |
| Retained earnings | | 8,477 | -9,899 |
| **TOTAL EQUITY** | | **29,398** | **26,803** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Loans and borrowings | 17 | 10,205 | 13,115 |
| **Total non-current liabilities** | | **10,205** | **13,115** |
| | | | |
| **Current liabilities** | | | |
| Trade payables | 15 | 2,122 | 3,821 |
| Contract liability | 15 | 844 | 469 |
| Other payables | 15 | 2,053 | 3,124 |
| Provisions and other liabilities | 16 | 624 | 2,249 |
| Loans and borrowings | 17 | 3,253 | 3,119 |
| Tax liabilities | 8 | 1,409 | 1,323 |
| **Total current liabilities** | | **10,305** | **14,105** |
| | - | | |
| Liabilities classified as discontinued operations | 18 | 103 | - |
| | | | |
| **TOTAL LIABILITIES** | | **20,613** | **27,220** |
| | | | |
| **TOTAL EQUITY AND LIABILITIES** | | **50,011** | **54,023** |

On 29 April 2025, the Board of Directors of SeaBird Exploration Plc authorized these consolidated financial statements for issue.

Ståle Rodahl – Executive Chairman

Hans Christian Anderson – Director

Øivind Dahl-Stamnes – Director

Sverre Strandenes – Director

Odd Sondre Svalastog Helsing – Director

## Consolidated statement of changes in equity

| All figures in USD 000's | Note | Paid in capital | Currency translation reserve | Share options granted | Retained earnings | Non-controlling intrests | Total equity |
|---|---|---|---|---|---|---|---|
| **Equity as of 1 January, 2023** | | **36,944** | **-395** | **595** | **-8,404** | **1,075** | **29,815** |
| Profit/(Loss) | | - | - | - | 3,127 | - | 3,127 |
| Other comprehensive income | | - | - | - | - | - | - |
| **Total comprehensive income** | | **-** | **-** | **-** | **3,127** | **-** | **3,127** |
| Distribution of Green Minerals AS | | - | - | - | -4,610 | - | -4,610 |
| Deconsolidation of Green Minerals AS | | - | - | -240 | - | -1,075 | -1,315 |
| Net share options movement | | - | - | -202 | - | - | -202 |
| Other equity transactions | | - | - | - | -12 | - | -12 |
| **Total contributions by and distributions to owners** | | **-** | **-** | **-442** | **-4,622** | **-1,075** | **-6,139** |
| **Equity as of 31 December 2023** | | **36,944** | **-395** | **153** | **-9,899** | **-** | **26,803** |
| Profit/(Loss) for the year | | - | - | - | 6,192 | - | 6,192 |
| Other comprehensive income for the year | | - | - | - | - | - | - |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **6,192** | **-** | **6,192** |
| Share premium reduction | 14 | -12,192 | - | - | 12,192 | - | - |
| Capital distribution | 14 | -3,694 | - | - | - | - | -3,694 |
| Net share options movement | | - | - | 105 | - | - | 105 |
| Other equity transactions | | - | - | - | -8 | | -8 |
| **Total contributions by and distributions to owners** | | **-15,886** | **-** | **105** | **12,184** | **-** | **-3,597** |
| **Equity as of 31 December 2024** | | **21,058** | **-395** | **258** | **8,477** | **-** | **29,398** |

# Consolidated statement of cash flow

| | | Year ended 31 December | |
|---|---|---|---|
| All figures in USD 000's | Note | 2024 | 2023 |
| **Cash flows from operating activities** | | | |
| Profit/(loss) before income tax | | 4,888 | 3,399 |
| Adjustments for | | | - |
| Depreciation and amortization | 7, 9 | 6,305 | 6,327 |
| Movement in provision | 16 | - | 1,430 |
| Loss /(gain) from disposal of fixed assets | | -173 | -74 |
| Allowance for ECL | | 1,678 | 2,060 |
| Unrealized exchange (gain)/loss | | - | 347 |
| Interest expense on financial liabilities | 24 | 2,017 | 2,588 |
| Other items | | 322 | -4,987 |
| Net paid income tax | 8 | -104 | - |
| (Increase)/decrease in inventories | | 747 | -482 |
| (Increase)/decrease in trade receivables, contract assets and restricted cash | | -828 | 5,602 |
| Increase/(decrease) in trade payables, contract liability and other payables | | -2,534 | -8,038 |
| Increase/(decrease) in tax liabilities | | - | 323 |
| **Net cash used in operating activities** | | **12,318** | **8,495** |
| | | | |
| **Cash flows from investing activities** | | | |
| Capital expenditures | 7 | -2,336 | -2,745 |
| Proceeds from disposal of PPE | | 173 | 249 |
| **Net cash used in investing activities** | | **-2,163** | **-2,496** |
| | | | |
| **Cash flows from financing activities** | | | |
| Receipts from borrowings | 17 | - | 14,200 |
| Repayment of borrowings | 17 | -2,840 | -16,997 |
| Interest paid | | -1,782 | -1,996 |
| Dividend received | 18 | 45 | 119 |
| Distribution to shareholders | 14 | -3,694 | - |
| **Net cash from financing activities** | | **-8,271** | **-4,674** |
| | | | |
| **Net decrease in cash and cash equivalents** | | **1,884** | **1,325** |
| Cash and cash equivalents at beginning of the period, unrestricted | 13 | 2,176 | 851 |
| **Cash and cash equivalents at end of the period, unrestricted** | 13 | **4,060** | **2,176** |

# Notes to the consolidated financial statements

All figures in USD 1.000, if not stated otherwise. The consolidated financial statements and the separate financial statements are an integral part of the annual financial statements and should be read in conjunction with each other.

## 1 General information

Seabird Exploration Plc (alone or together with its subsidiaries referred to as “SeaBird” or “company” or “Group”) is a global provider of marine seismic data for the oil and gas industry. SeaBird specializes in high quality operations within the high end of the 2D and source vessel market. SeaBird concentrates on contract seismic surveys. The main success criteria for the Group are an unrelenting focus on quality, health, safety and environment (QHSE), combined with efficient collection of high-quality seismic data.

The company was incorporated in the British Virgin Islands as a limited liability company in 2000. The company was re-domiciled to Cyprus on 18 December 2009. Seabird has direct ownership in two vessels and the company is listed on Oslo Børs with ticker SBX. The company’s registered address is at Panteli Katelari 16, Diagoras House floor 7, 1097, Nicosia, Cyprus. The Group main office is located in Bergen (Norway) with the office address Sandviksbodene 68, 5035 Bergen. SeaBird Exploration Plc is tax resident in Norway and registered in the corporate registers both in Norway and Cyprus.

At 31 December 2024, Seabird’s owned fleet consisted of the seismic vessels “Eagle Explorer” (Eagle) and “Fulmar Explorer” (Fulmar). In addition, the Group has a substantial pool of seismic equipment which could be operated on third parties’ vessels. At year-end there were no chartered vessels in operation.

The accompanying consolidated and separate financial statements represent the activities of SeaBird for the year ended 31 December 2024 (the “period”). These consolidated and separate financial statements were authorized for issue by the board of directors on 29 April 2025.

## 2 Material accounting policy information

The accounting policies that are material to the Group are set out below. These policies have been consistently applied to all years presented in these consolidated financial statements unless otherwise stated.

### 2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

(IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The consolidated financial statements have been prepared under the historical cost convention, except financial investment and share options that are held at fair value through profit and loss. The preparation of financial statements also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 Critical accounting estimates and judgments.

The Consolidated Financial Statement are presented in United States Dollars (USD) and all values are rounded to the nearest thousand (USD 1,000), except when otherwise stated.

**Going concern assumption**

Management has conducted a review of the going concern assumption considering all relevant information available up to the date the consolidated and parent Financial Statements were issued, taking into account all available information about the future, for at least 12 months from the reporting date.

The assessment of going concern relies heavily on the ability of the Group to secure future cash inflows over the going concern assessment period which extends through to a period of at least 12 months from the date of approval of the financial statements to meet its liabilities as they become due. The following steps have been undertaken to allow Management to conclude on the appropriateness of the going concern assumption:

a. Understand what could cause the Group not to be a going concern

b. Consider the current liquidity position, customer and sector position, market and operational risks and availability of additional funding if required

c. Board review of the base case forecast produced by management

d. Perform reverse stress tests to assess under what circumstances going concern would become a risk – and assess the likelihood of whether they could occur

e. Examine other mitigating actions to remedy the stress test scenarios

f. Conclude upon the going concern assumption

**(a) Understand what could cause the Group not to be a going concern**

The potential scenarios which could lead to the Group not being a going concern are:

- Not having sufficient cash to meet liabilities as they fall due and therefore not being able to provide services to its customer base and meet financing obligations. The main source of operating cash flows for the Group is the securing of employment for its fleet. As of 31 December 2024 the Group was in a net current asset position of USD 4.1 million.

- A non-remedied breach of the financial covenants of Sparebank 1 SMN bank (Note 17 Interest bearing loans and borrowings) and failure to obtain a waiver. Under the terms of the agreement this could lead to the outstanding balance becoming due for immediate repayment. These covenants are:

  ✓ Minimum fee cash: USD 1 million

  ✓ Positive working capital excluding current portion of interest-bearing debt

  ✓ Minimum Equity ratio 45 %

**(b) Consider the current liquidity position, customer and sector position, market and operational risks and availability of additional funding if required.**

At 31 December 2024 unrestricted cash and cash equivalents amounted to USD 4.1 million, while total current assets amounted to USD 14.4 million.

As at 31 December 2024, the Group had Interest-bearing loans and borrowings of USD 13.5 million, current liabilities of USD 10.3 million and current liabilities excluding interest bearing debt of USD 7.1 million. As at 31 December 2024, the Group's total equity amounted to USD 29.4 million, after a net profit of USD 6.2 million for the year.

The general market outlook continued to improve in 2024, with both tendering activity and rate level being higher now than were a year ago. At the same time the seismic industry has gone through a momentous resetting where the fleet of active vessels has been reduced by more than 70% and the number of players has been drastically reduced. Following the conversion of Fulmar Explorer in 2021 (completed early 2022) the company is well positioned to take advantage of the strong market. The attractiveness of the Group's assets is also reflected in the contracts secured during the year. This has resulted in the best yearly EBITDA result for eight years.

If needed, the company may also attempt to raise liquidity through the stock exchange by utilizing equity market opportunities. This was successfully applied on two occasions during 2022. The access to the public equity market does not exclude the possibility to dispose of tangible fixed assets held by the company and delay scheduled investment programs and capital expenditure if required to ensure additional liquidity. This was also implemented in 2022 through the sale of one non-core vessel with a substantial loan repayment effect.

**(c) Board review of the base case forecast produced by management**

The management has developed a base case cashflow forecast incorporating the most likely scenarios based on historic data and contract activity. The following steps were taken by the Board to ensure the most accurate base case budget is prepared:

- The inputs and assumptions used in the base case cashflow forecast were compared to external market sources to ensure reasonability.
- Inputs and assumptions were challenged through historic data.
- Reviewed the variance analysis between prior year projected cashflows versus actual cash flows.
- Compared employment rates to approved and prospective contracts.
- Challenged the cost base used for contracts.
- Ensured the base cashflow is updated with actual data from 2024.
- Examined different scenarios, their likelihood and impact on the Group.
- Reviewed the probability of signing new contracts, based on current negotiation developments.

The main assumptions/facts used in the cash flow projections include the estimated EBITDA to be generated in 2025 and the inclusion of cash inflows relating to potential contracts. If these assumptions are accurately estimated there should be no breach of covenants in the next twelve months and the Group will be able to cover its short-term liabilities.

**(d) Perform reverse stress tests to assess under what circumstances going concern would become a risk**

The base case forecast model was further adjusted to establish at what point the Group may not be able to meet its obligations. The Management has developed two stress test scenarios:

1. The first stress test scenario incorporates a reduced utilization or reduced margins by 50% on new employment. In this scenario, the company will be able to meet all its commitments.

2. The second stress test scenario includes only the signed contracts up to the signing date of the financial statements. In its assessment, the board considers availability of alternative sources of financing to mitigate the impact on liquidity, including cost saving measures and tighter working capital control as a first response. The Group has contingency plans in place in case of a prolonged stand-off, which will take the Group's run-rate on cash costs down to a very low level, enabling it to handle a period of low demand from the oil companies. However, based on the sensitivity, the Group will have sufficient cash to cover its expenses and commitments during the forecast period.

Hence, for the going concern becoming a risk for the Group, it would need to see a scenario where the existing contract is cancelled and new contracts are at lower profitability than the existing one would be awarded. That said, the current project progresses properly and there are no any events leading to such incidents.

**(e) Examine other mitigating actions to remedy the stress test scenarios.**

- Diversification of operations
- Alternative credit funding sources
- The Group is listed in the Oslo Stock Exchange and has access to funds from shareholders, if needed.
- As per above this tool was applied successfully twice during 2022; the latest share issue in July 2022 was substantially oversubscribed indicating the general interest to invest in the seismic market and the Group.

**(f) Conclude upon the going concern assumption**

The above matters do not reveal any significant doubt over the Group's ability to continue as a going concern. However, Management determined that the actions taken so far and the available options are sufficient regarding this matter of going concern, and has therefore prepared the consolidated and stand-alone financial statements on a going concern basis.

## 2.2 Adoption of new or revised standards and interpretations

As from 1 January 2024, the Group and the parent Company adopted all changes to International Financial Reporting Standards (IFRSs) as adopted by the EU, which are relevant to its operations. This adoption, did not have a material effect on the consolidated and stand-alone Financial Statements.

New standards, amendments, IFRSs or IFRIC interpretations for annual reporting periods after 31st of December 2024 are expected to not be significant for the Group's financial statements going forward, apart from IFRS 18 as disclosed below.

IFRS 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group and the parent Company will adopt this standard from 1 January 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

## 2.3 Consolidation

**(A) Subsidiaries**

The consolidated financial statements incorporate the financial statements of the company and entities (including structured entities) controlled by the company (its “subsidiaries”).

Control is achieved when the company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Subsidiaries are fully consolidated from the date on which control is transferred to SeaBird. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by SeaBird. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of SeaBird’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Inter-company transactions, balances and unrealized gains on transactions between SeaBird companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by SeaBird. For a complete listing of subsidiaries please refer to note 18 Subsidiaries and associates within the Group.

**(B) Non-controlling interests (minority interests)**

Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions (meaning transactions with owners in their capacity as owners).

For more information regards to non-controlling interest see note 18 Subsidiaries and associates within the Group.

If the Group loses control of a subsidiary with non-controlling interest;

- the Group derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position
- recognizes any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant IFRSs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with IFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.
- recognizes the gain or loss associated with the loss of control attributable to the former controlling interest

## 2.4 Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing related services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. The Group has one business segment. The CEO of the Group is considered to be the Chief Operating Decision Maker.

## 2.5 Foreign currency translation

**(A) Functional and presentation currency**

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The functional and presentation currency of the parent Company is US dollars.

The consolidated financial statements are presented in US dollars, which is also the Group’s functional currency.

**(B) Transactions and balances**

Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses arising from financing activities are recognized in finance costs while all other foreign exchange gains and losses are recognized in their individual line items.

**(C) Seabird companies**

The results and financial position of all the SeaBird entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

I. assets and liabilities for each balance sheet item are translated at the closing rate at the date of that balance sheet;

II. income and expenses are translated at average exchange rates during the year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

III. all resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

## 2.6 Interests in associates

**Associates**

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equal or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinued the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The Group holds an interest in an associate entity, as illustrated in Note 18 (Subsidiaries and associates within the Group). The accounting policies of the entity are aligned with those of the Group. Therefore, no adjustments have been made when measuring and recognizing the Group's share of profit or loss of the investees after the acquisition date.

## 2.7 Property, plant and equipment

Property, plant and equipment comprise mainly vessels and seismic equipment on board owned or chartered vessels. Vessels, seismic equipment designated for source and 2D operation and office equipment are carried at historical cost, less accumulated depreciation and impairment.

Cost represents either the purchase price or the fair value at the time of acquisition if the purchase was through a business combination. Certain expenditures for conversions and major improvements are also capitalized if they appreciably extend the life or increase the earning capacity of a vessel. Elements of cost include costs that are directly attributable to the improvement or conversion project but not administration and other general overhead costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated on a straight-line basis (historical cost less residual value) over their estimated useful lives, as follows:

- Vessels: Up to 27 years
- Conversion expenditures: Vessels remaining life
- Seismic equipment (immovable): Vessels remaining life
- Seismic equipment (movable): 3 to 10 years
- Office equipment: 3 years

The vessels are depreciated from the date they are available for use, i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management. Costs for special periodic and class renewal surveys (dry-docking) are capitalized and depreciated over the estimated period between surveys. Other maintenance and repair costs are expensed as incurred. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included under "Gain/(loss) on sale of property, plant and equipment" in the income statement.

Property, plant and equipment under construction or under conversion are recognized at cost less impairment. Elements of cost include costs that are directly attributable to the conversion project but not administration and other general overhead costs.

## 2.8 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss.

## 2.9 Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

## 2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value and are subsequently held at fair value or amortized cost based on the classification provisions described below.

### 2.10.1 Financial assets - classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss
- those to be measured at amortized cost

The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

In order for a financial asset to be classified and measured at amortized cost it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through profit or loss

**Financial assets at amortized cost (debt instruments)**

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, cash and cash equivalents and restricted cash.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are initially recognized at fair value, with transaction costs recognized immediately in profit or loss. Subsequent to initial recognition, are re-measured at fair value, with gains and losses arising from changes in fair value recognized in the profit or loss in the period in which they arise.

This category includes the listed investment shown within the line long-term investments.

### 2.10.2 De-recognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss.

### 2.10.3 Financial assets: impairment and credit loss allowance for ECL

The Group assesses on a forward looking basis the ECL for debt instruments (including loans) measured at amortized cost and with the exposure arising from loan commitments and financial guarantee contracts. The Group measures ECL and recognizes credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognized in profit or loss.

Debt instruments measured at amortized cost are presented in the consolidated statement of financial position net of the allowance for ECL.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 month (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables and other current assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about events such as: significant financial difficulty of the issuer or the borrower; a breach of contract, such as a default or past due event; it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for that financial asset because of financial difficulties.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decrease and the decrease can ben related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss in reversed through profit or loss.

### 2.10.4 Reclassification of financial assets

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

### 2.10.5 Financial assets write off

Financial assets are written off, in whole or in part, when the Group exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write off represents a de-recognition event. The Group may write off financial assets that are still subject to enforcement activity when the Group seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

### 2.10.6 Financial liabilities measurement categories

Financial liabilities are initially recognized at fair value and classified as subsequently measured at amortized cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognized by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

The Group's financial liabilities are classified as subsequently measured at amortized cost.

**Borrowings**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings, using the effective interest method, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalized as part of the cost of that asset. Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the consolidated statement of financial position date.

### 2.10.7 De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. In determining whether a modification of terms of a liability is a substantial modification, the Group considers quantitative and qualitative factors. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification, is recognized in profit or loss as the modification gain or loss.

## 2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The Group's inventories comprise of fuel and lube oils.

## 2.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and at banks, short term deposits with a maturity of three months or less and other short-term highly liquid investments. Restricted cash which is not available for use by the Group is excluded.

## 2.13 Share capital and share premium

Ordinary share capital and share premium are classified as equity. The difference between the fair value of the consideration received by the company and the nominal value of the share capital issued is taken to the share premium account.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Group distributes cash to shareholders when appropriately authorised and no longer at the discretion of the Group.

Where and if any group company purchases the parent company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax effects) is included in equity attributable to the Group's equity holders.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. For more information see Note 14 Share capital and share options.

## 2.14 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In this case, the tax is also recognized in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where SeaBird operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. SeaBird establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, the deferred income tax, if it is not accounted for, arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by SeaBird and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities in a net basis.

## 2.15 Employee benefits and share based payments

**(A) Pension obligations**

SeaBird operates various defined contribution plans under which it pays fixed contributions into a separate entity. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(B) Share-based compensation**

Equity-settled, share-based compensation plans, under which the Group receives services from employees as consideration for SeaBird equity instruments (options) is booked as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any nonmarket vesting conditions (for example, profitability and sales growth targets).

Nonmarket vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognizes the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The entity may modify the terms of an existing equity instrument granted in a share-based payment transaction. As a minimum, the services received are measured at the grant date fair value, unless the instruments do not vest because of a failure to satisfy a non-market vesting condition that was specified at grant date. This applies irrespective of any modifications to the terms and conditions on which the instruments were granted (including cancellation or settlement). In addition, the effects of modifications that increase the total fair value of the share-based payment arrangement, or are otherwise beneficial to the employee, are recognized. A modification that results in a decrease in the fair value of equity instruments does not result in a reduction in the expense recognized in future periods. When the modification increases the fair value of the equity instruments granted, the incremental fair value is measured by comparing the fair value of the instrument immediately before and immediately after the modification. This incremental fair value is then included in the measurement of the amount recognized for services received. If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period from the modification date until the date when the modified equity instruments vest. The amount based on the grant date fair value of the original equity instruments continues to be recognized over the remainder of the original vesting period. If the modification occurs after vesting date, the incremental fair value granted is recognized immediately. If the modification increases the number of equity instruments granted, the fair value of the additional equity instruments granted, measured at the date of the modification, is included in the measurement of the amount recognized for services received.

The cancellation or settlement of an equity instrument is accounted for as an acceleration of vesting. The amount that would otherwise have been recognized for services received over the remainder of the vesting period is, therefore, recognized immediately. If new equity instruments are granted to an employee in connection with the cancellation of existing equity instruments, and they are identified, on the date when they are granted, as replacement equity instruments for the cancelled equity instruments, this is accounted for as a modification of the original equity instruments. The incremental fair value granted is the difference between the fair value of the replacement equity instruments and the net fair value of the cancelled equity instruments at the date the replacement equity instruments are granted. The net fair value of the cancelled equity instruments is their fair value, immediately before the cancellation, less the amount of any payment made to the employee that is accounted for as deduction from equity. If the entity does not identify new equity instruments granted as replacement equity instruments for those cancelled, the new equity instruments are accounted for as a new grant.

## 2.16 Provisions

Provisions are recognized when SeaBird has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Onerous leases are contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Provision is made in respect of onerous contracts for the present obligation under the contract. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

## 2.17 Revenue recognition

Revenues for contracts with customers arise primarily from services.

Revenue is recognized at the amount that the Group expects to be entitled in exchange for transferring the promised services to the customer (the 'transaction price'). The Group includes in the transaction price an amount of variable consideration (for example, additional consideration related to a "variation order") only to the extent that it is highly probable that a significant reversal will not occur when the associated uncertainly is resolved. Revenue is shown net of value-added tax, discounts, and after eliminating sales within the Group. Revenue is recognized when it is probable that the Group will collect the consideration to which it will be entitled and when specific criteria have been met under the contract. In evaluating whether collectability is probable, the Group considers only the customer's ability and intention to pay.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases of decreases in estimates are reflected in the profit or loss in the period in which the circumstances become known to the management.

The principles applied for each of the main types of contracts with customers are described in more detail below:

**Identification of performance obligations**

The Group assesses whether a contract contains one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation on the basis of its standalone selling price. The service contracts (that do not include data processing service) are generally considered to have a single performance obligation. The service related to seismic data processing, which is occasionally agreed in contracts with customers, is typically considered to be a separate performance obligation.

**Timing of revenue recognition in service contracts**

Revenue from service contracts is recognized over time as the services are performed and the Group is entitled to the compensation under the contract for the work performed. The performance obligation is considered to be satisfied over time because the Group performs the service at the customer specification, the resulting data is owned by the customer the Group is entitled to payment at any given point in time for the portion of work performed and the Group has no alternative right to otherwise use or benefit from the resultant data. Revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The percentage of completion is measured with reference to the actual cost (cost per day multiplied by days lapsed) to total expected costs (cost per day multiplied by expected project days).

**Timing of revenue recognition in bareboat contracts**

Revenue from bareboat contracts is recognized in accordance with the lessor accounting policies. Typically, bareboat contracts are classified as operating leases and hire income is recognized on a straight-line basis over the term of the relevant lease.

**Financing component**

The Group typically does not have any contracts where the period between the delivery of the service and payment by the customer exceeds one year. Consequently, the Group elects to use the practical expedient and does not adjust any of the transaction prices for the time value of money.

**Contract assets and contract liabilities**

In case the services rendered by the Group as of the reporting date exceed the payments made by the customer as of that date and the Group does not have the unconditional right to charge the client for the services rendered (that is, the Group has earned 'unbilled revenue'), a contract asset is recognized. The Group assesses a contract asset for impairment in accordance with IFRS 9 using the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the contract asset. An impairment of a contract asset is measured, presented and disclosed on the same basis as a financial asset that is within the scope of IFRS 9 (see Note 2.10.3 Financial assets: impairment and credit loss allowance for ECL).

If the payments made by a customer exceed the services rendered under the relevant contract, a contract liability is recognized. The Group recognizes any unconditional rights to consideration separately from contract assets as a trade receivable because only the passage of time is required before the payment is due.

**Costs to obtain or fulfil contracts with customers**

The Group can recognize the incremental costs incurred by the Group to obtain contracts with customers and the costs incurred in fulfilling contracts with customers that are directly associated with the contract as an asset, if such costs meet the following recognition criteria:

- Incremental costs of obtaining contracts are those costs that the Group incurs to obtain a contract with customer that would not have been incurred if the contract had not been obtained.
- Costs to fulfil a contract are those that (a) relate directly to the contract, (b) generate or enhance resources of the Group that will be used in satisfying performance obligations, and (c) the costs are expected to be recovered.

The Group accounts for the mobilization costs incurred to transfer the vessel to the intended contract area as "costs to fulfil a contract" if they meet the above criteria and recognizes the costs as an asset on the balance sheet, classified within "other current assets". The asset is amortized on a straight-line basis over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue and recognized in "cost of sales" in the profit or loss. Additionally, the asset is assessed for impairment under the expected credit loss provisions and any impairment loss is recognized in "cost of sales" in profit or loss.

The Group recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the Group otherwise would have recognized is one year or less.

**Interest income**

Interest income is recognized using the effective interest method.

## 2.18 Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a liability in SeaBird's financial statements in the period in which the dividends are approved by the Board of Directors.

## 2.19 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 2.20 Contingent assets and liabilities

Contingent assets are not recognized in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Contingent liabilities are defined as:

- possible obligations resulting from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; and
- a present obligation that arises from past events but is not recognized because:
    - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
    - (ii) the amount of the obligation cannot be measured with sufficient reliability.

## 2.21 Contract costs

Costs incurred relating to future performance obligations are deferred and recognized as assets in the consolidated statement of financial position.

The nature of the asset is incremental costs of obtaining a contract that would not have incurred if the contract had not been obtained and will be recovered by the revenue over the contract period.

Costs related to contracts and future performance obligation longer than 12 months are classified and presented as other non-current assets. All other costs for future performance are presented as other current assets.

Contract costs incurred will be expensed and presented as Operational expenses (cost of sales) in line with the satisfaction of the performance obligation.

## 2.22 Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard the company recognizes an asset from the costs incurred to fulfil a contract if those costs meet all of the following criteria:

(a) the costs relate directly to a contract or to an anticipated contract that the company can specifically identify);

(b) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) the costs are expected to be recovered

Costs related to mobilization of vessels are capitalized under other current assets and amortized over the contract period when the above criteria are satisfied.

# 3 Risk factors and financial risk management

## 3.1 Financial risk factors

SeaBird's activities are exposed to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and monitors and controls risks with a potential significant negative effect for the Group and evaluates to minimize the risks if the cost of doing so is acceptable. The Group may use derivative financial instruments to hedge certain risk exposures from time to time. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and procedures for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included in Note 29 Financial instruments. The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The audit committee oversees how management monitors and manages risk and review the adequacy of the risk management framework in relation to the risks faced by SeaBird.

**(A) Market risk**

**(I) Currency exchange risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group's operating cash inflows are derived from its seismic activities, which are mostly priced in U. S. dollar whilst vessels' costs and crew costs are also mostly in U.S. dollar, thus creating a natural hedge. Nevertheless, as the Group operates internationally, it undertakes transactions denominated in foreign currencies, in particular with regards to taxation payments, as well as administrative expenses. Consequently, the Group is mainly exposed to foreign exchange risk, primarily with respect to Norwegian kroner, Euro and Singapore Dollar. To manage foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, the Group's management monitors the currency rate fluctuations continuously and entities in the Group may use from time-to-time various foreign exchange contracts. SeaBird did not have any open foreign exchange contracts as at 31 December 2024 and 2023. Quantitative information regarding the Group's exposure to foreign exchange risk as at year end is set out in Note 29 Financial instruments.

**(II) Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Variable interest rates expose the Group to cash flow interest rate risk, while fixed interest rates expose the Group to fair value interest rate risk. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest bearing assets. The Group has a loan see Note 17 Interest bearing loans and borrowings. The management monitors the interest rate fluctuations on a continuous basis and acts accordingly. Quantitative information regarding the Group's exposure to interest rate risk as at year end is set out in Note 29 Financial instruments.

**(B) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognized financial assets is the carrying amount net of any provisions for impairment of the assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The company sells its services solely to participants in the energy industry, which may increase the Group's overall exposure to credit risk as customers may be similarly affected by prolonged industry downturns. SeaBird has policies in place to ensure that sales of services are made to customers with an appropriate credit history. When contracts are made with counterparties that are considered particularly risky, the company normally dictates short payment terms and upfront payments in contractual arrangements with the client to properly mitigate credit risk. Still, the Group faces the risk of non-payment from customers.

Credit risk also arises from cash and cash equivalents, deposits with financial institutions as well as other current assets. SeaBird seeks to limit the amount of credit exposure to any financial institution and is only investing in liquid securities with counterparties with strong credit ratings. The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries or performance guarantees and similar in the normal course of business.

Note 29 Financial instruments details the Group's maximum exposure to credit risk and the measurement bases used to determine expected credit losses.

**(C) Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of available debt funding and the ability to close out market positions. Due to the cyclical nature of the seismic industry, SeaBird has been aiming to maintain flexibility in funding by a mixture of debt and equity financing. Quantitative information about the Group's exposure to liquidity risk is set out in Note 29 Financial instruments.

**(D) Risks related to debt arrangements**

SeaBird's current and future debt arrangements include covenants and undertakings of a general, financial and technical nature and such debt arrangements may contain cross-default provisions. Failure by the Group to meet any of the covenants, undertakings and/or a failure to repay debt instalments falling due could result in all outstanding amounts under the different debt arrangements becoming immediately due for payment, which could potentially have a material adverse effect on the Group's financial position and the value of the shares and the Group's operations and results. Please see Note 17 Interest bearing loans and borrowings for more information.

**(E) Capital risk management**

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year. The capital structure of the Group consists of net debt (borrowings – disclosed in Note 17 Interest bearing loans and borrowings – after deducting cash and bank balances – disclosed in Note 13 Cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings). The Group is subject to capital requirements, see Note 17 Interest bearing loans and borrowings where the loan covenants are described.

## 3.2 Other risk factors

SeaBird is subject to various other risk factors. The risks described below are not exhaustive as additional risks not presently known to SeaBird or which SeaBird currently deems immaterial may also impair the Group's business operations. If any of the following risks actually materialize, SeaBird's business, financial position and operating results could be materially and adversely affected.

SeaBird is exposed to the economic cycle, as changes in the general economic situation could affect demand for SeaBird's services. Demand for offshore geophysical services depends on the level of capital spending by oil and gas companies. Capital expenditures, and in particular exploration and development expenditures, by oil and gas companies can be negatively affected by a number of factors including, but not limited to, decreases in oil and gas prices, fluctuations in production levels and disappointing exploration results.

Low oil prices typically lead to a reduction in capital expenditures as these companies scale down their investment budgets. Sustained periods of substantially reduced capital expenditures by these companies may reduce the demand for the SeaBird's products and services. Furthermore, recoveries in oil and gas prices do not immediately increase exploration, development and production spending, so improving demand for SeaBird's services will generally lag oil and gas price increases. SeaBird's operating income/loss and operating results can vary from month to month. Its operating income is difficult to forecast due to changes in oil companies' exploration and production (E&P) budgets and expenditures, the competitive environment, efficiency in operations, adverse weather conditions and other general economic, changes in input costs and changes market conditions.

SeaBird is also exposed to commodity (bunker fuel) price risk on some contracts. As SeaBird in general has a fairly short order backlog for contracts where SeaBird is carrying the risk of bunker fuel prices, this risk has not historically been mitigated by forward commodity contracts. Changes in oil prices and exploration and production budgets could materially affect the business and operating results. Unanticipated difficulties in pursuing SeaBird's business strategy could have a material adverse effect on the Group's business, operating results, or financial condition. The market for SeaBird's products and services is competitive. SeaBird faces competition from other companies within the seismic industry. Generally, overcapacity in the seismic market would have a negative effect on the operating results of the Group, and the possible failure of SeaBird to maintain competitive offering of equipment and services could have a material adverse effect on its business, operating results or financial condition.

SeaBird has a strategy of contracting its vessels both towards the long-term market as well as the more volatile spot market. There can be no guarantee that SeaBird will be able to secure contracts at such rates and utilization rates that are needed. In addition, SeaBird may experience significant off-hires between charters. Furthermore, disputes under the charter parties may occur, which can result in responsibility and losses for the Group. Operations in international markets are subject to risks inherent in international business activities, including, in particular, general economic conditions in each such country, overlapping differing tax structures, managing an organization spread over various jurisdictions, unexpected changes in regulatory requirements, complying with a variety of foreign laws and regulations. SeaBird's business depends on contracts with customers regarding collection and sale/licensing of geophysical data.

Each contract normally involves a substantial value or consideration to the Group. Furthermore, some of the contracts are governed by the laws of the operations' areas, which may create both legal and practical difficulties in case of a dispute or conflict. SeaBird also operates in regions where the ability to protect contractual and other legal rights may be limited compared to regions with more well-established markets.

There will always be operational risks involved in performing offshore seismic surveys. This includes among others unexpected failure or damage to vessels and technical equipment, work accidents or adverse weather conditions. These risks can cause personal injury, prevent surveys to be performed as scheduled, other business interruptions, property and equipment damage, pollution and environmental damage. SeaBird may be subject to claims as a result of these hazards. SeaBird seeks to prevent loss or damages from such incidents by insurance, contractual regulations and emergency routines. However, there will always be some exposure to technical and operational risks, with unforeseen problems leading to unexpectedly high operating costs, substantial losses, additional investments, etc., which may have a material negative effect on the Group's operating results and financial position. If for example a vessel is rendered a total loss, the contract with the customer will be void and SeaBird will under such circumstances lose income that would otherwise come from operating this vessel. Additionally, the occurrence of any of these risks could damage SeaBird's reputation.

The parent company along with a number of subsidiaries are subject to taxation in Norway while several other subsidiaries are subject to taxation in Cyprus. The Group is also subject to taxation in various other jurisdictions because of its global operations. SeaBird faces the risk that its tax filings are challenged and may be subject to unexpected claims for unpaid taxes or sanctions as a consequence of breach of applicable tax legislation.

## 3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as listed debt and equity investments) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by SeaBird is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. SeaBird uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date including quoted market prices or dealer quotes for similar instruments and discounted cash flows.

The carrying value of financial assets and financial liabilities approximate their fair values.

Details with regards to fair value estimation relevant to other financial instruments are set out in Note 29 Financial instruments.

# 4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments made by management in the application of IFRSs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed below.

**(A) Estimating useful lives, residual value of vessels and equipment**

The Group's estimates of useful lives and plans for depreciation are based on investment considerations and on experience of technical and economic life of similar assets. Expected useful life and residual values of the vessels can change according to environmental requirements, wear and tear, corporate strategy, actual usage of the asset, as well as other operational reasons. If the economic life assigned to the assets proves to be too long, impairment losses or higher depreciation expense could result in future periods, while longer actual useful life will decrease the depreciation expense in future years. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each year-end.

**(B) Estimated impairment of vessels and equipment**

The carrying amount of a vessel is reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. In such instances, an impairment charge would be recognized if the recoverable amount (higher of value-in-use and fair value) and its eventual disposition is less than the vessel's carrying amount.

When examining internal indicators of impairment, management assesses a number of factors, such as the vessels' backlog, operating cash flows, financial plans, and the Group's business strategy. Management also considers the physical condition when assessing the earning capacity of an asset. In examining external indicators for impairment, management considers factors such as the economic cycle and macro-economic fluctuations, global oil price movement, factors affecting governmental exploration plans, as well as other factors impacting the customers' capex plans and demand for seismic services.

The recoverable amounts of the vessels are ordinarily determined using value in use calculations. Each vessel, along with the seismic equipment attached or allocated to the vessel, is considered to be a cash generating unit being tested for impairment. In developing estimates of future cash flows, the Group must make assumptions about future day-rates, utilization rate, operating expenses, capital investments, residual values and remaining useful life of the vessels. These assumptions are based on historical trends as well as future expectations. Although management believes that the assumptions used to evaluate potential impairment are reasonable and appropriate, such assumptions may be highly subjective. Significant and unanticipated changes in these assumptions could result in impairments in the future periods. To the extent that the future actual revenues achieved prove to be less than forecasted, impairment losses on vessels and related seismic equipment may result.

Note 7 Property, plant and equipment sets out information about the impairment testing performed in the current year.

**(C) Going concern assumption**

The assessment of the Company for the appropriateness of the use of the going concern basis is disclosed in Note 2.1 Basis of preparation.

**(D) Impairment of financial assets**

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

**(E) Provision for liabilities**

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**(F) Income tax**

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

**(G) Impairment of investments in subsidiaries**

The Group and Company periodically evaluates the recoverability of investments in subsidiaries, whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that the investment in subsidiaries may be impaired, the estimated future undiscounted cash flows associated with these entities would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

# 5 Segment information

The company's seismic services and operations are conducted and monitored within the Group as one business segment.

**Primary reporting format – types of revenues**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Contract revenue | 35,454 | 34,635 |
| **Total** | **35,454** | **34,635** |

Revenues from the company's largest customer in 2024 amounted to 100% of the Group's total annual revenues. In 2023 the largest customer contributed to 62% of total revenues.

**Secondary reporting format – geographical segments**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| REVENUE | | |
| Europe, Middle East & Africa (EMEA) | 8 | 28 |
| North & South America (NSA) | 29,932 | 18,152 |
| Asia Pacific (APAC) | 5,514 | 16,455 |
| **Total** | **35,454** | **34,635** |
| | | |
| SEGMENT ASSETS | | |
| Europe, Middle East & Africa (EMEA) | 5,507 | 4,289 |
| North & South America (NSA) | 43,604 | 26,721 |
| Asia Pacific (APAC) | 900 | 23,013 |
| **Total** | **50,011** | **54,024** |
| | | |
| CAPITAL EXPENDITURE | | |
| Europe, Middle East & Africa (EMEA) | - | 268 |
| North & South America (NSA) | 2,336 | 530 |
| Asia Pacific (APAC) | - | 1,947 |
| **Total** | **2,336** | **2,745** |

A substantial portion of the property and equipment is mobile due to SeaBird's world-wide operations. Asset locations at the end of a period are not necessarily indicative of the geographic distribution of the revenues generated by such assets during the period. Geographic distribution of assets is based upon location of physical ownership. The geographic distribution of revenues is based upon location of performance. Capital expenditures are based on the location of the company that is making the investment.

# 6 Revenue

**Revenue split on type of contract**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Time-charter revenue | 35,446 | 34,607 |
| Other revenues | 8 | 28 |
| **Total revenues** | **35,454** | **34,635** |

The amount of revenue as presented above represents the revenue net of discounts. An amount of USD 2.6 million has been provided as a discount to the associate in 2023. No discounts provided in 2024.

**Time of revenue recognition**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| At a point in time | - | - |
| Over time | 35,454 | 34,635 |
| **Total revenues** | **35,454** | **34,635** |

**Set out below is the amount of revenue recognized from**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Amounts included in contract liabilities at the beginning of the year | 469 | 1,467 |
| Amounts included in contract liabilities at the end of the year | 844 | 469 |

# 7 Property, plant and equipment

The company's capital expenditures in 2024 was USD 2.3. The total capital expenditures for the vessel in 2023 was USD 2.7 million, where approximately USD 1.7 million was related to the 5-year special purpose survey of the "Eagle Explorer" and the remaining relates to ordinary maintenance expenditures.

| All figures in USD 000's | Vessels and equipment | Dry-dock costs and equipment | Office equipment | Total |
|---|---|---|---|---|
| **Opening net book amount as of 1 January, 2023** | **36,868** | **6,060** | **53** | **42,982** |
| Additions | 2,150 | 595 | - | 2,745 |
| Depreciation | -4,287 | -1,933 | -53 | -6,274 |
| **Net book amount as of 31 December 2023** | **34,731** | **4,722** | **-** | **39,453** |
| | | | | |
| Cost | 51,124 | 9,603 | 159 | 60,886 |
| Accumulated depreciation and impairment | -16,392 | -4,881 | -159 | -21,433 |
| **Net book amount as of 31 December 2023** | **34,731** | **4,722** | **-** | **39,453** |
| | | | | |
| **Opening net book amount as of 1 January, 2024** | **34,731** | **4,722** | **-** | **39,453** |
| Additions | 2,209 | 127 | - | 2,336 |
| Depreciation | -4,813 | -1,492 | - | -6,305 |
| **Net book amount as of 31 December 2024** | **32,127** | **3,357** | **-** | **35,483** |
| | | | | |
| Cost | 51,783 | 9,730 | - | 61,513 |
| Accumulated depreciation and impairment | -19,656 | -6,373 | - | -26,029 |
| **Net book amount as of 31 December 2024** | **32,127** | **3,357** | **-** | **35,483** |

Within the period fully depreciated assets with a total cost of USD 1.55 million have been derecognised.

**Impairment assessment**

The Group performed impairment reviews and determined the value in use of its fleet based on discounted estimated future cash flows carried out in accordance with the Group's policy described in Note 2.8 Impairment of non-financial assets. The assessment has not resulted in any impairment loss.

The Group's value in use model includes estimates of the expected future cash flows for each vessel along with the immovable and allocated movable seismic equipment. Cash flows are based on future day-rates, utilization rate, operating expenses, capital investments, residual values and remaining useful life of the assets. These cash flows are discounted at the Group's weighted average cost of capital (WACC) of 12.22% to estimate the present value, which is compared to book value at the date of the assessment. The impairment review is performed on the following vessels:

| Asset | Valuation approach |
|---|---|
| Eagle Explorer | Value in use |
| Fulmar Explorer | Value in use |

The main assumptions used in the calculation of the value in use of the Group's vessels are:

- Future day-rates are based on current contracts. The rates are increased by 2% per year
- Utilization rate is based on awarded and probable projects expected to materialize. Utilization beyond is based on the historic average utilization of the industry
- Operating and capital expenditure is based on historic averages, increased by 2% per year
- Life-time of the vessel

WACC is calculated using a standard WACC model in which cost of equity, cost of debt and capital structure are the key parameters. WACC has been set at 12.22% (2023: 12.20%). The WACC is estimated on a post-tax basis to be in line with the post-tax cash flows used in the model.

The calculation of value in use is sensitive to changes in the key assumptions, which are considered to be the day-rates, utilization rates, daily OPEX, life-time and the discount rate. Management has performed a sensitivity analysis on these assumptions in order to assess the impact on the recoverable amounts had the key assumptions been changed in the negative direction, all other things being equal.

The following apply to Fulmar Explorer:

- A decrease in day-rates by 10% over the remaining useful life of the vessels would not induce impairment loss.
- A decrease in utilization rates by 10%-points over the remaining useful life of the vessels would result in an impairment loss of USD 1.6 million.
- An increase in operating expenses by 10% over the remaining useful life would not induce impairment loss.
- An increase in the WACC by 5%-points (41% increase) would not induce impairment loss.
- A decrease in lifetime by 5 years would not induce impairment loss.

The following apply to Eagle Explorer:

- A decrease in day-rates by 10% over the remaining useful life of the vessels would not induce impairment loss.
- A decrease in utilization rates by 10%-points over the remaining useful life of the vessels would not induce impairment loss.
- An increase in operating expenses by 10% over the remaining useful life would not induce impairment loss.
- An increase in the WACC by 5%-points (41% increase) would not induce impairment loss.
- A decrease in lifetime by 5 years would not induce impairment loss.

Given the inherent imprecision and corresponding importance of the key assumptions used in the impairment tests, it is possible that changes in the future conditions may lead management to use different key assumptions, which could require a material change in the carrying amount of the vessels. The risks associated with the judgments, estimates and assumptions used in this exercise are discussed in Note 4 Critical accounting estimates and judgments (B).

The impairment assessment on the Group's fleet is carried out in accordance with the Group's policy described in Note 2.8 Impairment of non-financial assets to the financial statements.

**Mortgages and assets**

The Group has a loan and guarantee facilities with Sparebank 1 SMN with a total frame of USD 15.6 million (see note 17 Interest bearing loans and borrowings). The facilities are secured with 1st priority mortgages over the vessels, assignment of the vessel's earnings, insurances, trade receivables, bank accounts, inventories of the companies within the Group and pledge of shares in certain subsidiaries of the Group.

Other payables amounted to USD 0.6 million as of 31 December 2024 are secured by 2nd priority mortgages on the vessels.

# 8 Income tax expense

SeaBird Exploration Plc is subject to taxation in Norway which impose corporation tax at the rate of 22% and the majority of its subsidiaries in Cyprus. The Group is also subject to taxation in various other jurisdictions because of its global operations. The Group continues to evaluate its historical tax exposures which might change the reported tax expense.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Current period | 70 | 199 |
| Adjustment for prior periods | 120 | 73 |
| **Total current tax** | **190** | **272** |

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Continuing operations profit/(loss) before income tax | 4,888 | 3,399 |
| Tax calculated at domestic tax rates applicable to profits in respective countries (22% for the parent Company)– current year | 70 | 199 |
| Tax calculated at domestic tax rates applicable to profits in respective countries (22% for the parent Company)– prior years | 120 | 73 |
| **Total tax expense/(reversal) attributable to continuing operations** | **190** | **272** |

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Attributable to continued operations | 190 | 272 |
| Attributable to discontinued operations | - | - |

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Long term tax payables | - | - |
| Current portion of tax liabilities | 1,409 | 1,323 |
| **Total tax liabilities** | **1,409** | **1,323** |

**Income taxes, penalties, and interest**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where SeaBird operates and generates taxable income. SeaBird establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

As at 31 December 2024, the Group has unutilized tax losses carried forward within certain Norwegian subsidiaries.

In deciding whether deferred tax assets are to be recognized in connection to unutilized tax losses, management considers the subsidiary's history of taxable losses and the probability of generating taxable profits before the unused tax losses expire. Management's assessment has concluded that no deferred tax assets should be recognized as at year-end.

# 9 Multi-client library

**The components of the multi-client library are summarized as follows:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening net book amount as of 1 January** | **-** | **54** |
| Amortization | - | -54 |
| Other | - | - |
| **Net book amount as of 31 December** | **-** | **-** |

# 10 Trade receivables

**Trade receivables**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Trade receivables gross | 10,014 | 11,704 |
| Less allowance for expected credit losses | -3,302 | -2,062 |
| **Trade receivables – net** | **6,712** | **9,642** |

The loss recognized within the period of USD 1.2 million as shown in the below table, relates to receivables from the associate company provided for the current Period (Note 18 Subsidiaries and associates within the Group and Note 28 Related-party transactions).

The average credit period on sales of goods is 30 days. None of the trade receivables that have been written off is subject to enforcement activities.

**Allowance for ECL and write offs, net of reversals**

The movement in allowance of expected credit losses that has been recognized for trade receivables and other assets, as well as the methodology under which the allowance has been estimated, are presented in Note 3.1 Financial risk factors.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Loss on trade receivables | 1,240 | 2,062 |
| Loss on other receivables | 438 | - |
| **Allowance for ECL and write offs, net of reversals** | **1,678** | **2,062** |

# 11 Other current assets

**Other current assets overview**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Prepaid expenses and deposits | 279 | 165 |
| Contract costs | 827 | 95 |
| Other current assets | 2,075 | 998 |
| **Total other current assets** | **3,181** | **1,258** |

The contract costs relate to preparation and mobilization of the vessel and equipment to the intended contract area, capitalized as "costs to fulfil a contract" under the Group's accounting policy described in Note 2.17 Revenue recognition and Note 2.22 Costs to fulfil a contract.

The contract costs at 31 December 2024 will be fully amortized within Q2 2025. The total amount of contract costs recognized as at 31 December 2023 have been amortized in the profit or loss in the financial year 2024. No impairments have been recognized in the year in respect of contract costs assets.

# 12 Inventories

The company recognized USD 2.0 million in fuel and lube oil consumption as expenses in 2024 (2023: USD 1.2 million).

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Marine gas oil | - | 726 |
| Lube oil | 378 | 399 |
| **Total inventories** | **378** | **1,125** |

# 13 Cash and bank balances

The restricted cash is held in blocked bank accounts related to payroll tax, employees' prepaid taxes and rent deposits.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Restricted cash | 67 | 42 |
| Cash and cash equivalents | 4,060 | 2,176 |
| **Cash and bank balances** | **4,127** | **2,218** |

# 14 Share capital and share options

**Number of authorized shares**

| | 2024 | 2023 |
|---|---|---|
| Number of ordinary shares | 91,000,000 | 91,000,000 |
| Nominal value per share | EUR 0.17 | EUR 0.17 |

**Share Capital**

The issued share capital was EUR 13,681 thousand and share premium fund was EUR 4,243 thousand as of 31 December 2024.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Share capital | 16,036 | 16,036 |
| Share premium | 5,022 | 20,908 |
| **Paid in capital** | **21,058** | **36,944** |

The Group completed two cash distributions to its shareholders during 2024 in the form of repayment of paid in capital; to facilitate this the Group reduced the share premium fund by USD 12.2 million for the purpose of writing down losses. On 24 June 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.9 million on the date of payment) and on 8 November 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.8 million on the date of payment). The shareholders of the Group on 19 December 2024 approved a NOK 0.4 per share distribution of paid in capital, which has been approved by Cyprus courts on 5 February 2025 and repaid to shareholders on 17 February 2025 (NOK 32.2 million or USD 2.9 million on the date of payment).

**Number of shares issued**

| | 2024 | 2023 |
|---|---|---|
| **Total number of shares issued at 1 January** | **80,476,271** | **80,476,265** |
| Reclassification | - | 6 |
| **Total number of shares as per 31 December** | **80,476,271** | **80,476,271** |

In March 2023 the Company reallocated 6 shares that has been held outside the Norwegian VPS in relation with the reallocation of the shareholder register from Cyprus to Norway. The shares were registered with a premium price of nil and increased its share capital by EUR 1.

There are no share classes and no voting restrictions on the shares.

**Employee Share Option Plans**

The employee share option program consists of 1.2 million warrants and options as of 31 December 2024. The options will vest over period of three years from the grant date, while the Warrants will vest over a period of two years. One third of the options granted will vest one year after grant date, one third of the options granted will vest two years after grant date and one third of the options granted will vest three years after grant date; similar, the warrants will be distributed over two periods. All options and warrants are exercisable at any time within one year from the corresponding vested dates. The options and the warrants have an average exercise price of NOK 5.86.

Estimated value of the share options granted, reduced for services not rendered, as at 31 December 2024, is presented in equity as share options granted.

| | 2024 | 2023 |
|---|---|---|
| **Total number of options at 1 January** | **2,320,000** | **3,140,000** |
| Exercised in year | -346,667 | - |
| Expired in year | -820,000 | -820,000 |
| **Total number of options at 31 December** | **1,153,333** | **2,320,000** |
| | | |
| of which is vested | 806,667 | 1,166,667 |
| of which is non-vested | 346,667 | 1,153,333 |
| **Total options** | **1,153,333** | **2,320,000** |

During the period, 346,667 vested options were paid out in cash on the Company's discretion.

The total value of share options granted is calculated using the Black-Scholes model, assuming that all the options will be exercised. The fair value determined at the grant date is expensed over the vesting period of the options for the options granted less expected number of forfeited options. The calculation is based on:

- Trailing 252 days logarithmic return volatility
- Given exercise price for the given option trance the given year at grant date
- Time to maturity for the given option tranches
- Assume no dividends
- A risk-free interest rate

# 15 Trade and other payables

Contract liability is income earned before contract start-up and accrued over the contract period. The accrued amount at 31 December 2024 was related to one contract starting up in mid-2024 and is expected to be completed in mid-2025.

The Group has a credit line with Glander International Bunkering, this vendor credit is secured with second priority mortgages over the vessels.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Trade payables | 2,122 | 3,821 |
| Contract liability | 844 | 469 |
| Accrued vessel and office costs | 1,002 | 1,826 |
| Payroll related liabilities | 969 | 1,126 |
| VAT and other payables | 82 | 172 |
| **Total trade and other payables** | **5,019** | **7,414** |

# 16 Provisions and other liabilities

**Provisions and other liabilities**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Legal provision | - | 488 |
| Other liabilities related arbitration awards | 624 | 1,761 |
| **Total Provisions and other liabilities** | **624** | **2,249** |

**Changes in provisions and other liabilities**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **2,249** | **331** |
| Additional provision in the year | - | 1,430 |
| Reclassification | - | 488 |
| Discontinued provisions | -1,625 | - |
| **Closing book amount as of 31 December** | **624** | **2,249** |

Total provision and other liabilities have been reduced by USD 1.6 million in the current period as the provisions relate to a wholly owned subsidiary that is under voluntary liquidation and has been recognised as discontinued operations. Consequently, its liabilities and provisions have been deconsolidated.

## 17 Interest bearing loans and borrowings

**Sparebank 1 SMN term loan and guarantee facility**

The Group has a bank facility of USD 14.2m. The effective loan interest was approximately 12.0% in 2024 (2023: 12.3%). The loan facility carries quarter instalments of USD 0.71 million and has a maturity date on 30 of June 2026. The new facility includes also a guarantee of USD 1.4 million which matures on 05 of July 2026. The loan is recognized in the books at amortised cost. The facilities are secured with 1$^{st}$ priority mortgages over the vessels, assignment of the vessel's earnings, insurances, trade receivables, bank accounts, inventories of Companies within the Group and pledge of shares in certain subsidiaries of the Group.

**Sparebank 1 SMN main loan financial covenants:**

- Minimum free cash: USD 1 million
- Positive working capital excluding current portion of interest bearing debt
- Minimum equity ratio 45 %

The Group was in compliance with all the financial and non-financial bank loan covenants throughout the year and as of 31 December 2024.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Sparebank 1 SMN** | | |
| Non-current | 7,775 | 10,543 |
| Current | 2,970 | 3,061 |
| | | |
| **Other** | | |
| Non-current | 2,430 | 2,572 |
| Current | 283 | 58 |
| | | |
| **Total** | **13,458** | **16,234** |

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **16,234** | **16,287** |
| Receipts from borrowings | - | 14,200 |
| Conversion of borrowing | - | 2,340 |
| Interest on loans and borrowings | 1,774 | 2,400 |
| Repayment of borrowings | -2,840 | -16,997 |
| Interest paid | -1,782 | -1,996 |
| (Capitalization) / Amortization of debt issue cost | 72 | - |
| **Closing book amount as of 31 December** | **13,458** | **16,234** |

An amount of USD 2.3m which was included in other payables as at 31 December 2022, was converted into a loan during 2023. The loan carries a minimum quarterly instalment of USD 50,000 and there is no specified maturity date.

## 18 Subsidiaries and associates within the Group

| Company | Owner | Country of incorporation | Shareholding and voting rights 2024 | Shareholding and voting rights 2023 |
|---|---|---|---|---|
| Aquila Explorer Inc.* | Seabird Exploration PLC | Panama | - | 100% |
| Biliria Marine Company Limited** | Seabird Exploration PLC | Cyprus | 100% | 100% |
| GeoBird Management AS | Seabird Exploration PLC | Norway | 100% | 100% |
| Green Energy Group AS* | Seabird Exploration PLC | Norway | - | 100% |
| Harrier Navigation Company Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Hawk Navigation Company Limited** | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Munin Navigation Company Limited** | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Oreo Navigation Company Limited** | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Raven Navigation Company Limited** | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Sana Navigation Company Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| Seabed Navigation Company Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Crewing Mexico S. DE R.L. DE C.V. | Seabird Exploration Norway AS | Mexico | 100% | 100% |
| SeaBird Exploration Americas Inc. | Seabird Exploration PLC | USA | 100% | 100% |
| SeaBird Exploration Asia Pacific PTE. Ltd.** | Seabird Exploration PLC | Singapore | 100% | 100% |
| SeaBird Exploration Crewing Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Exploration Cyprus Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Exploration Finance Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Exploration FZ-LLC | Seabird Exploration PLC | UAE | 100% | 100% |
| SeaBird Exploration Multi-Client Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Exploration Nigeria Ltd. | Seabird Exploration Norway AS | Nigeria | 100% | 100% |
| SeaBird Exploration Norway AS | Seabird Exploration PLC | Norway | 100% | 100% |
| SeaBird Exploration Private Limited*** | Seabird Exploration PLC | India | 26% | 26% |
| SeaBird Exploration Shipping AS | Seabird Exploration PLC | Norway | 100% | 100% |
| SeaBird Exploration Vessels Limited | Seabird Exploration PLC | Cyprus | 100% | 100% |
| SeaBird Seismic Mexico S. DE R.L. DE C.V. | Seabird Exploration Norway AS | Mexico | 100% | 100% |
| Susco AS* | Seabird Exploration PLC | Norway | - | 100% |

*) Aquila Explorer Inc. was dissolved on 25 June 2024, and Green Energy Group AS and Susco AS were dissolved on 7 March 2024.

**) Biliria Marine Company Limited, Hawk Navigation Company Limited, Munin Navigation Company Limited, Oreo Navigation Company Limited, Raven Navigation Company Limited and Seabird Exploration Asia PTE filed for voluntary liquidation.

***) Seabird Exploration Private Limited is recognised using the equity accounting principle. For further information, please refer to Note 2.6 Interests in associates.

**The company has recognized the following balances for its investment in other companies:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Associates | - | 65 |
| Financial assets at fair value through profit or loss | 130 | 262 |
| **Total other financial items, net** | **130** | **327** |

Financial assets at fair value through profit or loss represent the shareholding in Green Minerals AS. Green Minerals AS was distributed to shareholders on 25 January 2023, the remaining 446,801 (approximately 3% of the outstanding shares) shares is booked at fair value through the profit and loss.

**Equity accounted investees:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **65** | **224** |
| Dividends received | -45 | -119 |
| Share of profit / (loss) included in net financials | -16 | -26 |
| Impairments | -4 | -14 |
| Currency translation differences | - | - |
| **Closing book amount as of 31 December** | **-** | **65** |

**Associated company**:

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's | 2024 | 2023 |
| Current assets | 1,221 | 2,047 |
| Current liabilities | -1,225 | -1,795 |
| **Net assets** | **-4** | **252** |
| Share of net asset/(liabilities) | -1 | 65 |
| | | |
| Income | 24 | 17,324 |
| Expenses | -87 | -17,423 |
| **Total comprehensive income** | **-63** | **-99** |
| Share of profit (loss) | -16 | -26 |

**Net income, asset and liabilities in discontinued operations**

Biliria Marine Company Limited, Hawk Navigation Company Limited, Munin Navigation Company Limited, Oreo Navigation Company Limited, Raven Navigation Company Limited and SeaBird Exploration Asia Pacific PTE. Ltd are recognised as companies under discontinued operations.

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's | 2024 | 2023 |
| Current assets attributable to group companies | 103 | - |
| Other current assets | 15 | - |
| Non-current assets | - | - |
| **Total assets** | **118** | **-** |
| | | |
| Current liabilities attributable to group companies | 4,665 | - |
| Other current liabilities | 1,547 | - |
| Non-current Liability | - | - |
| **Total liabilities** | **6,212** | - |
| | | |
| **Total Equity** | **-6,094** | - |

| All figures in USD 000's | Year ended 31 December 2024 | 2023 |
|---|---|---|
| Revenue | - | - |
| Expenses | -63 | - |
| **Net income** | **-63** | **-** |

**Recognition of net income, asset and liabilities of discontinued operations**

| All figures in USD 000's | Year ended 31 December 2024 | 2023 |
|---|---|---|
| **Net income from discontinued operations** | **1,494** | **-** |
| | | |
| **Total assets attributable to discontinued operations** | **-** | **-** |
| | | |
| **Total Liabilities attributable to discontinued operations** | **103** | **-** |
| | | |
| **Net assets / (liability)** | **-103** | **-** |

The amount of USD 1,494 represents the gain arising from the derecognition of the assets and liabilities of former subsidiaries from the Consolidated statement of financial position, due to loss of control. The amount of USD 103 represents the amount due to the discontinued operations, i.e. the companies under liquidation.

## 19 Other financial items, net

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Foreign exchange gain | 250 | 367 |
| Foreign exchange loss | -243 | -599 |
| Other financial income | 40 | 3,995 |
| Other financial expense | -358 | -224 |
| **Total other financial items, net** | **-311** | **3,539** |

Other financial income in the prior year period represents the Group's profit from distributing the Group's majority shareholdings in Green Minerals AS to its shareholders (USD 3.7 million) and the fair value gain through the profit and loss for the remaining shares held (USD 0.3 million). The distribution was completed on 25 January 2023.

## 20 Other income (expenses), net

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Net client reimbursements | 153 | 189 |
| Meals and accommodation | 463 | 523 |
| Loss on trade receivables | -1,240 | -2,062 |
| Loss on other receivables | -438 | - |
| Other income (expense) | 39 | -1,589 |
| **Total other income (expense)** | **-1,023** | **-2,939** |

Loss on trade receivables and other receivables relates to movement in allowance of expected credit losses. Please see Note10 Trade receivables for more information on the loss on trade receivables.

# 21 Expenses by nature

**Cost of sales**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Charter hire | - | - |
| Seismic and marine expenses | 5,077 | 6,298 |
| Other operating expenses | 1,867 | 2,599 |
| Crew and crew related costs | 10,012 | 10,165 |
| **Total charter hire and operating expenses** | **16,956** | **19,062** |

**Selling, general and administrative expenses**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Staff cost and Directors' remuneration | 1,621 | 1,200 |
| Legal and professional | 1,429 | 1,678 |
| Travel expenses | 202 | 72 |
| Rent and other office expenses | 77 | 73 |
| Other expenses SG&A | 934 | 946 |
| **Selling, general and administrative expenses** | **4,263** | **3,969** |

# 22 Audit expenses

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Statutory audit | 330 | 334 |

No non-audit services were provided by the statutory auditors in the years 2024 or 2023.

# 23 Employee benefit expense

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Crew salaries and benefits | 8,213 | 8,415 |
| Salary cost for staff | 1,113 | 680 |
| Social security cost for staff | 207 | 183 |
| Pension cost for staff | 157 | 186 |
| Directors' remuneration | 121 | 112 |
| Nomination committee remuneration | 11 | 11 |
| Insurance cost for staff | 12 | 28 |
| **Total employee benefit expense** | **9,833** | **9,615** |
| Including accrued costs relating to the employee stock option plan | 105 | -202 |
| Average number of employees and temporary crew contractors | 86 | 76 |

## 24 Finance expense

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Interest on loans and borrowings | 1,774 | 2,400 |
| Interest on suppliers' balances | 69 | 165 |
| Interest on tax liabilities | 174 | 23 |
| **Total finance expense** | **2,017** | **2,588** |

## 25 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year (Note 14 Share capital and share options).

| All figures in USD and/or 000's except earnings per share | 2024 | 2023 |
|---|---|---|
| **Number of shares** | | |
| Number of ordinary shares in issue at period end | 80,476 | 80,476 |
| Weighted average number of ordinary shares in issue | 80,476 | 80,476 |
| | | |
| **Profit/(Loss) attributable to equity holders of the company** | | |
| Profit/(Loss) attributable to ordinary shares | 6,192 | 3,127 |
| Profit/(Loss) attributable to ordinary shares for continue operation | 4,698 | 3,127 |
| Profit/(Loss) attributable to ordinary shares for discontinue operation | 1,494 | - |
| | | |
| **Basic earnings per share** | | |
| From continuing operations | 0.06 | 0.04 |
| From discontinued operations | 0.02 | - |
| **Total basic earnings per share** | **0.08** | **0.04** |

The total outstanding amount of shares in the company was 80,476,271 common shares at 31 December 2024 with a nominal value of EUR 0.17 per share. There are no share classes. The weighted average number of ordinary shares issued was 80.5 million in 2024 and 2023.

## 26 Dividends and distributions

No dividend was distributed for the year ended 31 December 2024 (2023: USD nil).

The Group completed two cash distributions to its shareholders during 2024 in the form of repayment of paid in capital. On 24 June 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.9 million on the date of payment) and on 8 November 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.8 million on the date of payment). The shareholders of the Group on 19 December 2024 approved a NOK 0.4 per share distribution of paid in capital, which has been approved by Cyprus courts on 5 February 2025 and repaid to shareholders on 17 February 2025 (NOK 32.2 million or USD 2.9 million on the date of payment).

Please see note 31 Subsequent events for more information on shareholder distribution.

## 27 Commitments and contingencies

During 2020 the Group sold its shares in Osprey Navigation Co. Inc. Operating activities in this company ceased in 2020 with the sale of Osprey Explorer for demolition. The sale of the shares generated a non-cash profit of USD 3.0 million as an old balance sheet item previously recorded as a tax liability in Seabird accounts remained in Osprey Navigation Co. Inc upon the sale and therefore was de-recognized in the Seabird consolidated financial statements. Although unlikely, it cannot be ruled out that the creditor may seek to recover the remaining balance from other Group companies, including the parent company SeaBird Exploration Plc. However, to date there is no indication that this will be the case. In this respect it should also be considered that additional tax exposure may incur related to VAT, currency risk and delayed interest charges, which may increase a future potential liability.

# 28 Related-party transactions

**Key management and board compensation**

Key management is defined as Finn Atle Hamre (CEO) and Sveinung Alvestad (CFO).

Board includes Ståle Rodahl (Chairman), Øivind Dahl-Stamnes, Hans Christian Anderson, Sverre Strandenes and Odd Sondre Svalastog Helsing.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Management salaries and other short-term employee benefits | 612 | 512 |
| Post-employment benefits | 34 | 29 |
| Board remuneration | 121 | 112 |
| Nomination committee remuneration | 11 | 11 |
| Consulting agreements (board members) | 54 | 176 |
| **Total key management and board compensation** | **832** | **840** |

**Loans from related parties**

No loans were granted within the year nor outstanding as at 31 December 2024.

**Loans to related parties**

The Company has no loans to related parties.

**Balances and transactions with related parties**

As of 31 December 2024, the Group has recorded USD 1.2 million (2023: USD 1.8 million) in trade receivables from the associate company, which has been fully provided for within the period under review (2023: nil). The net total revenue recognised by the Group of the associated company for the year 2024 was nil (2023: USD 7.4 million).

**Commitments and contingencies to related parties**

The Group has neither commitments nor contingencies to related parties.

**Shareholding**

Management and the board of directors, as of 31 December 2024 held the following shares on own account:

| Name | Title | Ordinary shares | % ownership | Outstanding options* |
|---|---|---|---|---|
| Ståle Rodahl | Chairman | 3,255,775 | 4.05% | 120,000 |
| Hans Christian Anderson | Board Member | - | - | - |
| Odd Sondre Svalastog Helsing | Board Member | 1,208,333 | 1.50% | - |
| Øivind Dahl-Stamnes | Board Member | 80,000 | 0.09% | - |
| Sverre Strandenes | Board Member | - | - | - |
| Finn Atle Hamre | CEO | 15,125 | 0.02% | 453,333 |
| Sveinung Alvestad | CFO | 44,843 | 0.06% | 366,667 |

*Please see Note 14 Share capital and share options for further information of the company's share option program.

On 24 February 2023, Mr Sondre Helsing, Board member, has through his wholly owned company Hubris Industrier AS today purchased 325,000 shares in Seabird Exploration Plc at a price of NOK 4.54 per share. Following this transaction Mr Helsing owns 1,208,333 shares in the Company.

On 9 October 2023, Mr Øivind Dahl-Stamnes, Board member, has transferred 20,000 shares from his personal account to his wholly owned company Dorris AS. Mr. Dahl-Stamnes holding in Seabird Exploration Plc remains unchanged at 63,200 shares, representing approximately 0.1% of the outstanding shares.

On 16 November 2023, Mr Øivind Dahl-Stamnes, Board member, has transferred 43,200 shares from his personal account to his wholly owned company Dorris AS. Mr. Dahl-Stamnes holding in Seabird Exploration Plc remains unchanged at 63,200 shares, representing approximately 0.1% of the outstanding shares.

On 24 November 2023, Mr Øivind Dahl-Stamnes, Board member, has through his wholly owned company Dorris AS purchased 6,800 shares in Seabird Exploration Plc at a price of NOK 5.08 per share. Following this transaction Mr Dahl-Stamnes owns 70,000 shares, representing approximately 0.1% of the outstanding shares in the Company.

On 15 August 2024, Mr Øivind Dahl-Stamnes, Board member, has through his wholly owned company Dorris AS purchased 10,000 shares in Seabird Exploration Plc at a price of NOK 4.88 per share. Following this transaction Mr Dahl-Stamnes owns 80,000 shares in the Company.

On 11 February 2025, Mr Sondre Helsing, Board member, has through his wholly owned company Hubris Industrier AS purchased 36,373 shares in Seabird Exploration Plc at a price of NOK 6.64 per share. Following this transaction Mr Helsing owns 1,244,706 shares in the Company.

On 12 February 2025, Mr Sondre Helsing, Board member, has through his wholly owned company Hubris Industrier AS purchased 63,627 shares in Seabird Exploration Plc at a price of NOK 6.42 per share. Following this transaction Mr Helsing owns 1,308,333 shares in the Company.

**Purchase of services from board members**

Storfjell AS, a company controlled by Ståle Rodahl (Chairman of the Board of the Company), has invoiced Seabird Exploration Norway AS USD 0.1 million related to various consultancy work performed. The comparable figure for 2023 was USD 0.2 million.

# 29 Financial instruments

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables
- cash and cash equivalents and restricted bank balances
- other current assets

In general, vessels on time charter are prepaid, while vessels contracted to oil companies usually have payment terms on an average of approximately 30 days. Interest is charged on outstanding overdue trade receivables.

The Group always measures the loss allowance for trade receivables and other current assets at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated by carrying out an individual assessment on each outstanding balance. Management takes into account the counterparty's financial position, past default experience, industry knowledge and market reputation. Management also considers macroeconomic factors, such as general economic conditions, factors specific to the oil and seismic industry and an assessment of both the current and the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

The collection of receivables is closely monitored by management.

With regards to cash and cash equivalents, the Group measures its expected credit loss by reference to the banks' external credit ratings and relevant published default and loss rates, taking into consideration the EUR 100,000 per bank deposit protection guaranteed under the EU Deposit Guarantee Scheme. The Norwegian Bank's Guarantee Fund covers deposits up to NOK 2 million per depositor per bank.

The Group monitors changes in external credit ratings and default rates and compares these to credit risk at initial recognition. Cash held at banks with investment grade are assessed as low credit risk and belong to Stage 1. As the Group's deposits are held in banks with high credit quality ratings with investment grade, the probability of default is low, and the expected credit loss is minimal. Thus, no loss has been recognized in the consolidated financial statements.

Group's maximum exposure to credit risk:

| All figures in USD 000's | Note | 2024 | 2023 |
|---|---|---|---|
| Trade receivables | 10 | 10,014 | 11,704 |
| Other receivables | 11 | 1,936 | 998 |
| Restricted cash | 13 | 67 | 42 |
| Cash and cash equivalents | 13 | 4,060 | 2,176 |
| **Total** | | **16,077** | **14,920** |

The ageing of trade receivables at the reporting date was:

| All figures in USD 000's | Gross | Impairment | Total |
|---|---|---|---|
| Not past due | 5,238 | - | 5,238 |
| Past due 0-30 days | 2,217 | - | 2,217 |
| Past due 31-120 days | 416 | - | 416 |
| More than 120 days | 3,834 | -2,062 | 1,772 |
| **Total trade receivable as of 31 December 2023** | **11,704** | **-2,062** | **9,642** |
| | | | |
| Not past due | 3,440 | - | 3,440 |
| Past due 0-30 days | 3,272 | - | 3,272 |
| Past due 31-120 days | - | - | - |
| More than 120 days | 3,302 | -3,302 | - |
| **Total trade receivable as of 31 December 2024** | **10,014** | **-3,302** | **6,712** |

The following table details the movement in the allowance for expected credit losses of trade receivables and other current assets:

| All figures in USD 000's | Note | 2024 | 2023 |
|---|---|---|---|
| **Opening amount as of 1 January** | | **2,062** | **3,665** |
| Provision for expected credit losses | | 1,678 | 2,062 |
| Write-off | | - | -3,665 |
| **Net carrying amount as of 31 December** | | **3,740** | **2,062** |

The Group has recognized a loss allowance of 100% against all receivables over 120 days past due because historical experience has indicated that the receivables are generally not recoverable.

As described in Note 3.1 Financial risk factors (B), the company's concentration of credit risk is due to the narrow customer base within the oil & gas industry and the fact that the market participants face common risks connected to the industry's general economic conditions.

The Group assesses the exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions. Bank deposit held with banks with investment grade rating are considered as low credit risk. The gross varying amount represents the Group's maximum exposure to credit risk on these assets.

| All figures in USD 000's | Ratings | 2024 | 2023 |
|---|---|---|---|
| Bank 1 | Aa3* | 3,259 | 1,895 |
| Bank 2 | BBB-** | 836 | 307 |
| Bank 3 | Baa2* | 29 | 1 |
| Bank 4 | NA | 3 | 15 |
| **Total** | | **4,127** | **2,218** |

*) Moods, **) S&P

**Liquidity Risk**

Ultimate responsibility for risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the group's short-, medium- and long-term funding and liquidity requirements. The group manages liquidity risk by maintaining sufficient cash and cash equivalents, seeking the availability of equity funding and debt funding, and by continuously monitoring forecast and actual cash flows.

The tables below summarize the maturity profile of the group's financial liabilities at year end on contractual undiscounted payments. The tables have been drawn based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. Floating interest rates are applied on the interest-bearing borrowings (refer to Note 17 Interest bearing loans and borrowings).

| All figures in USD 000's | On Demand | Less Than 12 Months | 1 to 5 Years | Total |
|---|---|---|---|---|
| Interest-bearing borrowings | - | 4,921 | 15,207 | 20,128 |
| Trade payables | - | 3,821 | - | 3,821 |
| Other payables | - | 3,593 | - | 3,593 |
| Provisions | - | 2,249 | - | 2,249 |
| **Total financial liabilities as of 31 December 2023** | **-** | **14,584** | **15,207** | **29,791** |
| | | | | |
| Interest-bearing borrowings | - | 4,677 | 11,689 | 16,366 |
| Trade payables | - | 2,122 | - | 2,122 |
| Other payables | - | 2,897 | - | 2,897 |
| Provisions | - | 624 | - | 624 |
| **Total financial liabilities as of 31 December 2024** | **-** | **10,320** | **11,689** | **22,009** |

Interest-bearing borrowings includes the interest for the respective periods.

**Currency risk**

As described in Note 3.1 Financial risk factors (A)(I), the Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group is mainly exposed to fluctuations with respect to Norwegian kroner, Euro and Singapore Dollar.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are presented in the tables below.

| All figures in USD 000's | Total | NOK | EUR | SGD | Others |
|---|---|---|---|---|---|
| Assets | 1,403 | 524 | 74 | - | 805 |
| Liabilities | -3,859 | -612 | -1,512 | -1,297 | -439 |
| **Net position as of 31 December 2023** | **-2,457** | **-88** | **-1,438** | **-1,297** | **366** |
| *Sensitivity 10%* | -246 | -9 | *-144* | *-130* | *37* |

| All figures in USD 000's | Total | NOK | EUR | SGD | Other |
|---|---|---|---|---|---|
| Assets | 2,350 | 1,340 | 60 | - | 950 |
| Liabilities | -3,337 | -670 | -1,897 | -78 | -691 |
| **Net position as of 31 December 2024** | **-986** | **670** | **-1,838** | **-78** | **259** |
| *Sensitivity 10%* | -99 | 67 | -184 | -8 | 26 |

The table also details the Group's sensitivity to a 10% decrease in US dollar against the relevant foreign currencies. A positive number below indicates an increase in profit. For a 10% weakening of US dollar against the relevant currency, there would be an opposite negative impact on the profit.

Exchange rates applied during the year:

| | Average rate | | Year end | |
|---|---|---|---|---|
| USD per : | 2024 | 2023 | 2024 | 2023 |
| EUR | 1.0824 | 1.0810 | 1.0389 | 1.1050 |
| GBP | 1.2788 | 1.2433 | 1.2529 | 1.2715 |
| NOK | 0.0931 | 0.0947 | 0.0881 | 0.0983 |
| SGD | 0.7488 | 0.7443 | 0.7335 | 0.7573 |

**Interest rate risk**

As described in Note 3.1 Financial risk factors (A)(II), the Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowing from Sparebank 1 SMN which is a floating interest loan.

The table below presents the carrying values of its floating-rate financial instrument:

| All figures in USD 000's | Note | 2024 | 2023 |
|---|---|---|---|
| Sparebank 1 SMN - Libor + margin | 17 | 10,745 | 13,604 |

Cash equivalents and restricted cash of USD 4.1 million as at 31 December 2024 (2023: USD 2.2 million) are interest bearing assets with variable rates.

An increase/decrease of 100 basis points in interest rates at during 2024 would have increased/decreased equity and profit or loss by USD 0.1 million (2023: USD 0.1 million).

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

Except from the financial assets at fair value through profit or loss, the carrying values of all other financial assets and financial liabilities approximate their fair values. The Group uses fair value through profit and loss only on listed shares. The fair value is determined by the quoted price in the market (Level 1). The carrying amount as at 31 December 2024 was USD 130.000 (2023: USD 262.000).

Green Minerals AS was distributed to shareholders on 25 January 2023, the remaining 446,801 (approximately 3% of the outstanding shares) shares are booked at fair value through the profit and loss. The fair value as at 31 December 2024 was USD 0.1 million (2023: USD 0.3 million).

# 30 Long-term investments

The group holds a long-term investment which relates to an associated company (Note 18 Subsidiaries and associates within the Group).

# 31 Subsequent events

On 3 February 2025, the Group Company announced that it has signed a letter of intent (LOI) to combine with premier tender assisted drilling provider, Energy Drilling Pte Ltd ("Energy Drilling") in a share-for-share acquisition (the "Transaction"). The Transaction will be carried out by issuing approximately 651 million new SeaBird shares to Energy Drilling shareholders which will represent approximately 88.91% of the combined entity. The listed company will in conjunction with the transaction change its name, while the seismic and drilling businesses will continue to operate as Seabird Exploration and Energy Drilling.

On 7 February 2025, the Group Company announced that the approved cash distribution of NOK 0.40 per share will be distributed as a repayment of paid in capital. The key dates related to the distribution are as follows: Last day including right: 10 February 2025 Ex-date: 11 February 2025 Record date: 12 February 2025 Payment date: 17 February 2025.

On 11 February 2025, Mr Sondre Helsing, Board member, has through his wholly owned company Hubris Industrier AS purchased 36,373 shares in Seabird Exploration Plc at a price of NOK 6.64 per share. Following this transaction Mr Helsing owns 1,244,706 shares in the Company.

On 12 February 2025, Mr Sondre Helsing, Board member, has through his wholly owned company Hubris Industrier AS purchased 63,627 shares in Seabird Exploration Plc at a price of NOK 6.42 per share. Following this transaction Mr Helsing owns 1,308,333 shares in the Company.

On 28 March 2025, the company announced that the previously announced (with reference to the stock exchange announcement on 3 February 2025) combination of SeaBird Exploration Plc and Energy Drilling Pte Ltd in a share for share acquisition. The final transaction agreement has now been signed, and subject to approval at an Extraordinary General Meeting ("EGM") of SeaBird Exploration Plc and certain other customary closing conditions, the transaction will be completed.

On 25 April 2025 an Extraordinary General Meeting (EGM) was held, at which all the resolutions put forward were adopted by the shareholders. Amongst other, the transaction between Seabird Exploration Plc and Energy Drilling to form Energy Holdings was approved. The said transaction is subject to certain customary closing conditions that are expected to be resolved shortly. The minutes are available on the Company's webpage.

# 32 Performance measurement definitions

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 in below table.

| Alternative performance measurements | | |
|---|---|---|
| Measure | Description | Reason |
| **EBITDA -Operating profit before depreciation and amortization** | 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. |
| **EBIT- Operating profit** | EBIT represents earnings before interest and tax. | EBIT shows operating profitability regardless of capital structure and tax situations. |
| **Equity ratio** | Equity divided by assets at the reporting date. | Measure capital contributed by shareholders to fund the Company's assets. |
| **Earnings per share** | Earnings divided by average number of shares outstanding. | Measures the Company's earnings on a per-share basis. |
| **Net interest bearing debt** | 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. |

| Other definitions | |
|---|---|
| Measure | Description |
| **Vessel utilization** | Utilization is a measure of the Company`s ability to keep vessels in operation and on contract with clients, expressed as a percentage and are based on actual days. |

# 33 Operating environment

The economic environment in 2024 and over the medium term is subject to a high degree of uncertainty, with the continuation of the war in Ukraine, Israel-Gaza conflict, rising tensions in US-China relations, high inflation and high interest rates threatening a significant slowdown in the global economy.

**Russia – Ukraine conflict**

The conflict between Russia and Ukraine continues to be highly unstable. The tension in the region impacted the Russian and global economies negatively and resulted to ongoing political tensions and international sanctions against certain Russian companies and individuals. The sanctions imposed restricted the parties from having access to foreign financial markets, including removing access of several Russian banks to the international SWIFT system.

The EU, UK and US (amongst others) have also imposed sanctions against the Russian central bank, restricting the access of the Russian state to foreign currency reserves, and introduced further asset freezes against designated individuals/entities and sectoral sanctions.

The conflict between Ukraine and Russia may have an impact on global Oil & Gas demand and pricing which again may affect the global market for Marine Seismic services. The Group also uses some crew members of Ukraine and Russian Nationality, these crew members have been working for the Group for a number of years and have not so far indicated any mistrust or other concerns by working together. Secondary the Group may encounter difficulties to pay salaries to Russian crew members due sanctions. If such situation arises the Group will assess the possibility and ultimately change crew to other Nationalities. Currently the Group does not have any ongoing projects or contracts with Russian or Ukrainian interests.

The situation is still evolving and further sanctions and limitations on business activity of companies operating in the region, as well as consequences on the Russian economy in general, may arise but the full nature and possible effects of these are unknown.

**Israel – Gaza conflict**

The Israel-Gaza conflict has escalated on 07 October 2023, with the launch of a major attack by Hamas. There might be a significant exposure and economic uncertainty for entities with operations, subsidiary entities or investment in the war area. Other entities, which do not have a direct exposure with the war area might also be indirectly affected by the negative global economy and global trade impact that arise due to the war.

Management believes that it is neither significantly impacted from the Israel-Gaza nor the Russia-Ukraine conflict, as its operations are not affected by the situations, therefore are reasonably well positioned to withstand volatility and economic uncertainties that may arise from the geopolitical and global economic environment. Management will continue to monitor both above described situations closely and assesses appropriate actions when, and if, needed.

# Separate Financial Accounts: Seabird Exploration Plc

## Statement of income

| All figures in USD 000's | Note | Year ended 31 December 2024 | 2023 |
|---|---|---|---|
| Revenues | - | - | - |
| Cost of sales | - | - | -4 |
| Selling, general and administrative expenses | 10 | -1,296 | -1,036 |
| Other income (expenses), net | 8 | 3 | -2,051 |
| Impairment on group receivables | 15 | 3,918 | -15 |
| Write down on group payables | 15 | 4 | 1,518 |
| Impairment on investments in subsidiaries, net of reversals | 13 | -1,378 | -5,385 |
| **Earnings before interest and taxes (EBIT)** | | **1,251** | **-6,973** |
| Finance expense | 11 | -905 | -2,183 |
| Finance income | 11 | 162 | 1,434 |
| Share of net income/(loss) of associates | 13 | -16 | -5 |
| Fair value adjustments through profit and loss | 13 | -132 | 262 |
| Other financial items, net | 9 | -125 | 4,683 |
| **Profit/(loss) before income tax** | | **235** | **-2,782** |
| Income tax | 3 | -108 | - |
| **Profit/(loss) for the period** | | **127** | **-2,782** |

## Statement of comprehensive income

| All figures in USD 000's | Note | Year ended 31 December 2024 | 2023 |
|---|---|---|---|
| **Profit/(loss)** | | **127** | **-2,782** |
| Other comprehensive income | | - | - |
| **Total other comprehensive income, net of tax** | | **-** | **-** |
| **Total comprehensive income** | | **127** | **-2,782** |

## Statement of financial position

| | | As of 31 December | |
|---|---|---|---|
| All figures in USD 000's | Note | 2024 | 2023 |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investments in subsidiaries | 13 | 31,020 | 49,869 |
| Financial assets at fair value through profit and loss | 13 | 130 | 262 |
| Investment in associated companies | 13 | - | 65 |
| **Total non-current assets** | | **31,150** | **50,196** |
| | | | |
| **Current assets** | | | |
| Trade receivables and other current assets | 4 | 3 | 10 |
| Due from related parties | 15 | 5,887 | 7,544 |
| Restricted cash | 5 | 16 | - |
| Cash and cash equivalents | 5 | 1,573 | 136 |
| **Total current assets** | - | **7,479** | **7,690** |
| | - | | |
| **TOTAL ASSETS** | | **38,629** | **57,886** |
| | | | |
| **EQUITY** | | | |
| **Shareholders' equity** | | | |
| Paid in capital | 6 | 21,058 | 36,944 |
| Revaluation reserve | - | 12 | 12 |
| Share options granted | 6 | 258 | 153 |
| Retained earnings | | -548 | -12,867 |
| **TOTAL EQUITY** | | **20,780** | **24,242** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| **Total non-current liabilities** | | **-** | **-** |
| | | | |
| **Current liabilities** | | | |
| Trade payables and other payables | 7 | 236 | 218 |
| Due to related parties | 15 | 17,503 | 33,426 |
| Tax liabilities | - | 7 | - |
| **Total current liabilities** | | **17,746** | **33,644** |
| | - | | |
| Liabilities classified as discontinued operation | 13 | 103 | - |
| | - | | |
| **TOTAL LIABILITIES** | | **17,849** | **33,644** |
| | | | |
| **TOTAL EQUITY AND LIABILITIES** | | **38,629** | **57,886** |

On 29 April 2025, the board of directors of SeaBird Exploration Plc authorized these Financial Statements for issue.

Ståle Rodahl – Executive Chairman

Hans Christian Anderson – Director

Øivind Dahl-Stamnes – Director

Sverre Strandenes – Director

Odd Sondre Svalastog Helsing – Director

## Statement of cash flow

| | | Year ended 31 December | |
|---|---|---|---|
| All figures in USD 000's | Note | 2024 | 2023 |
| **Cash flows from operating activities** | | | |
| Profit/(loss) before income tax | | 235 | -2,782 |
| Adjustments for | | | |
| Write down on group payables | 15 | -4 | -1,518 |
| Impairment on investments in subsidiary | 13 | 1,378 | 5,385 |
| Impairment on group receivables, net | 15 | -3,918 | 15 |
| Loss /(gain) from sale of shares in subsidiaries | 9 | - | -4,608 |
| Unrealized exchange (gain)/loss | | - | 12 |
| Interest income | 11 | -162 | -1,434 |
| Interest expense | 11 | 905 | 2,183 |
| Fair value adjustments through profit or loss | 13 | 132 | -262 |
| Share of net income/(loss) of associates and joint ventures | 13 | 16 | 5 |
| Other items | | 189 | 2,009 |
| Paid income tax | | -103 | - |
| (Increase)/decrease in trade and other receivables and restricted cash | | -11 | -2,065 |
| Increase/(decrease) in trade and other payables | | 121 | -102 |
| Net movement of related parties balances | 15 | 6,251 | 3,460 |
| **Net cash used in operating activities** | | **5,029** | **96** |
| | | | |
| **Cash flows from investing activities** | | | |
| **Net cash used in investing activities** | | **-** | **-** |
| | | | |
| **Cash flows from financing activities** | | | |
| Dividend received | 13 | 45 | |
| Distribution to shareholders | 12 | -3,694 | |
| Receipt of bank interest | 11 | 57 | |
| **Net cash from financing activities** | | **-3,592** | **-** |
| | | | |
| **Net decrease in cash and cash equivalents** | | **1,437** | **96** |
| Cash and cash equivalents at beginning of the period, unrestricted | | 136 | 40 |
| **Cash and cash equivalents at end of the period, unrestricted** | | **1,573** | **136** |

## Statement of changes in equity

| All figures in USD 000's | Note | Paid in capital | Revaluation reserve | Share options granted | Retained earnings | **Total equity** |
|---|---|---|---|---|---|---|
| **Balance as of 1 January, 2023** | | **36,944** | **12** | **354** | **-5,475** | **31,835** |
| Profit/(Loss) | | - | - | - | -2,782 | -2,782 |
| Other comprehensive income | | - | - | - | - | - |
| **Total comprehensive income** | | **-** | **-** | **-** | **-2,782** | **-2,782** |
| Green Minerals distribution | | - | - | - | -4,610 | -4,610 |
| Net share options movement | | - | - | -202 | - | -202 |
| **Total contributions by and distributions to owners** | | **-** | **-** | **-202** | **-4,610** | **-4,811** |
| **Balance as of 31 December 2023** | | **36,944** | **12** | **153** | **-12,867** | **24,242** |
| Profit/(Loss) for the year | | - | - | - | 127 | 127 |
| Other comprehensive income for the year | | - | - | - | - | - |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **127** | **127** |
| Share premium reduction | 6 | -12,192 | - | - | 12,192 | - |
| Capital distribution | 6 | -3,694 | - | - | - | -3,694 |
| Net share options movement | | - | - | 105 | - | 105 |
| Other equity transactions | | - | - | - | - | - |
| **Total contributions by and distributions to owners** | | **-15,886** | **-** | **105** | **12,192** | **-3,589** |
| **Balance as of 31 December 2024** | | **21,058** | **12** | **258** | **-548** | **20,780** |

# Notes to the financial statements

All figures in USD 1.000, if not stated otherwise.

The separate financial statements are an integral part of the annual financial statements and should be read in conjunction with the consolidated financial statements.

## 1 General information

The accompanying separate financial statements represent the activities of SeaBird Exploration PLC (the "Company") for the year ended 31 December 2024 (the "period"). The financial statements were authorized for issue by the board of directors on 29 April 2025.

These financial statements are the separate financial statements.

**Country of incorporation**

The company was incorporated in the British Virgin Islands as a limited liability company in 2000. The company was re-domiciled to Cyprus on 18 December 2009. Seabird has direct ownership in two vessels and the company is listed on Oslo Børs with ticker SBX. The company's registered address is at Panteli Katelari 16, Diagoras House floor 7, 1097, Nicosia, Cyprus. The Group main office is located in Bergen (Norway) with the office address Sandviksbodene 68, 5035 Bergen. SeaBird Exploration Plc is tax resident in Norway and registered in the corporate registers both in Norway and Cyprus.

**Principal activities**

The principal activity of the company, which is unchanged from last year, is the ownership of companies operating within the seismic industry, including providing financing to subsidiaries.

**Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention, except financial investment and share options that are held at fair value through profit and loss. The preparation of financial statements also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The Financial Statement are presented in United States Dollars (USD) and all values are rounded to the nearest thousand (USD 1,000), except when otherwise stated.

**Going concern**

As at 31 December 2024 the Company is in a net current liability position of USD 10.3 million, and generated net profit for the year of USD 0.1 million. As at 31 December 2024 the Company is in a net assets position of USD 20.8 million. The assessment of going concern of the Company relies heavily on the ability of the Company and its subsidiaries, the Group, to secure future cash inflows over the going concern assessment period which extends through to a period of at least one year from the date of approval of the financial statements to meet their liabilities as they become due. Refer also to Note 2.1 of the Consolidated Financial Statements.

Based on the assessment, Seabird Group will be in the position to repay its short-term obligations as they fall due. For this reason, management considers it reasonable to use the assumption of going concern in the preparation of the audited financial statements of the Company.

## 2 Material accounting policy information

The accounting policies that are material to the Company are set out below. These policies have been consistently applied to all years presented in these separate financial statements unless otherwise stated. SeaBird Exploration Plc has prepared its financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. The accounting policies are consistent with those applied in the consolidated financial statements.

For the discussion of risk factors, financial risk management, and critical accounting estimates and judgments; refer to notes 3 and 4 of the Consolidated Financial Statements.

Shares in subsidiaries (see Note 13 Shares in subsidiaries and associates) are stated at cost less any provision for impairment. The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in profitability, negative balance between the subsidiary's equity position and the carrying value of the investment, or external macro-economic factors that may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future cash flows associated with these subsidiaries are compared to their carrying amounts to determine if a write-down to fair value is necessary.

The other material accounting policies applied by the Company are those described in note 2 to the Consolidated Financial Statement.

# 3 Income tax expense

SeaBird Exploration Plc is subject to taxation in Norway which impose corporation tax at the rate of 22%.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Current period | - | - |
| Adjustment for prior periods | 108 | - |
| **Total current tax** | **108** | **-** |

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Continuing operations profit/(loss) before income tax | 235 | -2,782 |
| Tax arising at the rate of 22% | 52 | -612 |
| Effect of tax adjustments in arriving at taxable profit and tax losses | -52 | 612 |
| Corporation tax current year | - | - |
| Corporation tax prior years | 108 | - |
| **Total tax expense/(reversal) attributable to continuing operations** | **108** | **-** |

# 4 Trade receivables and other current assets

**Trade receivables**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Trade receivables gross | 2,060 | 2,060 |
| Less allowance for expected credit losses | -2,060 | -2,060 |
| **Total trade receivables** | **-** | **-** |

**Allowance for ECL and write offs, net of reversals (the below table relates to the impact on the statement of income)**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Loss on trade receivables | - | 2,060 |
| Reversed write offs | - | - |
| **Total allowance for ECL** | **-** | **2,060** |

**Other current assets**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Prepaid expenses and deposits | 3 | 10 |
| Other current assets | - | - |
| **Total other current assets** | **3** | **10** |

# 5 Cash and cash equivalents

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Restricted cash | 16 | - |
| Cash and cash equivalents | 1,573 | 136 |
| **Cash and bank balances** | **1,589** | **136** |

# 6 Share capital and share options

**Number of authorized shares**

| | 2024 | 2023 |
|---|---|---|
| Number of ordinary shares | 91,000,000 | 91,000,000 |
| Nominal value per share | EUR 0.17 | EUR 0.17 |

**Share Capital**

The issued share capital was EUR 13,681 thousand and share premium fund was EUR 4,243 thousand as of 31 December 2024.

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Share capital | 16,036 | 16,036 |
| Share premium | 5,022 | 20,908 |
| **Paid in capital** | **21,058** | **36,944** |

The parent company completed two cash distributions to its shareholders during 2024 in the form of repayment of paid in capital; to facilitate this the parent company reduced the share premium fund by USD 12.2 million for the purpose of writing down losses. On 24 June 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.9 million on the date of payment) and on 8 November 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.8 million on the date of payment). The shareholders of the Group on 19 December 2024 approved a NOK 0.4 per share distribution of paid in capital, which has been approved by Cyprus courts on 5 February 2025 and repaid to shareholders on 17 February 2025 (NOK 32.2 million or USD 2.9 million on the date of payment).

**Number of shares issued**

| | 2024 | 2023 |
|---|---|---|
| **Total number of shares issued at 1 January** | **80,476,271** | **80,476,265** |
| Reclassification | - | 6 |
| **Total number of shares as per 31 December** | **80,476,271** | **80,476,271** |

In March 2023 the Company reallocated 6 shares that has been held outside the Norwegian VPS in relation with the reallocation of the shareholder register from Cyprus to Norway. The shares were registered with a premium price of nil and increased its share capital by EUR 1.

There are no share classes and no voting restrictions on the shares.

**Employee Share Option Plans**

The employee share option program consists of 1.2 million warrants and options as of 31 December 2024. The options will vest over period of three years from the grant date, while the Warrants will vest over a period of two years. One third of the options granted will vest one year after grant date, one third of the options granted will vest two years after grant date and one third of the options granted will vest three years after grant date; similar, the warrants will be distributed over two periods. All options and warrants are exercisable at any time within one year from the corresponding vested dates. The options and the warrants have an average exercise price of NOK 5.86.

Estimated value of the share options granted, reduced for services not rendered, as at 31 December 2024, is presented in equity as share options granted.

| | 2024 | 2023 |
|---|---|---|
| **Total number of options at 1 January** | **2,320,000** | **3,140,000** |
| Exercised in year | -346,667 | - |
| Expired in year | -820,000 | -820,000 |
| **Total number of options at 31 December** | **1,153,333** | **2,320,000** |
| | | |
| of which is vested | 806,667 | 1,166,667 |
| of which is non-vested | 346,667 | 1,153,333 |
| **Total options** | **1,153,333** | **2,320,000** |

During the period, 346,667 vested options were paid out in cash on the Company's discretion.

The total value of share options granted is calculated using the Black-Scholes model, assuming that all the options will be exercised. The fair value determined at the grant date is expensed over the vesting period of the options for the options granted less expected number of forfeited options. The calculation is based on:

- Trailing 252 days logarithmic return volatility
- Given exercise price for the given option trance the given year at grant date
- Time to maturity for the given option tranches
- Assume no dividends
- A risk-free interest rate

## 7 Trade payables and other payables

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Trade payables | 70 | 60 |
| Accrued expenses and other payables | 166 | 158 |
| **Total trade and other payables** | **236** | **218** |

## 8 Other income (expenses), net

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Allowance for ECL and write offs, net of reversals | - | -2,060 |
| Other income (expenses) | 3 | 9 |
| **Other income (expenses), net** | **3** | **-2,051** |

## 9 Other financial items, net

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Profit on sale of shares | - | 4,608 |
| Net foreign exchange gain/(loss) | -15 | 31 |
| Other financial income/(expense) | -110 | 44 |
| **Total other financial items, net** | **-125** | **4,683** |

Profit on sale of shares represents the Company's profit from distributing the Company's shareholdings in Green Minerals AS to its shareholders (USD 4.6 million). The distribution was completed on 25 January 2023.

# 10 Expenses by nature

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Directors' remuneration | 121 | 101 |
| Nomination committee remuneration | 11 | 11 |
| Legal and professional | 475 | 476 |
| Other expenses SG&A | 689 | 448 |
| **Selling, general and administrative expenses** | **1,296** | **1,036** |

Other expenses SG&A include management fee charge of USD 0.5 million from Seabird Exploration Norway AS (2023: USD 0.5 million).

# 11 Finance income and expenses

**Financial income**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Interest income on intercompany borrowings | 105 | 1,407 |
| Interest income on cash and cash Equivalents | 56 | 27 |
| **Interest income** | **162** | **1,434** |

**Financial expenses**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Interest on tax liabilities | 3 | - |
| Interest expense on intercompany borrowings | 901 | 2,183 |
| **Interest expense** | **905** | **2,183** |

Please see Note 15 Related-Party transactions for more information on Interest expense and interest income on intercompany borrowings.

# 12 Dividends and distributions

No dividend was distributed for the year ended 31 December 2024 (2023: USD nil).

The Group completed two cash distributions to its shareholders during 2024 in the form of repayment of paid in capital. On 24 June 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.9 million on the date of payment) and on 8 November 2024 the parent company completed a NOK 0.25 repayment of paid in capital (NOK 20.1 million or USD 1.8 million on the date of payment). The shareholders of the Group on 19 December 2024 approved a NOK 0.4 per share distribution of paid in capital, which has been approved by Cyprus courts on 5 February 2025 and repaid to shareholders on 17 February 2025 (NOK 32.2 million or USD 2.9 million on the date of payment).

# 13 Shares in subsidiaries and associates

| Company | Country of incorporation | Shareholding and voting rights | | Investments in subsidiaries (USD000's) | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| Aquila Explorer Inc.* | Panama | - | 100% | - | - |
| Biliria Marine Company Limited** | Cyprus | 100% | 100% | - | 10 |
| GeoBird Management AS | Norway | 100% | 100% | 1,742 | 672 |
| Green Energy Group AS* | Norway | - | 100% | - | 3 |
| Harrier Navigation Company Limited | Cyprus | 100% | 100% | - | 13,635 |
| Hawk Navigation Company Limited** | Cyprus | 100% | 100% | - | - |
| Munin Navigation Company Limited** | Cyprus | 100% | 100% | - | 9 |
| Oreo Navigation Company Limited** | Cyprus | 100% | 100% | - | - |
| Raven Navigation Company Limited** | Cyprus | 100% | 100% | - | 77 |
| Sana Navigation Company Limited | Cyprus | 100% | 100% | - | 2 |
| Seabed Navigation Company Limited | Cyprus | 100% | 100% | - | 3,865 |
| SeaBird Crewing Mexico S. DE R.L. DE C.V. | Mexico | 100% | 100% | - | - |
| SeaBird Exploration Americas Inc. | USA | 100% | 100% | - | - |
| SeaBird Exploration Asia Pacific PTE. Ltd.** | Singapore | 100% | 100% | - | - |
| SeaBird Exploration Crewing Limited | Cyprus | 100% | 100% | - | 2,061 |
| SeaBird Exploration Cyprus Limited | Cyprus | 100% | 100% | - | 2,657 |
| SeaBird Exploration Finance Limited | Cyprus | 100% | 100% | - | 1,049 |
| SeaBird Exploration FZ-LLC | UAE | 100% | 100% | - | 41 |
| SeaBird Exploration Multi-Client Limited | Cyprus | 100% | 100% | - | 292 |
| SeaBird Exploration Nigeria Ltd. | Nigeria | 100% | 100% | - | - |
| SeaBird Exploration Norway AS | Norway | 100% | 100% | 1,613 | - |
| SeaBird Exploration Private Limited*** | India | 26% | 26% | - | 65 |
| SeaBird Exploration Shipping AS | Norway | 100% | 100% | - | 40 |
| SeaBird Exploration Vessels Limited | Cyprus | 100% | 100% | 27,665 | 25,456 |
| SeaBird Seismic Mexico S. DE R.L. DE C.V. | Mexico | 100% | 100% | - | - |
| Susco AS* | Norway | - | 100% | - | - |
| **Investment in subsidiaries and associates** | | | | **31,020** | **49,934** |

*) Aquila Explorer Inc. was dissolved on 25 June 2024, and Green Energy Group AS and Susco AS were dissolved on 7 March 2024.

**) Biliria Marine Company Limited, Hawk Navigation Company Limited, Munin Navigation Company Limited, Oreo Navigation Company Limited, Raven Navigation Company Limited and Seabird Exploration Asia PTE filed for voluntary liquidation.

***) Seabird Exploration Private Limited is recognised using the equity accounting principle. For further information, please refer to Note 2.6 Interests in joint operations and associates in the Consolidated Financial Statement.

**Movements in investments in subsidiaries:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **49,869** | **50,328** |
| Acquisition | 11,402 | 4,926 |
| Capital reduction | -28,793 | - |
| Impairments | -1,378 | -5,385 |
| Deconsolidation of subsidiaries | -80 | - |
| **Closing book amount as of 31 December** | **31,020** | **49,869** |

The acquisition in years 2024 and 2023 relates to debt conversions to equity in a wholly owned Norwegian subsidiary (Seabird Exploration Norway AS). The capital reduction forms part of an optimization of the Group's corporate structure and affects the following wholly owned subsidiaries in Cyprus: Harrier Navigation Company Ltd, SeaBird Exploration Finance Ltd, SeaBird Exploration Multi-Client Ltd, SeaBed Navigation Company Ltd, SeaBird Exploration Cyprus Ltd, SeaBird Exploration Crewing Ltd and SeaBird Exploration Vessels Ltd.

The investments in subsidiaries are carried at cost less any provision for impairment.

**Equity accounted investees:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **65** | **-** |
| Acquisition | - | 1 |
| Fair value gain on acquisition | - | 69 |
| Dividends received | -45 | - |
| Share of profit/(loss) | -16 | -5 |
| Impairments | -4 | - |
| **Closing book amount as of 31 December** | **-** | **65** |

Please see Note 18 Subsidiaries and associates within the Group in the Consolidated Financial Statement for more information.

**Financial assets at fair value through profit and loss:**

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening book amount as of 1 January** | **262** | **-** |
| Fair value gain on distribution | - | 307 |
| Fair value gain (loss) in the period | -132 | -45 |
| **Closing book amount as of 31 December** | **130** | **262** |

Please see Note 18 Subsidiaries and associates within the Group in the Consolidated Financial Statement for more information.

**Net income, asset and liabilities in discontinued operations**

Biliria Marine Company Limited, Hawk Navigation Company Limited, Munin Navigation Company Limited, Oreo Navigation Company Limited, Raven Navigation Company Limited and SeaBird Exploration Asia Pacific PTE. Ltd are recognised as companies under discontinued operations as they filed for voluntary liquidation.

Please see Note 18 Subsidiaries and associates within the Group in the Consolidated Financial Statement for more information.

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's | 2024 | 2023 |
| Current assets attributable to group companies | 103 | - |
| Other current assets | 15 | - |
| Non-current assets | - | - |
| **Total assets** | **118** | **-** |
| | | |
| Current liabilities attributable to group companies | 4,665 | - |
| Other current liabilities | 1,547 | - |
| Non-current Liability | - | - |
| **Total liabilities** | **6,212** | - |
| | | |
| **Total Equity** | **-6,094** | - |

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's | 2024 | 2023 |
| Revenue | - | - |
| Expenses | -63 | - |
| **Net income** | **-63** | **-** |

**Recognition of net income, asset and liabilities of discontinued operations**

| | Year ended 31 December | |
|---|---|---|
| All figures in USD 000's | 2024 | 2023 |
| **Total assets attributable to discontinued operations** | **-** | **-** |
| | | |
| **Total Liabilities attributable to discontinued operations** | **103** | **-** |
| | | |
| **Net assets / (liability)** | **-103** | **-** |

The amount of USD 103 represents the amount due to the discontinued operations, i.e. the companies under liquidation.

Please see Note 18 Subsidiaries and associates within the Group in the Consolidated Financial Statement for more information.

## 14 Commitments and contingencies

The company's commitments and contingencies as per 31 December 2024 relate to the financial guarantees as described in Note 15 Related-Party transactions (v).

## 15 Related-Party transactions

**i) Purchases of services and expenses from group companies**

Expenses amounting to USD 0.5m were purchased from a subsidiary (2023: USD 0.5m).

**ii) Key management personnel compensation**

The compensation of the key management personnel employed by the company's subsidiaries, as well as the remuneration of the company's directors, are presented in group Consolidated Financial Statement note 28.

**iii) Due from related parties**

Loans to companies within SeaBird group:

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening net book amount as of 1 January** | **7,544** | **12,760** |
| Additional loans, net of repayments | 5,722 | -1,682 |
| Conversion of loans to equity in subsidiaries | -11,402 | -4,926 |
| Interest charged | 105 | 1,407 |
| Reversal / (Impairment) on group receivables | 3,918 | -15 |
| **Net book amount as of 31 December** | **5,887** | **7,544** |
| | | |
| Gross book amount | 7,016 | 19,287 |
| Accumulated impairment | -1,129 | -11,743 |
| **Net book amount as of 31 December** | **5,887** | **7,544** |

Please see Note 13 Shares in subsidiaries and associates for more information on conversion of loans to equity in subsidiaries.

The above loans were provided at 5.9 % weighted average interest rate (6.9% in 2023) and are repayable on demand. The loans are unsecured.

Impairment losses are included in statement of income, "Impairment on group receivables".

**iv) Due to related parties**

Loans from companies within SeaBird group:

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| **Opening net book amount as of 1 January** | **33,426** | **30,981** |
| Additional loans, net of repayments | 11,973 | 1,780 |
| Capital reduction in subsidiaries | -28,793 | - |
| Interest charged | 901 | 2,183 |
| Write down on group payables | -4 | -1,518 |
| **Net book amount as of 31 December** | **17,503** | **33,426** |

Please see Note 13 Shares in subsidiaries and associates for more information on capital reduction in subsidiaries.

The above loans were provided at 5.9 % weighted average interest rate (6.9% in 2023) and are repayable on demand.

**v) Financial guarantees**

The company is exposed to credit risk in relation to financial guarantees given to Sparebank 1 SMN related to a credit facility provided to SeaBird Exploration Norway AS. The company is equally liable for the repayment of the facility. However, the management has considered the substance of the agreement and concluded that the obligation is in substance a financial guarantee. The Company's maximum exposure in respect of these guarantees is the maximum amount the company could have to pay if the guarantee is called on, irrespective of the likelihood of being exercised, as shown below:

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Sparebank 1 SMN credit facility | 10,745 | 13,604 |

The Sparebank 1 SMN credit facility which have been guaranteed by the Company has a maximum limit of USD 15.6 million. The balance is USD 10.7 million at year end 2024.

**vi) Dividends**

The company received dividends from the associate of USD 45.000 in 2024 (USD 119.000 in 2023). No dividend received from the subsidiaries in 2024 (nil in 2023).

**vii) Shareholding**

Management and the board of directors, as of 31 December 2024 held the following shares on own account:

| Name | Title | Ordinary shares | % ownership | Outstanding options* |
|---|---|---|---|---|
| Ståle Rodahl | Chairman | 3,255,775 | 4.05% | 120,000 |
| Hans Christian Anderson | Board Member | - | - | - |
| Odd Sondre Svalastog Helsing | Board Member | 1,208,333 | 1.50% | - |
| Øivind Dahl-Stamnes | Board Member | 80,000 | 0.09% | - |
| Sverre Strandenes | Board Member | - | - | - |
| Finn Atle Hamre | CEO | 15,125 | 0.02% | 453,333 |
| Sveinung Alvestad | CFO | 44,843 | 0.06% | 366,667 |

*) See Note 6 Share capital and share options for further information of the company's share option program.

## 16 Financial Instruments

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

The company has the following types of financial assets that are subject to the expected credit loss model:

- Amounts due from related parties
- Cash and bank balances (including restricted cash)
- Financial guarantees

The table below details the company's maximum exposure to credit risk as at year end:

| All figures in USD 000's | Note | 2024 | 2023 |
|---|---|---|---|
| Amounts due from related parties, gross | 15 | 7,016 | 19,287 |
| Financial guarantees | 15 | 10,745 | 13,604 |
| Restricted cash | 5 | 16 | - |
| Cash and cash equivalents | 5 | 1,573 | 136 |
| **Total** | | **19,350** | **33,027** |

The cash and cash equivalents represent cash at bank which is held with a bank institution with an investment grade rating of Aa3.

The amount of financial guarantee contracts presented in the table above reflects the company's maximum exposure with regards to the guarantees described in Note 15 Related-Party transactions (v) and is not an amount recognized on the statement of financial position.

The receivables from subsidiaries are assessed for lifetime expected credit losses, determining whether credit risk has increased significantly since initial recognition. At year-end 2024 the gross receivable balance is USD 7.0 million (2023: USD 19.3 million). When the Company has receivables from subsidiaries, the loss allowance is estimated based on individual assessment per receivable, taking into consideration the subsidiary's equity position, financial performance, liquidity position and ability to pay. The company writes off an amount due from related companies when there is are indicators that the counterparty is unable to pay and/or when there is a management decision to settle intra-group balances through write-offs.

With regards to cash and cash equivalents, the company measures its expected credit loss by reference to the banks' external credit ratings and relevant published default and loss rates, taking into consideration the €100.000 per bank deposit protection guaranteed under the EU Deposit Guarantee Scheme and the NOK 2 million guarantee provided by the Norwegian Bank's Guarantee Fund.

**Liquidity Risk**

Ultimate responsibility for risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity requirements. The company manages liquidity risk by continuously monitoring forecast and actual cash flows on a group level and ensuring the availability of funding through an adequate amount of available debt or equity.

The table below summarizes the maturity profile of the company's financial liabilities at 31 December 2024 on contractual undiscounted payments.

The amounts included for financial guarantee contracts are the maximum amount the company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee (see Note 15 Related-Party transactions) and is not an amount recognized on the statement of financial position.

| All figures in USD 000's | On Demand | Less Than 12 Months | 1 to 5 Years | Total |
|---|---|---|---|---|
| Due to related parties | 33,426 | - | - | 33,426 |
| Financial guarantee contracts | - | 4,921 | 15,207 | 20,128 |
| **Total financial liabilities as of 31 December 2023** | **33,426** | **4,921** | **15,207** | **53,554** |
| | | | | |
| Due to related parties | 17,503 | - | - | 17,503 |
| Financial guarantee contracts | - | 4,677 | 11,689 | 16,366 |
| **Total financial liabilities as of 31 December 2024** | **17,503** | **4,677** | **11,689** | **33,869** |

Financial guarantee contracts include interest for the respective periods.

**Currency risk**

The company's exposure to foreign currency risk was as follows based on notional amounts per 31 December 2024 and 31 December 2023.

| All figures in USD 000's | Total | NOK | EUR | SGD | Others |
|---|---|---|---|---|---|
| Assets | 7,888 | 7,823 | - | - | 65 |
| Liabilities | -209 | -209 | - | - | - |
| **Net position as of 31 December 2023** | **7,679** | **7,613** | **-** | **-** | **65** |
| *Sensitivity 10%* | 768 | *761* | - | - | *7* |

| All figures in USD 000's | Total | NOK | EUR | SGD | Others |
|---|---|---|---|---|---|
| Assets | 985 | 985 | - | - | - |
| Liabilities | -16 | -16 | - | - | - |
| **Net position as of 31 December 2024** | **970** | **970** | **-** | **-** | **-** |
| *Sensitivity 10%* | 97 | 97 | - | - | - |

The following significant exchange rates applied during the year:

| | Average rate | | Year end | |
|---|---|---|---|---|
| USD per : | 2024 | 2023 | 2024 | 2023 |
| EUR | 1.0824 | 1.0810 | 1.0389 | 1.1050 |
| GBP | 1.2788 | 1.2433 | 1.2529 | 1.2715 |
| NOK | 0.0931 | 0.0947 | 0.0881 | 0.0983 |
| SGD | 0.7488 | 0.7443 | 0.7335 | 0.7573 |

**Fair value measurement**

Green Minerals AS was distributed to shareholders on 25 January 2023, the remaining 446,801 (approximately 3% of the outstanding shares) shares are booked at fair value through the profit and loss. The fair value as at 31 December 2024 was USD 0.1 million (2023: USD 0.3 million). Refer to Note 29 to the Consolidated Financial Statements.

## 17 Audit fees

| All figures in USD 000's | 2024 | 2023 |
|---|---|---|
| Statutory audit | 189 | 157 |

No non-audit services were provided by the statutory audit in the years 2024 or 2023.

## 18 Subsequent events

Note 31 to the Consolidated Financial Statements describes the significant events that occurred subsequent to the end of the reporting period that impact the company and its subsidiaries. There were no other significant events concerning the parent company alone.

RSM

**RSM Cyprus Ltd**

131, Gladstonos street,
Kermia Court, 2nd floor,
CY-3032, Limassol,
Cyprus

T (+357) 25 204 000

info@rsmcyprus.com
www.rsmcyprus.com

# Independent Auditor's Report

## To the Members of Seabird Exploration Plc

### Report on the Audit of the Consolidated and Separate Financial Statements

#### Qualified Opinion

We have audited the consolidated financial statements of Seabird Exploration Plc and its subsidiaries (the "Group"), and the separate financial statements of Seabird Exploration Plc (the "Company"), which are presented in pages 30 to 92 and comprise the consolidated statement of financial position and the separate statement of financial position as at 31 December 2024, and the consolidated statements of income, comprehensive income, changes in equity and cash flow and the separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

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### Basis for Qualified Opinion

*Disposal of shares in Osprey Navigation Co. Inc*

We were first appointed as auditors of Seabird Exploration Plc to perform the audit of the financial year ending at 31 December 2021. During our audit work for that year, we reviewed the opening balances, and we were unable to obtain sufficient appropriate audit evidence in respect to the transaction relating to the disposal of shares in Osprey Navigation Co. Inc. which took place in 2020. This was also a matter qualified by the predecessor auditor. In 2020, the Group recognized a profit from the sale of shares in subsidiaries of US$3.0 million. This relates to the disposal of its 100% shareholding in Osprey Navigation Co. Inc ("Osprey") based on an agreement entered into (the "transaction") with another party (the "buyer"). As mentioned in note 27 ("Commitments and contingencies"), the non-cash profit arises from the fact that the buyer acquired the 100% shareholding in Osprey for a nominal consideration of US$1, that at the time of the disposal was in a net liability position of US$3.0 million. Osprey ceased operations during 2020 following the disposal of its vessel for demolition. As further mentioned in note 27 ("Commitments and contingencies"), the Group considers it unlikely that the creditors of Osprey may seek to recover the outstanding liabilities from the Company or other companies of the group.

In addition, based on the latest assessment of the above outstanding liabilities in May 2021, the total exposure of the liability was recalculated at US$4.65 million, which mainly relates to withholding taxes, VAT liabilities, penalty charges and delayed interest charges. Up to the date of approval of the consolidated financial statements we have not being provided with a reassessment therefore, the final liability may vary due to currency risk and delayed interest charges.

We were unable to obtain sufficient appropriate audit evidence about the business rationale of the transaction from the buyer's point of view. In addition, we were not able to obtain external confirmation from the buyer in respect of this transaction nor to obtain a formal legal opinion and a formal third-party statement in relation to the Osprey liability and whether there is any recourse on the Company and the Group. Consequently, we were unable to determine whether all amounts and events associated with the disposal of the subsidiary had appropriately been accounted for in the consolidated and separate financial statements. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

Had we been able to obtain sufficient appropriate evidence in respect of the above matters, adjustments might have been necessary to the financial information and disclosures for the years ended 31 December 2024, 2023, 2022 and 2021.

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

RSM

## To the Members of Seabird Exploration Plc

**Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report in relation to our audit of the consolidated and separate financial statements.

| Key audit matter 1 | How our audit addressed the key audit matter |
|---|---|
| **Impairment assessment of vessels and related dry-dock and equipment – *consolidated financial statements*** <br><br> The carrying value of the vessels and related dry-dock costs and equipment as at year-end recorded as part of "Property, plant and equipment (PPE)", is US $35.5 million representing 71% of the Group's total assets. Management has considered the existence of impairment indicators such as the past economic performance of the Group and the sustained uncertainty in the seismic market and has performed an impairment testing to determine the recoverable amounts of the vessels and related dry-dock costs and equipment carried over as PPE. <br><br> We refer to Note 7 to the consolidated financial statements. The Group's accounting policies for PPE and impairment of non-financial assets are disclosed in Notes 2.7 and 2.8 respectively. Note 4 (B) "Critical accounting estimates and judgements" provides further information on the uncertainties surrounding the estimations used. <br><br> In performing the impairment testing for PPE, management has estimated the recoverable amounts based on value-in-use calculations using a discounted cash flow model. Estimating the cash flows involves the use of various assumptions concerning the following: <br> o future day rates; <br> o utilization rates; <br> o operating expenses; <br> o capital expenditure; <br> o residual value; <br> o life-time of the vessels and; <br> o discount rate to calculate the present value. <br><br> Significant management judgment needs to be applied to develop these assumptions and there is a high degree of estimation uncertainty. Considering the significance of the carrying value of these assets to the consolidated financial statements, we have identified the impairment assessment as a key audit matter. | Our audit procedures in relation to the impairment assessment of vessels, related dry-dock and equipment included amongst others: <br><br> - Assessing the value-in-use calculation as an appropriate methodology for the impairment assessment for the assets in the PPE category; <br> - Testing the mathematical accuracy of the discounted cash flow models and the relevance of the input data used; <br> - Assessing the reasonableness of management's key assumptions used in the value-in-use calculations by considering factors such as: <br> o market conditions and prospects; <br> o the Group's historical performance including historic utilization rates, day-rates, operating expenses; <br> o projected performance and capital expenditure in comparison to the Group's budgets and historic actuals; <br> o orders backlog and submitted tenders; <br> o the appropriateness of the discount rate used; <br> o appropriateness of the projection period, i.e. life-time of the vessels. <br> - Using our internal valuation specialists to review the model and the following components: <br> o input data used to determine the weighted average cost of capital; <br> o charter rates; <br> o residual value <br> - Using our internal valuation specialist to consider the market and cost approaches as part of the impairment review; <br> - Comparing the value in use results to broker valuations; <br> - Performing sensitivity analysis and considering the potential impact of downside changes in the key assumptions; <br> - Challenging management assumptions in terms of utilization and charter rates; <br> - Comparing the recoverable amount to the carrying value; <br> - Reviewing the disclosures in the financial statements notes 2.8 "Impairment of non-financial assets" , 4(B) "Critical accounting estimates and judgments" and 7 "Property, plant and equipment" in connection to the IFRS requirements. |

**Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud (Cont'd)**

| Key audit matter 2 | How our audit addressed the key audit matter |
|---|---|
| **Impairment assessment of investments in subsidiaries – separate *financial statements***<br><br>The investments in subsidiaries are carried at cost less any provision for impairment in the Company's financial statements. As at 31 December 2024, the carrying value of the investments in subsidiaries amounted to US $31.0 million, representing 80.3% of the Company's total assets. Significant judgment is required by the management of the Company in determining whether there are any indications for impairment and, where such indicators exist, in assessing the recoverable amount of the investments. An analysis of the investments in subsidiaries is presented in note 13 to the Company's separate financial statements.<br><br>Considering the significance of the carrying value of this asset to the separate financial statements and due to the inherent uncertainty and subjectivity involved in the assessment of the recoverable amount, we have identified the impairment assessment as a key audit matter. | Our audit procedures in relation to the impairment assessment of the investment in subsidiaries, included, among others:<br><br>- Understanding and evaluating the process applied by the Company in the determination of the impairment indicators;<br>- Assessing the methodology used by the management to estimate the recoverable amount and the consistency of the accounting methods applied with the IFRS-EU;<br>- Analyzing the key assumptions used in the management's estimates of the recoverable amount of the subsidiaries;<br>- Reviewing disclosures in the financial statements notes regarding the impairment assessment. |

**Reporting on other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, including the financial highlights for the Group, the letter from the Chairman, the Group Management, the Board of Directors, the environmental, social and corporate governance, the Transparency Act, the management report and the declaration of the Members of the Board of Directors in pages 3 to 29 and page 100, but does not include the consolidated and separate financial statements, and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis of Qualified Opinion section above, we were unable to obtain sufficient and appropriate evidence about the disposal of shares in Osprey Navigation Co. Inc. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

**Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated and Separate financial statements**

The Board of Directors is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board of Directors is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

**Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated and Separate financial statements (Cont'd)**

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

**Auditor's responsibilities for the audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters.

### Report on Other Legal and Regulatory Requirements

***Requirements of Article 10(2) of the EU Regulation 537/2014:***

1. **Appointment of the auditor and period of engagement**

We were first appointed as auditors of the Group and the Company on 4 January 2022 by a shareholders' resolution. Our appointment has been renewed annually by shareholder resolution representing a total period of uninterrupted engagement appointment of 4 years.

2. **Consistency of the additional report to the Audit Committee**

We confirm that our audit opinion on the consolidated and separate financial statements expressed in this report is consistent with the additional report to the Audit Committee of the Company, which we issued on 29 April 2025 in accordance with Article 11 of the EU Regulation 537/2014.

3. **Provision of non-audit services**

We declare that no prohibited non-audit services referred to in Article 5 of the EU Regulation 537/2014 and Section 72 of the Auditors Law of 2017 were provided. In addition, there are no non-audit services which were provided by us to the Group or the Company and which have not been disclosed in the consolidated and separate financial statements or the management report.

***European Single Electronic Format***

We have examined the digital files of the European Single Electronic Format (ESEF) of Seabird Exploration Plc for the year ended 31 December 2024 comprising an XHTML file which includes the consolidated and separate financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and all disclosures made in the consolidated financial statements or made by cross-reference therein to other parts of the annual financial report for the year ended 31 December 2024 that correspond to the elements of Annex II of the EU Delegated Regulation 2019/815 of 17 December 2018 of the European Commission, as amended from time to time (the "ESEF Regulation") (the "digital files").

The Board of Directors of Seabird Exploration Plc is responsible for preparing and submitting the consolidated and separate financial statements for the year ended 31 December 2024 in accordance with the requirements set out in the ESEF Regulation.

Our responsibility is to examine the digital files prepared by the Board of Directors of Seabird Exploration Plc. According to the Audit Guidelines issued by the Institute of Certified Public Accountants of Cyprus (the "Audit Guidelines"), we are required to plan and perform our audit procedures in order to examine whether the content of the consolidated and separate financial statements included in the digital files correspond to the consolidated and separate financial statements we have audited, and whether the format and marking up included in the digital files have been prepared in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined correspond to the consolidated and separate financial statements, and the consolidated and separate financial statements included in the digital files, are presented and marked-up, in all material respects, in accordance with the requirements of the ESEF Regulation.

### Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Consolidated Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the consolidated financial statements and separate financial statements.
- In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Consolidated management report. We have not identified material misstatements in the Management Report, except as explained in the Basis for Qualified Opinion section of our report.

### Other Legal Requirements (Cont'd)

- In our opinion, based on the work undertaken in the course of our audit, the information included in the corporate governance statement in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113, and which is included as a specific section of the environmental, social and corporate governance report and management report, have been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and is consistent with the consolidated and separate financial statements.
- In our opinion, based on the work undertaken in the course of our audit, the environmental, social and corporate governance report and management report include all information referred to in subparagraphs (i), (iii), (vi) and (vii) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113. In relation to the requirements of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113, we report that the Company has not listed the parts of the code of corporate governance from which it diverges from, and any justification of such an election, in accordance with subparagraph (ii) of the said Article. Our audit opinion on the consolidated and separate Financial Statements is not modified in respect of this matter.
- In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we are required to report if we have Identified material misstatements in the environmental, social and corporate governance report and management report in relation to the information disclosed for items (iv) and (v) of subparagraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113. We have nothing to report in this respect.

### Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is George Themistocleous.

George Themistocleous
Certified Public Accountant and Registered Auditor
for and on behalf of
**RSM CYPRUS LTD**
**Certified Public Accountants and Registered Auditors**

Limassol, Cyprus
29 April 2025

# DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

**SeaBird Exploration Plc – 29 April 2025**

In accordance with Article 9 sections (3c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 ("the Law") we, the members of the Board of Directors and the Company official responsible for the financial statements of Seabird Exploration Plc for the year ended 31 December 2024, on the basis of our knowledge, declare that:

(a) The annual consolidated and separate financial statements which are presented on pages 30 to 92:

(i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the provisions of Article 9, section (4) of the law

(ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Seabird Exploration Plc and the entities included in the consolidated financial statements as a whole

(b) The management report provides a fair view of the developments and the performance as well as the financial position of the Seabird Exploration Plc as a whole, together with a description of the main risks and uncertainties which they face.

**Members of the Board of Directors:**

Ståle Rodahl – Executive Chairman

Hans Christian Anderson – Director

Øivind Dahl-Stamnes – Director

Sverre Strandenes – Director

Odd Sondre Svalastog Helsing – Director

**Responsible for drafting the financial statements:**

Sveinung Alvestad, Chief Financial Officer

Seabird Exploration Plc

**Cyprus**
Panteli Katelari 16
Diagoras House floor 7
1097 Nicosia
Cyprus

**Norway**
Sandviksbodene 68
5035 Bergen
Norway

https://www.sbexp.com/