
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 2)*

Civeo Corp

(Name of Issuer)

Common Shares, no par value

(Title of Class of Securities)

17878Y207

(CUSIP Number)

ANDREW FREEDMAN, ESQ.
OLSHAN FROME WOLOSKY LLP, 1325 Avenue of the Americas
New York, NY, 10019
212-451-2300

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

03/18/2025

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP No. 17878Y207

Name of reporting person

1

Engine Capital, L.P.

2

Check the appropriate box if a member of a Group (See Instructions)

(a)

(b)

3 SEC use only
Source of funds (See Instructions)

4 WC
Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

5
Citizenship or place of organization

6 DELAWARE

Sole Voting Power

7

Number of Shares Beneficially Owned by Each Reporting Person With:

1,111,951.00

Shared Voting Power

8

0.00

Sole Dispositive Power

9

1,111,951.00

Shared Dispositive Power

10

0.00

Aggregate amount beneficially owned by each reporting person

11 1,111,951.00

Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

12
Percent of class represented by amount in Row (11)

13 8.1 %

Type of Reporting Person (See Instructions)

14 PN

SCHEDULE 13D

CUSIP No. 17878Y207

Name of reporting person

1 Engine Jet Capital, L.P.

Check the appropriate box if a member of a Group (See Instructions)

2 (a)
 (b)

3 SEC use only
Source of funds (See Instructions)

4 WC
Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

5
Citizenship or place of organization

6 DELAWARE

Number of 7 Sole Voting Power

Shares	
Beneficially	112,228.00
Owned by	Shared Voting Power
Each	8
Reporting	0.00
Person	Sole Dispositive Power
With:	9
	112,228.00
	Shared Dispositive Power
	10
	0.00
	Aggregate amount beneficially owned by each reporting person
11	112,228.00
	Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)
12	<input type="checkbox"/>
	Percent of class represented by amount in Row (11)
13	0.8 %
	Type of Reporting Person (See Instructions)
14	PN

SCHEDULE 13D

CUSIP No. 17878Y207

1	Name of reporting person
	Engine Lift Capital, LP
	Check the appropriate box if a member of a Group (See Instructions)
2	<input type="checkbox"/> (a)
	<input type="checkbox"/> (b)
3	SEC use only
4	Source of funds (See Instructions)
	WC
5	Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)
	<input type="checkbox"/>
6	Citizenship or place of organization
	DELAWARE
	Sole Voting Power
7	
Number of	113,935.00
Shares	Shared Voting Power
Beneficially	8
Owned by	0.00
Each	Sole Dispositive Power
Reporting	9
Person	113,935.00
With:	Shared Dispositive Power
	10
	0.00
11	Aggregate amount beneficially owned by each reporting person

113,935.00

Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

12

Percent of class represented by amount in Row (11)

13

0.8 %

Type of Reporting Person (See Instructions)

14

PN

SCHEDULE 13D

CUSIP No. 17878Y207

Name of reporting person

1

Engine Capital Management, LP

Check the appropriate box if a member of a Group (See Instructions)

2

(a)

(b)

3

SEC use only

Source of funds (See Instructions)

4

OO

Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

5

Citizenship or place of organization

6

DELAWARE

Sole Voting Power

7

1,338,114.00

Number of Shares

Shared Voting Power

Beneficially Owned by

8

0.00

Each Reporting Person

9

Sole Dispositive Power

With:

1,338,114.00

Shared Dispositive Power

10

0.00

Aggregate amount beneficially owned by each reporting person

11

1,338,114.00

Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

12

Percent of class represented by amount in Row (11)

13

9.8 %

Type of Reporting Person (See Instructions)

14

PN

SCHEDULE 13D

CUSIP No. 17878Y207

1 Name of reporting person
Engine Capital Management GP, LLC
Check the appropriate box if a member of a Group (See Instructions)

2 (a)
 (b)

3 SEC use only
Source of funds (See Instructions)

4 OO

5 Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

6 Citizenship or place of organization
DELAWARE

7 Sole Voting Power
1,338,114.00

Number of Shares Beneficially Owned by Each Reporting Person With: 8 Shared Voting Power
0.00

9 Sole Dispositive Power
1,338,114.00

10 Shared Dispositive Power
0.00

11 Aggregate amount beneficially owned by each reporting person
1,338,114.00

12 Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

13 Percent of class represented by amount in Row (11)
9.8 %

14 Type of Reporting Person (See Instructions)
OO

SCHEDULE 13D

CUSIP No. 17878Y207

1 Name of reporting person
Engine Investments, LLC
Check the appropriate box if a member of a Group (See Instructions)

2 (a)
 (b)

3 SEC use only
 Source of funds (See Instructions)

4
 OO

5 Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

6
 Citizenship or place of organization

7 DELAWARE

8 Sole Voting Power

9 1,224,179.00
 Number of Shares Beneficially Owned by Each Reporting Person With: Shared Voting Power

10 0.00
 Sole Dispositive Power

11 1,224,179.00
 Shared Dispositive Power

12 0.00
 Sole Dispositive Power

13 Aggregate amount beneficially owned by each reporting person

14 1,224,179.00
 Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

15
 Percent of class represented by amount in Row (11)

16 9.0 %

17 Type of Reporting Person (See Instructions)

18
 OO

SCHEDULE 13D

CUSIP No. 17878Y207

1 Name of reporting person

2 Engine Investments II, LLC
 Check the appropriate box if a member of a Group (See Instructions)

3 (a)
 (b)

4 SEC use only
 Source of funds (See Instructions)

5
 OO

6 Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

7
 Citizenship or place of organization

8 DELAWARE

9 Sole Voting Power

10 113,935.00
 Number of Shares Beneficially Owned by Each Reporting Person With: Shared Dispositive Power

Owned by Each Reporting Person With:	8	Shared Voting Power
		0.00
		Sole Dispositive Power
	9	113,935.00
		Shared Dispositive Power
	10	0.00
		Aggregate amount beneficially owned by each reporting person
11		113,935.00
12		Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)
		<input type="checkbox"/>
13		Percent of class represented by amount in Row (11)
		0.8 %
14		Type of Reporting Person (See Instructions)
		OO

SCHEDULE 13D

CUSIP No. 17878Y207

1	Name of reporting person
	Ajdlar Arnaud
	Check the appropriate box if a member of a Group (See Instructions)
2	<input type="checkbox"/> (a)
	<input type="checkbox"/> (b)
3	SEC use only
4	Source of funds (See Instructions)
	OO
5	Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)
	<input type="checkbox"/>
6	Citizenship or place of organization
	BELGIUM
	Sole Voting Power
	7
Number of Shares Beneficially Owned by Each Reporting Person With:	1,338,114.00
	Shared Voting Power
	8
	0.00
	Sole Dispositive Power
	9
	1,338,114.00
	Shared Dispositive Power
	10
	0.00
	Aggregate amount beneficially owned by each reporting person
11	1,338,114.00
12	Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)



Percent of class represented by amount in Row (11)

13

9.8 %

Type of Reporting Person (See Instructions)

14

IN

SCHEDULE 13D

Item 1. Security and Issuer

Title of Class of Securities:

(a)

Common Shares, no par value

Name of Issuer:

(b)

Civeo Corp

Address of Issuer's Principal Executive Offices:

(c)

THREE ALLEN CENTER, 333 CLAY STREET, SUITE 4400, HOUSTON, TEXAS , 77002.

Item 1 The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned ("Amendment No. 2").
Comment: This Amendment No. 2 amends the Schedule 13D as specifically set forth herein. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended and restated as follows: The Shares purchased by each of Engine Capital, Engine Jet and Engine Lift were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business). The aggregate purchase price of the 1,111,951 Shares beneficially owned by Engine Capital is approximately \$26,267,559, including brokerage commissions. The aggregate purchase price of the 112,228 Shares beneficially owned by Engine Jet is approximately \$2,650,607, including brokerage commissions. The aggregate purchase price of the 113,935 Shares beneficially owned by Engine Lift is approximately \$2,693,259, including brokerage commissions.

Item 4. Purpose of Transaction

Item 4 is hereby amended to add the following: On March 18, 2025, the Reporting Persons delivered a letter (the "Letter") to the Issuer's Board of Directors (the "Board") which, among other things, expressed the Reporting Persons' belief that the Issuer is meaningfully undervalued and the Board must take certain drastic actions to close its large value gap. In the Letter, the Reporting Persons called on the Board to take the following actions to unlock value for the Issuer's stockholders: (1) Announce a change in the Issuer's capital allocation model: eliminate the dividend, target a leverage ratio of 1.75x and initiate a large tender offer to repurchase around 25% of the Issuer's outstanding shares; (2) Following the closing of the tender offer, enter into an automatic repurchase program and commit to continue repurchasing shares with free cash flows while maintaining a 1.75x leverage ratio. Abandon M&A; (3) In parallel with step 2, further reduce the Issuer's cost structure; and (4) At the right time, initiate a review of strategic alternatives. A copy of the letter is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 5. Interest in Securities of the Issuer

(a) Item 5(a) is hereby amended and restated as follows: The aggregate percentage of Shares reported owned by each person named herein is based upon 13,653,647 Shares outstanding as of February 21, 2025, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-K filed with the Securities and Exchange Commission on February 27, 2025. A. Engine Capital As of the date hereof, Engine Capital directly owned 1,111,951 Shares. Percentage: Approximately 8.1% B. Engine Jet As of the date hereof, Engine Jet directly owned 112,228 Shares. Percentage: 0.8% C. Engine Lift As of the date hereof, Engine Lift directly owned 113,935 Shares. Percentage: 0.8% D. Engine Management Engine Management, as the investment manager of each of Engine Capital, Engine Jet and Engine Lift, may be deemed to beneficially own the 1,338,114 Shares owned in the aggregate by Engine Capital, Engine Jet and Engine Lift. Percentage: Approximately 9.8% E. Engine GP Engine GP, as the general partner of Engine Management, may be deemed to beneficially own the 1,338,114 Shares owned in the aggregate by Engine Capital, Engine Jet and Engine Lift. Percentage: Approximately 9.8% F. Engine Investments Engine Investments, as the general partner of each of Engine Capital and Engine Jet, may be deemed to beneficially own the 1,224,179 Shares owned in the aggregate by Engine Capital and Engine Jet. Percentage: Approximately 9.0% G. Engine Investments II Engine Investments II, as the general partner of Engine Lift, may be deemed to beneficially own the 113,935 Shares owned by Engine Lift. Percentage: 0.8% H. Arnaud Ajdler Mr. Ajdler, as the managing partner of Engine Management and the managing member of each of Engine GP, Engine Investments and Engine Investments II, may be deemed to beneficially own the 1,338,114 Shares owned in the aggregate by Engine Capital, Engine Jet and Engine Lift. Percentage: Approximately 9.8% The filing of this Schedule 13D shall not be deemed an

admission that the Reporting Persons are, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, the beneficial owners of any securities of the Issuer that he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities reported herein that he or it does not directly own.

Item 5(b) is hereby amended and restated as follows: A. Engine Capital 1. Sole power to vote or direct vote: 1,111,951 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 1,111,951 4. Shared power to dispose or direct the disposition: 0 B. Engine Jet 1. Sole power to vote or direct vote: 112,228 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 112,228 4. Shared power to dispose or direct the disposition: 0 C. Engine Lift 1. Sole power to vote or direct vote: 113,935 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 113,935 4. Shared power to dispose or direct the disposition: 0 D. Engine Management 1. Sole power to vote or direct vote: 1,338,114 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 1,338,114 4. Shared power to dispose or direct the disposition: 0 E. Engine GP 1. Sole power to vote or direct vote: 1,338,114 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 1,338,114 4. Shared power to dispose or direct the disposition: 0 F. Engine Investments 1. Sole power to vote or direct vote: 1,224,179 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 1,224,179 4. Shared power to dispose or direct the disposition: 0 G. Engine Investments II 1. Sole power to vote or direct vote: 113,935 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 113,935 4. Shared power to dispose or direct the disposition: 0 H. Arnaud Ajdler 1. Sole power to vote or direct vote: 1,338,114 2. Shared power to vote or direct vote: 0 3. Sole power to dispose or direct the disposition: 1,338,114 4. Shared power to dispose or direct the disposition: 0

(b)

Item 5(c) is hereby amended and restated as follows: The transactions in the Shares by certain of the Reporting Persons since the filing of Amendment No. 1 are set forth on Exhibit 1 attached hereto and are incorporated herein by reference.

(c)

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibits: 1 - Transactions in the Securities. 99.1 - Letter to the Board, dated March 18, 2025.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Engine Capital, L.P.

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member of Engine Investments, LLC, its General Partner
Date: 03/20/2025

Engine Jet Capital, L.P.

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member of Engine Investments, LLC, its General Partner
Date: 03/20/2025

Engine Lift Capital, LP

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member of Engine Investments II, LLC, its General Partner
Date: 03/20/2025

Engine Capital Management, LP

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member of Engine Capital Management GP, LLC, its General Partner
Date: 03/20/2025

Engine Capital Management GP, LLC

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member
Date: 03/20/2025

Engine Investments, LLC

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member
Date: 03/20/2025

Engine Investments II, LLC

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler, Managing Member
Date: 03/20/2025

Ajdler Arnaud

Signature: /s/ Arnaud Ajdler
Name/Title: Arnaud Ajdler
Date: 03/20/2025

Transactions in the Shares of the Issuer Since the Filing of Amendment No. 1

<u>Nature of Transaction</u>	<u>Amount of Securities Purchased/(Sold)</u>	<u>Price per Share (\$)</u>	<u>Date of Purchase/Sale</u>
<u>ENGINE CAPITAL, L.P.</u>			
Purchase of Common Stock	3,795	22.0946	03/07/2025
Purchase of Common Stock	15,799	21.8399	03/10/2025
Purchase of Common Stock	8,578	21.9563	03/11/2025
Purchase of Common Stock	19,823	21.3043	03/12/2025
Purchase of Common Stock	726	20.4910	03/14/2025
<u>ENGINE JET CAPITAL, L.P.</u>			
Purchase of Common Stock	381	22.0946	03/07/2025
Purchase of Common Stock	1,587	21.8399	03/10/2025
Purchase of Common Stock	862	21.9563	03/11/2025
Purchase of Common Stock	1,992	21.3043	03/12/2025
Purchase of Common Stock	593	20.4910	03/14/2025
<u>ENGINE LIFT CAPITAL, LP</u>			
Purchase of Common Stock	389	22.0946	03/07/2025
Purchase of Common Stock	1,620	21.8399	03/10/2025
Purchase of Common Stock	880	21.9563	03/11/2025
Purchase of Common Stock	2,033	21.3043	03/12/2025

Engine Capital LP
1345 Avenue of the Americas, 2nd Floor
New York, NY 10105
(212) 321-0048

March 18, 2025

Civeo Corporation
333 Clay Street
Suite 4400
Houston, TX 77002
Attention: The Board of Directors (the "Board")

Members of the Board:

Engine Capital LP (together with its affiliates, "Engine" or "we") is a large shareholder of Civeo Corporation (NYSE: CVEO) ("Civeo" or the "Company"), with ownership of approximately 9.8% of the Company's outstanding shares. We invested in Civeo because of the quality of its assets (in particular, its impressive Australian operations), the growth prospects of its asset-light business, its strong financial characteristics, its compelling valuation and our belief that there are readily available opportunities for the Board to significantly increase value for shareholders.

For context, Engine is a value-oriented investment firm launched over a decade ago that manages more than \$1 billion in assets on behalf of high-net-worth individuals, endowments and institutional investors. We have a long history of working constructively with boards; since our inception, we have placed more than 44 directors on the boards of 27 public companies. We have followed Civeo for several years and as part of our due diligence, we have had an opportunity to discuss the Company and its prospects with former employees and competitors. We have also had discussions with management, including CEO Bradley Dodson, CFO Collin Gerry and VP of Corporate Development & Investor Relations Regan Nielsen. These discussions have led us to conclude that Civeo has a strong reputation among its customers and is composed of high-quality assets that will continue to generate strong and growing free cash flows in the future.

Despite these attractive characteristics, Civeo has been unable to generate adequate shareholder returns over any relevant period, as shown in the below table.¹ Furthermore, the stock trades at a deep discount to its intrinsic value at an EV to 2025 EBITDA multiple of ~3.6x.²

¹ Total shareholder returns calculated as of the close on March 14, 2025. Excludes five-year total shareholder return because of COVID-19 impact. Total shareholder returns calculated for the spin-off as of June 2, 2014. Company Proxy Peers include: Badger Infrastructure Solutions Ltd., Black Diamond Group Limited, Dexterra Group Inc., Enerflex Ltd., Forum Energy Technologies, Inc., Matrix Service Company, McGrath RentCorp, Newpark Resources, Inc., Nine Energy Service, Inc., North American Construction Group Ltd., Oil States International, Inc., Precision Drilling Corporation, Select Water Solutions, Inc., Target Hospitality Corp., TETRA Technologies, Inc. and Total Energy Services Inc.

² Pro forma adjusted for recent Australian acquisition. Assumes pro forma EBITDA of \$102 million and net debt at closing of \$91 million (end of H1 2025). Assumes Company generates \$17.5 million of free cash flow in H1 2025 and pays a dividend on March 17, 2025 (~\$3.4 million).

Total shareholder returns					
	Total Shareholder Return (1-Year)	Total Shareholder Return (2-Year)	Total Shareholder Return (3-Year)	Total Shareholder Return (10-Year)	Total Shareholder Return (Since 2014 Spin-Off)
CVEO	(14.5%)	9.6%	(4.1%)	(36.9%)	(91.9%)
Company Proxy Peers (Average)	(6.9%)	13.1%	21.6%	117.7%	50.3%
Company Proxy Peers (Median)	(8.7%)	22.9%	30.1%	(17.6%)	(45.1%)
Russell 2000	1.6%	18.0%	9.7%	89.0%	108.6%
<i>CVEO vs. Company Proxy Peer (Average)</i>	<i>(7.6%)</i>	<i>(3.5%)</i>	<i>(25.7%)</i>	<i>(154.6%)</i>	<i>(142.3%)</i>
<i>CVEO vs. Company Proxy Peer (Median)</i>	<i>(5.8%)</i>	<i>(13.3%)</i>	<i>(34.2%)</i>	<i>(19.3%)</i>	<i>(46.8%)</i>
<i>CVEO vs. Russell 2000</i>	<i>(16.1%)</i>	<i>(8.4%)</i>	<i>(13.8%)</i>	<i>(125.9%)</i>	<i>(200.5%)</i>

To be fair, this undervaluation and poor performance have not been for a lack of effort from the team. While we believe there have been operational missteps, we acknowledge that over the last few years, Civeo has paid down a significant amount of debt, repurchased a meaningful number of shares, initiated a large dividend and recently announced a deal that makes strategic sense at an attractive valuation. Despite this, the market continues to value Civeo as if it were a dying business at a meaningful discount to its strategic value.

We believe it is time for the Board to take more drastic action to close this large value gap by effectively privatizing the Company, either in the public market through large and aggressive share repurchases to meaningfully shrink the Company's share count or through a sale of the Company. In parallel, we believe the Company needs to continue to reduce its cost structure. Below is a step-by-step list of initiatives that we believe the Board should immediately launch to unlock value for shareholders:

1. Announce a **change in Civeo's capital allocation model**: eliminate the dividend, target a leverage ratio of 1.75x and initiate a large tender offer to repurchase around 25% of the Company's outstanding shares. **This tender should be announced in conjunction with Q1 earnings.**
2. Following the closing of the tender offer, enter into an **automatic repurchase program and commit** to continue repurchasing shares with free cash flows while maintaining a 1.75x leverage ratio.³ Abandon M&A.
3. In parallel with step 2, **further reduce the Company's cost structure.**
4. At the right time, **initiate a review of strategic alternatives.**

Step 1: Announce a Change in Civeo's Capital Allocation Model

Civeo's current capital allocation is suboptimal. Given the Company's deep undervaluation, it is clear that shareholders are not appreciating the current dividend. Therefore, we believe the Board should be opportunistic, completely eliminate the dividend and take advantage of the Company's depressed share price through a large and immediate repurchase program. When Civeo closes on its Australian acquisition, its leverage will be around 0.9x, leaving it with significant flexibility to further use its balance sheet to create value.⁴ We note that Civeo's existing credit agreement allows the Company to increase leverage up to 3.0x. Increasing leverage to a conservative 1.75x would allow Civeo to free up ~\$87.5 million that it should immediately use to repurchase around 25% of its outstanding shares.

³ Repurchases subject to continuous undervaluation of the shares.

⁴ Closing assumed to take place at the end of H1 2025.

To successfully repurchase this many shares and given the illiquidity of the stock, the Board will have to pay a premium. Practically, this should be done through a Dutch tender offer, which will end up being cheaper than trying to effectuate these repurchases in the open market. We therefore recommend that in conjunction with the announcement of Q1 earnings, Civeo announces a Dutch tender offer to repurchase shares between \$24 and \$28 per share.⁵ If the tender takes place at the midpoint of this range, the Company will repurchase 3.4 million shares or around 25% of the Company's outstanding shares. This range is illustrative. Given Civeo's undervaluation, it is very possible that to repurchase ~\$87.5 million of shares, the Company will have to pay a higher price, which would still be worth it given the value creation opportunity under our new capital allocation policy.

If for some unforeseen reason, the Australian acquisition is not completed, Civeo's leverage post tender would be 1.3x, an even more conservative ratio than if the acquisition closed, in which case the leverage would be 1.75x.

Step 2: Enter Into an Automatic Repurchase Program and Commit to Repurchasing Shares With Free Cash Flows While Maintaining a 1.75x Leverage Ratio; Abandon M&A

As the recent announcement of the Australian acquisition has highlighted, M&A is not the answer for Civeo. Acquiring assets similar to the core business is not going to change the market's perception of the Company or rerate its stock – instead, it introduces unnecessary operational and financial risks for shareholders. The failed acquisition of Noralta Lodge in 2018 under the current leadership is an example of those risks. Shareholders would be better off having the Company maintain its 1.75x leverage and commit to using all its free cash flows to repurchase shares until they are fairly valued. A commitment from the Board is particularly important because it would remove any ambiguity regarding capital allocation. Shareholders wouldn't worry about poor M&A, for example. Because of this clarity, we believe such a commitment is likely to reduce the Company's cost of capital and help rerate Civeo's trading multiple.

We estimate that Civeo will generate around \$89.5 million of free cash flow (after the incremental interest from increasing the leverage ratio to 1.75x) from H2 2025 through 2027.⁶ This represents ~32% of the Company's current market capitalization (this statistic alone is striking and underscores how undervalued Civeo is). If the Board uses this capital to repurchase shares at an average price of \$30 per share, it can repurchase another 3 million shares, or around 22% of the Company's current share count. If the Company is unable to buy this number of shares in the market, it may end up having to do additional tenders.

The Board may be concerned about reducing the liquidity of the stock through these aggressive repurchases. We believe this fear would be misplaced. The stock is already very illiquid and making it more illiquid is unlikely to concern shareholders. In any event, it is possible that committing to an unambiguous capital allocation policy helps rerate the stock and improve its liquidity. If the Board can buy the business it knows best at a material discount to its intrinsic value, it should do so consistently since it will be tremendously accretive to the remaining shareholders.

⁵ For modeling purposes, we have assumed that the tender and the acquisition close at the end of H1 2025.

⁶ Assumes Civeo generates ~\$43 million of free cash flow annually from 2025 through 2027 proforma of the Australian acquisition (before increasing leverage to 1.75x) less incremental interest expense of ~\$7 million per year (starting in H2 2025) due to increased leverage. 2025 free cash flow assumes the recently announced acquisition closes at the end of H1 2025.

Step 3: In Parallel With Step 2, Further Reduce the Company's Cost Structure

While leadership has begun rightsizing the Company's cost structure, we believe management and the Board need to go further to offset the significant decline experienced in Civeo's Canadian business. In particular, corporate overhead in Houston at close to \$30 million per year is a significant drag to the Company's returns.

As we look at the Company's cost structure, the following questions come to mind:

- Given the decline in the Canadian operations, can the Company justify having a separate headquarters in Houston, where there are no operations?
- Can the Houston headquarters be folded into the Canadian or Australian operations?
- How much could be saved if the Houston positions were folded into one of the two geographies?
- Does Civeo need to trade on the NYSE? Would it be cheaper to trade on the TSX or the ASX? Would this also lead to a reduction in audit or other compliance fees?
- Given the Company's size, valuation and long-term TSR, can Civeo afford to pay its CEO \$6 million per year? ⁷
- Does Civeo need a nine-person Board for a total cost of almost \$2 million? ⁸
- Are there additional opportunities at the divisions where overhead remains elevated despite the recent restructurings?

From our discussions with numerous former employees, it is clear that there are opportunities to meaningfully reduce costs. We would advise the Board to get outside help to receive unbiased answers to the questions we raised above.

If the Board follows our capital allocation recommendations, we believe that by the end of 2027, the stock could conservatively be worth between \$40 and \$54 per share, an upside of nearly 130% at the midpoint of this valuation range: ⁹

2027 EBITDA	\$107.0	\$107.0	\$107.0
<i>EV / LTM EBITDA Multiple</i>	4.5x	5.0x	5.5x
Enterprise Value	\$481.5	\$535.0	\$588.5
Less: Net Debt	(178.5)	(178.5)	(178.5)
Equity Value	\$303.00	\$356.50	\$410.00
<i>Shares Outstanding</i>	7.6	7.6	7.6
Implied Share Price	\$39.94	\$46.99	\$54.04
<i>Implied Upside to Current Share Price (\$20.57)</i>	94.2%	128.4%	162.7%

⁷ The CEO's compensation was \$6.3 million, \$4.7 million and \$5.1 million in 2023, 2022 and 2021, respectively.

⁸ Total Board compensation was \$1.97 million in 2023.

⁹ Illustratively assumes EBITDA remains flat at \$102 million through 2027. Assumes an incremental \$5 million of cost savings. Assumes share-based compensation dilution from 2025 through 2027 in line with prior years and assumes all free cash flow is used for repurchases starting in H2 2025 after the tender offer is completed.

Step 4: At the Right Time, Initiate a Review of Strategic Alternatives

It is obvious that Civeo is not a good U.S. public company, and that the Company's discounted valuation is largely a result of structural problems. While Civeo is listed in the U.S., it operates in Canada and Australia, jurisdictions that are less familiar to most U.S. analysts. The Company is also subject to currency risks, which create additional obstacles for American investors, and its business is tied to legacy industries such as oil and coal, which create additional restrictions for ESG-concerned investors. Civeo has no pure play U.S. public peer of a similar size or geographic composition, making it difficult for public market investors to evaluate and diligence it. Finally, the Company is subscale with a large overhead structure.

Given these dynamics, we believe Civeo is unlikely to reach its intrinsic value in the public market and a sale is likely to deliver returns superior to the standalone path. Regardless of whether Civeo's various assets are sold together or transacted separately, a combination with one or multiple strategic acquirers will create significant synergies. At a minimum, most of the \$30 million in corporate overhead could be eliminated and additional overhead costs in Canada or Australia could also be targeted, depending on the buyer.

The below table calculates the strategic value of Civeo if a sale were to take place at the end of 2025, following the tender and additional share repurchases in 2025. We have modeled the repurchase of 3.4 million shares in the tender followed by another 0.6 million of shares repurchased in H2 2025 (\$18 million generated in H2 2025 divided by \$28 per share as an illustrative price), resulting in a share count of 9.8 million at the end of 2025.¹⁰

Based on comparable transaction multiples, we believe Civeo could be sold at a price between \$39 and \$50 per share, representing a nearly 116% premium to the current trading price at the midpoint of the range. Assuming the strategic acquirer can cut \$30 million in overhead, this price would represent a fully synergized multiple of 4.6x EBITDA.

2025 EBITDA	\$102.0	\$102.0	\$102.0
<i>EV / LTM EBITDA Multiple</i>	<i>5.50x</i>	<i>6.00x</i>	<i>6.50x</i>
Enterprise Value	\$561.0	\$612.0	\$663.0
Less: Net Debt	(178.5)	(178.5)	(178.5)
Equity Value	\$382.50	\$433.50	\$484.50
<i>Shares Outstanding</i>	<i>9.8</i>	<i>9.8</i>	<i>9.8</i>
Implied Share Price	\$39.14	\$44.36	\$49.57
<i>Implied Upside to Current Share Price (\$20.57)</i>	<i>90.3%</i>	<i>115.6%</i>	<i>141.0%</i>
<i>Memo: Fully Synergized Acq. Multiple for Buyer</i>			
<i>Buyer Acq. Mult. (\$15M Cost Savings)</i>	<i>4.8x</i>	<i>5.2x</i>	<i>5.7x</i>
<i>Buyer Acq. Mult. (\$30M Cost Savings)</i>	<i>4.3x</i>	<i>4.6x</i>	<i>5.0x</i>

In our discussions with public companies, we often find that management teams and boards are reluctant to start a sale process unless they have already been approached by a potential buyer. We believe this reasoning is flawed and that the Board should not view a potential lack of interest as indicative. Instead, the Board should proactively approach buyers who can then diligence the Company appropriately. We believe such a process is likely to yield a very satisfactory outcome for all parties involved.

¹⁰ H2 2025 free cash flow includes incremental interest expense from increased leverage. Assumes share-based compensation dilution in 2025.

In conclusion, we believe the status quo is no longer tenable. Management and the Board need to take a more proactive stance to unlock value for investors. We request a meeting with members of the Board at your earliest convenience to discuss the matters and initiatives we have set forth in this letter. On behalf of Engine, we look forward to working with you to increase long-term shareholder value.

Sincerely,

/s/ Arnaud Ajdler

Arnaud Ajdler
Managing Partner