



Digitizing the ocean space

The background of the slide is a dark blue underwater scene. Two yellow autonomous underwater vehicles (AUVs) are shown in profile, moving from left to right. The AUV in the foreground is labeled "SR-003" and "Argeo". Both vehicles have blue and white diagonal stripes. They are emitting a series of thin, light-colored beams that fan out downwards, illuminating a rocky seabed. The seabed is covered with purple and red coral or anemones. The overall atmosphere is futuristic and technological.

Argeo Q4 company presentation

16 March 2023

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ODD ERIK RUDSHAUG, CFO ARGEO

Disclaimer

- This presentation includes and is based on, among other things, forward-looking information and statements
- Such forward-looking information and statements are based on the current expectations, estimates and projections of Argeo or assumptions based on information available to the company
- Such forward-looking information and statements reflect current views with respect to future events and are subject to risks, uncertainties and assumptions
- Argeo cannot give any assurance as to the correctness of such information and statements

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Q4 Highlights

- NOK 50 million private placement
- NOK 20 million loan granted from Innovation Norway
- 5-year bareboat contract for vessel Argeo Searcher with option to buy
- First contract for Argeo "Argus" is a success with good results
- Argeo Searcher contract work in the North Atlantic for Deep Sea Minerals

Later events

- Ultra-deep water AUV survey and validation work in the North Atlantic has started
- Awarded a contract for Polish Geological Institute in the Mid Atlantic
- Argeo Searcher conversion and rigging completed
- Argeo teams up with global multi-client player on MC for DSM data acquisition
- Mid-Atlantic 2023 ultra deep-water campaign firms up to 30 million NOK

Highlights

Business development

- We are steadily expanding our market footprint, resulting in more and larger tenders in our most important segments (O&G, OWS and DSM)
- We expect awards to be announced in the first quarter of 2023 which now includes activities in North-and South America (NSA) and Europe, Africa and Middle East (EAME).

Finances

- We reiterate our EBITDA target of NOK 50 million for 2023. However, delays in contract awards and subsequently project startup could put this target at risk.

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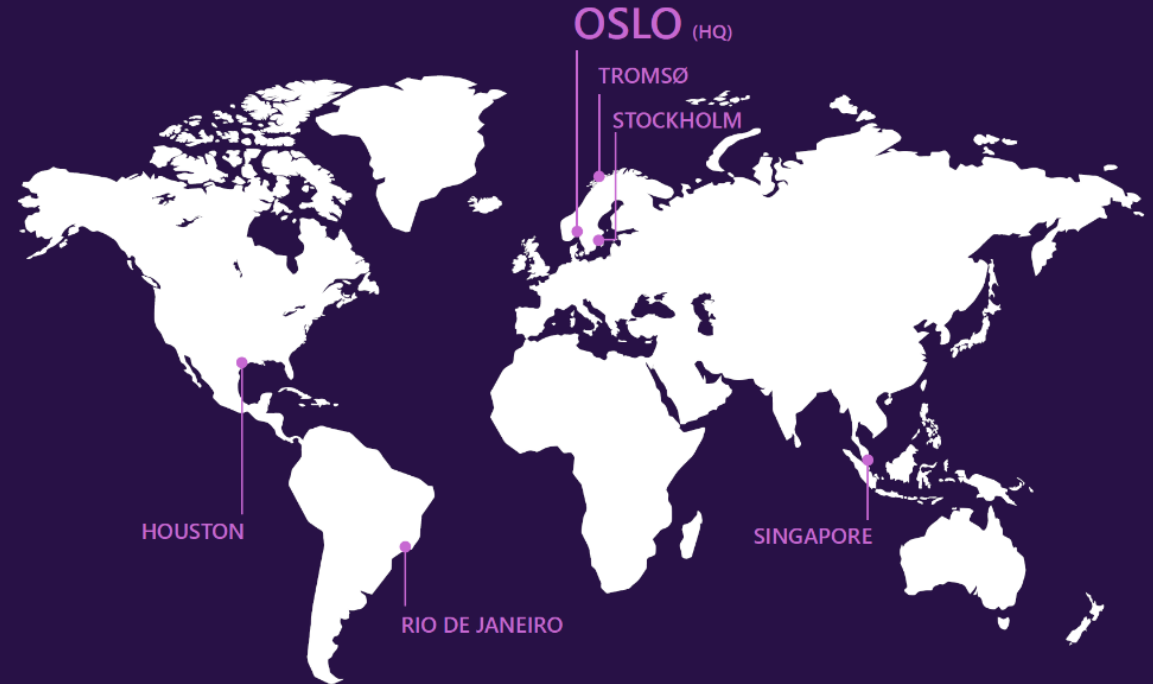
Financials

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► **Close to our customers**

Argeo in brief

Argeo is an Offshore Service company with a mission to transform the ocean surveying and inspection industry by utilizing autonomous surface and underwater robotics solutions.



Services



SURVEY



INSPECTION



MAINTENANCE
& REPAIR



MULTI CLIENT
/ DAAS

Markets



OIL & GAS



RENEWABLES



OFFSHORE
INSTALLATIONS



MARINE
MINERALS



LISTED
ON Euronext Growth



Argeo

What we do

SUBSEA

- Survey
- Inspection
- Maintenance & repair

SURVEY

- Geophysical survey
- Hydrographical survey
- Route survey
- Environmental survey
- Ultra-high-resolution photo
- Shallow-water USV Survey



DATA AS A SERVICE

- Flexible data access models
- Offshore wind concessions
- Marine Mineral exploration
- Greenfield survey
- Environmental survey
- Decommissioning

ROBOTICS

Sensor technology

- Argeo LISTEN
- Argeo WHISPER
- Argeo DISCOVER

Digital Platform

- Argeo SCOPE

High-capability AUV's with complimentary abilities



SeaRaptor AUV

- Depth rated to 6,000m
- Up to 50 hours battery capacity
- Light and very scalable
- Autonomous
- Low CO2 footprint



Hugin AUV

- Depth rated 1000 - 6,000m
- 18-60 hours battery capacity
- Wide range of available sensor integrations
- Custom sensor integration possible
- Navigation sensors and acoustic aiding



Argeo Argus USV

- Flexible aft deck for multiple payloads
- Configurable moonpools (2x)
- Independent propulsion systems (2x)
- Integrated geophysical / hydrographical sensors
- Stabilizer for improved data and communication quality
- Remote operated from Onshore Mission Control



Argeo Searcher

- AUV's Up to 2x SeaRaptor 6000
- ROV: 1 x WROV/Observation/Survey (option)
- Instrumentation and acoustic positioning (SON/HIPAP)
- Dedicated instrument/operations room
- Computerized onboard data processing center
- MarlinkVSAT/Starlink communication

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Q4 contracts

Confirming demand and correct strategic positioning with good potential for further expansion



Argeo Argus enters commercial operations

- Opens new market
- Early access data for renewables sector
- full-service contract



Ultra deep-water survey

- First contract for Argeo Searcher & SeaRaptors
- Environmental and geological surveys for marine minerals

Mid-Atlantic campaign firms up to 30 million NOK

Deep-Water Campaign

**Deep-water
Validation
project**

PGI
Multi-sensor data
acquisition

**Multi-client
collaboration project**

Started mid February
Expected completed end of April 2023

3 weeks of port call and additional
installation work included in this period

Deep-water validation work

Ultra Deep-water technology, sensor,
and data validation

- Validation of advanced dual-AUV operations
- Payload sensors
- Ultra deep water operations and mission control
- Data flow and management
- AUV deep water behaviour



Diving into the marine minerals market

Multi-sensor data acquisition with AUV for the Polish Geological Institute – National Research Institute (PGI-NRI)

- Argeo Searcher VESSEL
- SeaRaptor AUV's
- State-of-the-art SENSORS
- Enabling DATA capabilities
- Argeo SCOPE delivery
- Covers appx 219 km²
- Water depth between 4000 – 5000m

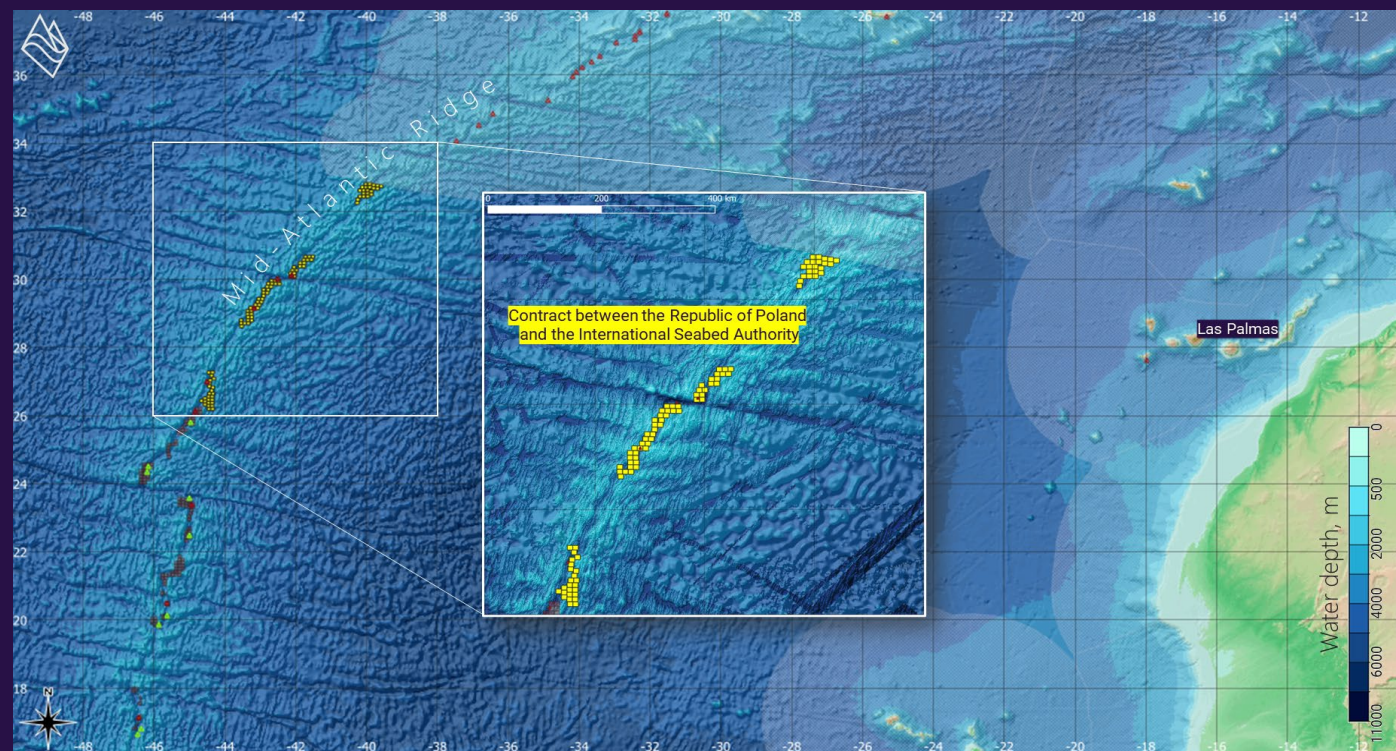


“The offered solution provided a high-cost optimization, which is significant for public funds.”

«The cooperation with Argeo is another step in the exploration of deep-sea areas.»

“The number of tools and sensors involved in the survey will provide extensive information on the seabed surface and subsurface geology, as well as environmental parameters.»

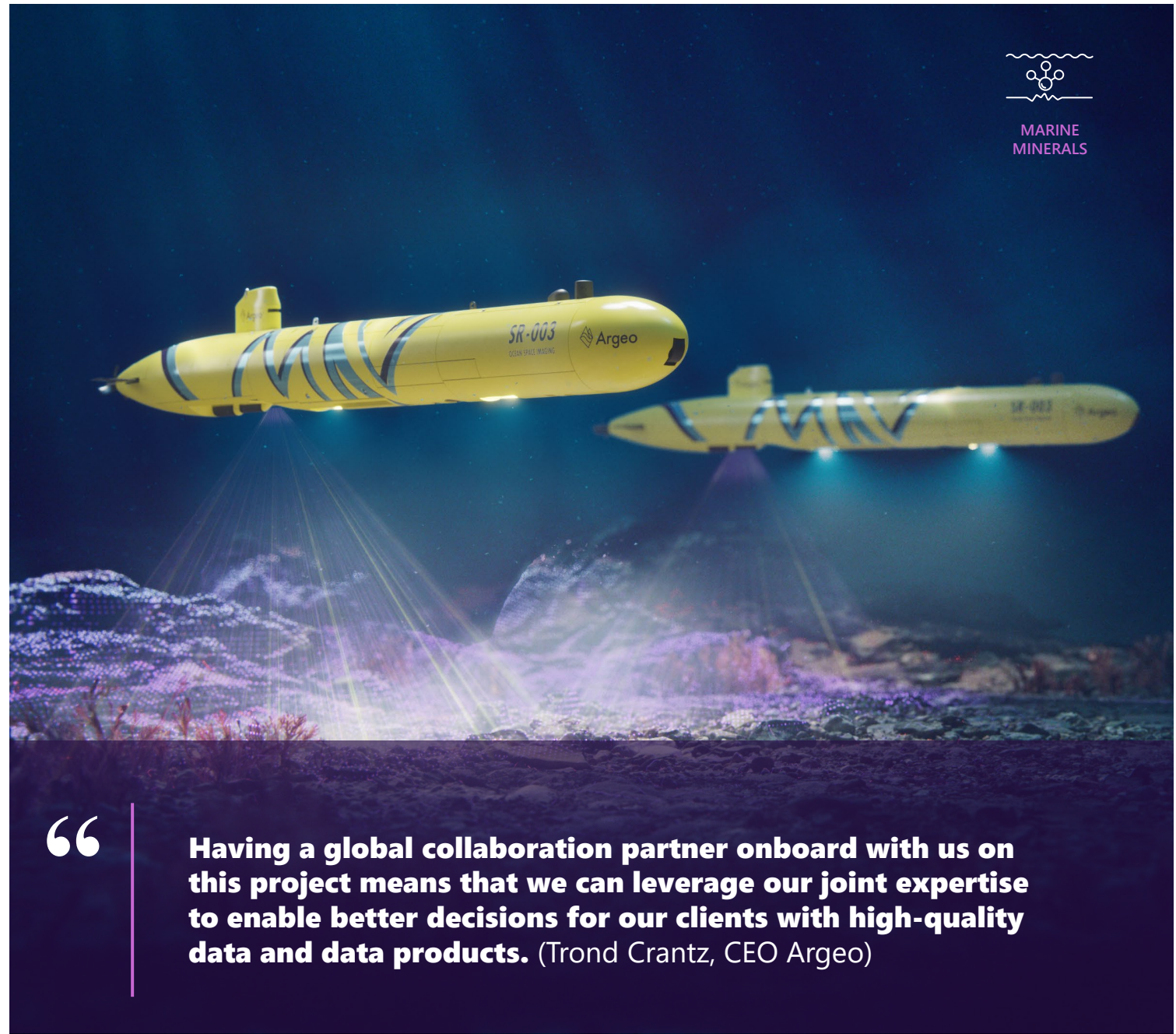
Polish Geological Institute
– National Research Institute
(PGI-NRI)



Groundbreaking Multi-Client survey in DSM

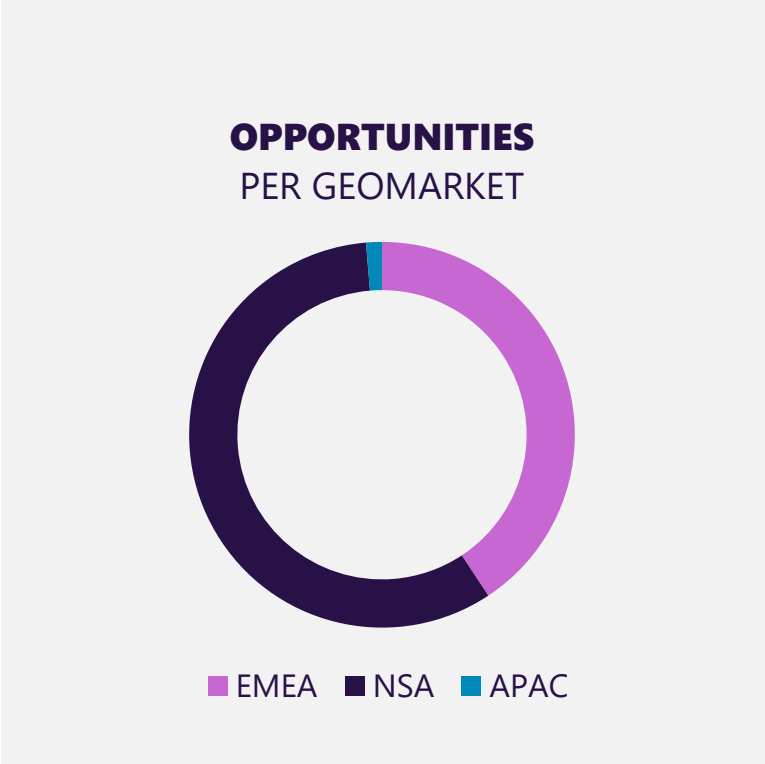
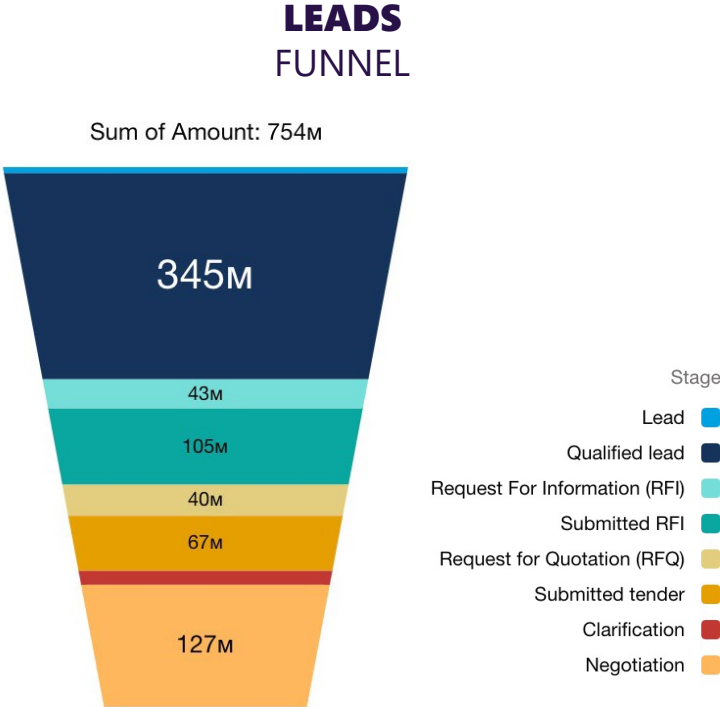
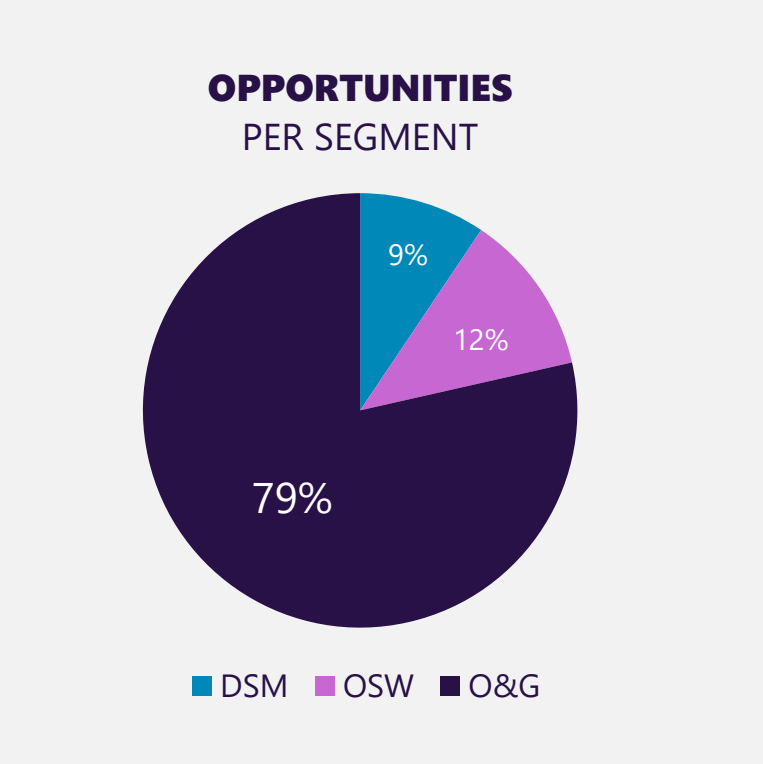
Multi-client prospecting survey
for deep-sea minerals

- Collaboration project with long standing multi-client partner
- Used to identify potential deep-sea mineral occurrences
- Enables early access to cost effective data

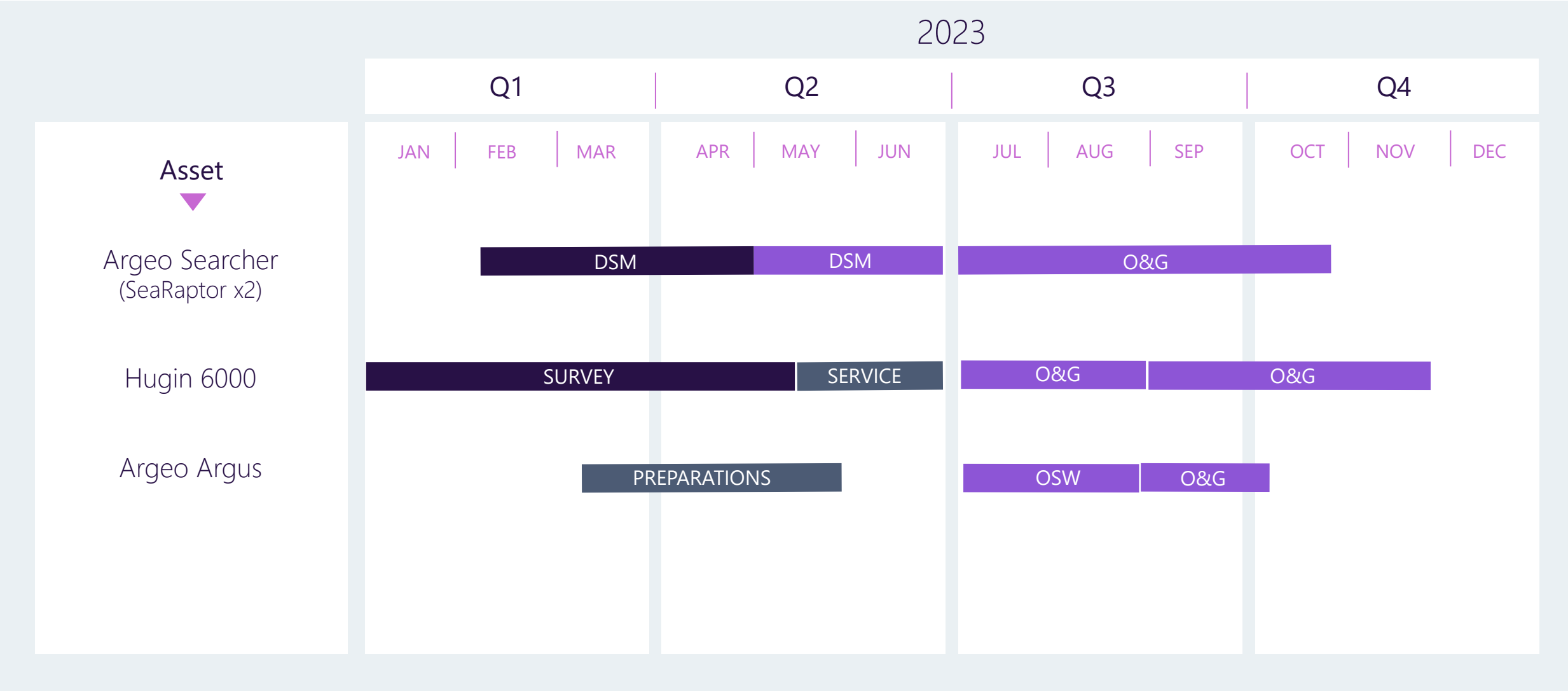


Oil & Gas our largest market of opportunities

Offshore Wind and Deep-Sea Minerals are starting to play an important factor



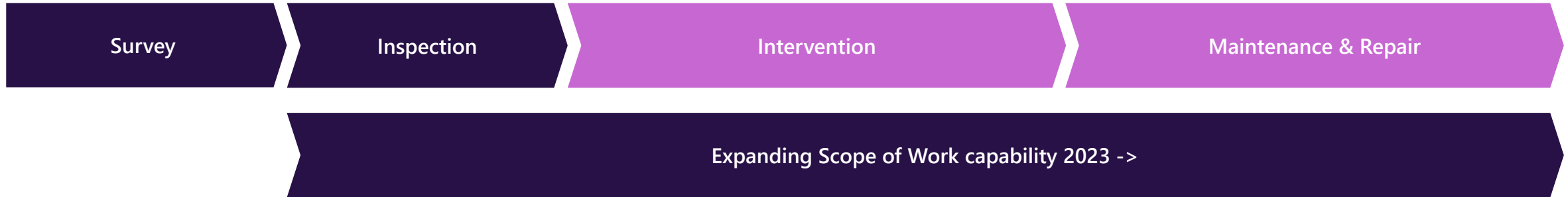
Project backlog



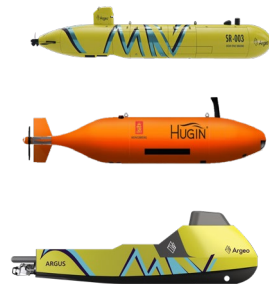
Confirmed work
 Potential work based in current tender portfolio

Strategic development to meet global demand in the subsea sector

Capitalizing on the Offshore Energy Supercycle to expand business and scale our global service offering



AUV's & ROVs



purpose built subsea/survey vessels



- **full scale subsea services**
- **larger scope-of-work for clients going forward**

Steadily developing the fleet to meet market demand

AUV's



HUGIN 1000 AUV



HUGIN 6000 AUV



SEARAPTOR AUV



SEARAPTOR AUV



ROV's



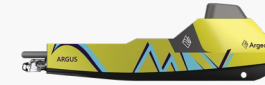
WORK-CLASS 4000M ROV



SURVEY INSPECTION 4000M ROV



VESSELS



ARGUS USV



ARGEO SEARCHER



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▶ **Commercial & Market update**

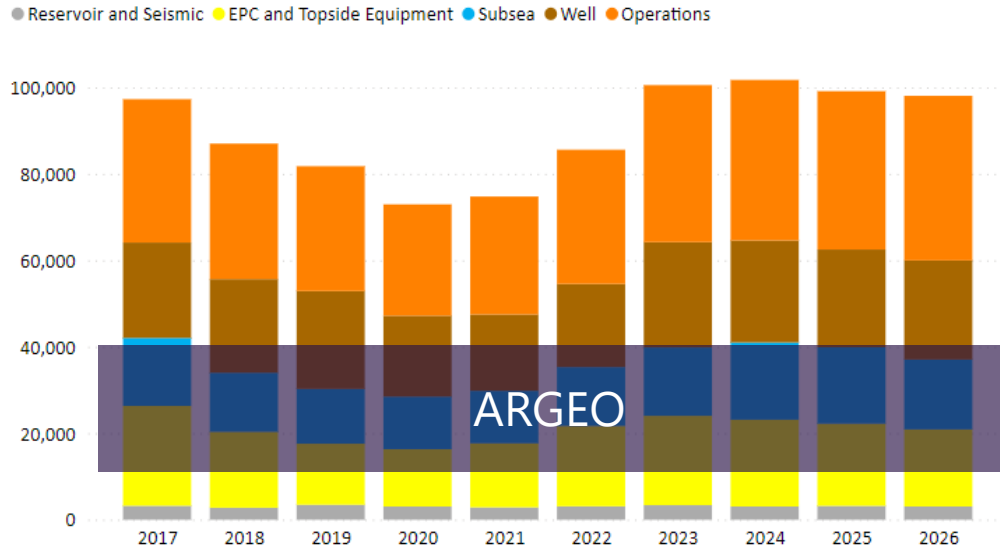
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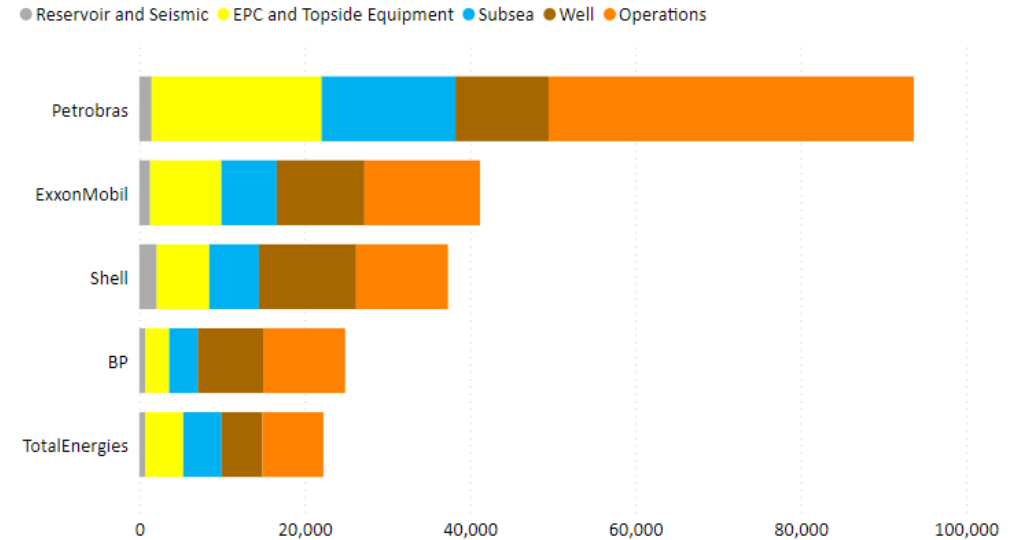
Oil & Gas offshore market

Categorized, excluding internal expenditure. For the US, only Gulf of Mexico are included



Offshore Market by category

Category	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
R&S	3,237	2,768	3,469	3,050	2,864	3,111	3,372	3,058	3,214	3,062
EPC & Topside Eq.	23,085	17,578	14,115	13,278	14,821	18,581	20,659	20,075	19,014	17,830
Subsea	15,732	13,658	12,684	12,164	12,148	13,623	15,829	17,871	17,666	16,155
Well	22,063	21,667	22,627	18,709	17,657	19,231	24,351	23,598	22,617	22,933
Operations	33,161	31,340	28,879	25,751	27,276	31,051	36,324	37,144	36,626	38,071
Total	97,278	87,011	81,774	72,952	74,766	85,597	100,534	101,746	99,138	98,051



Top 5 offshore operators 2023-2026 by category

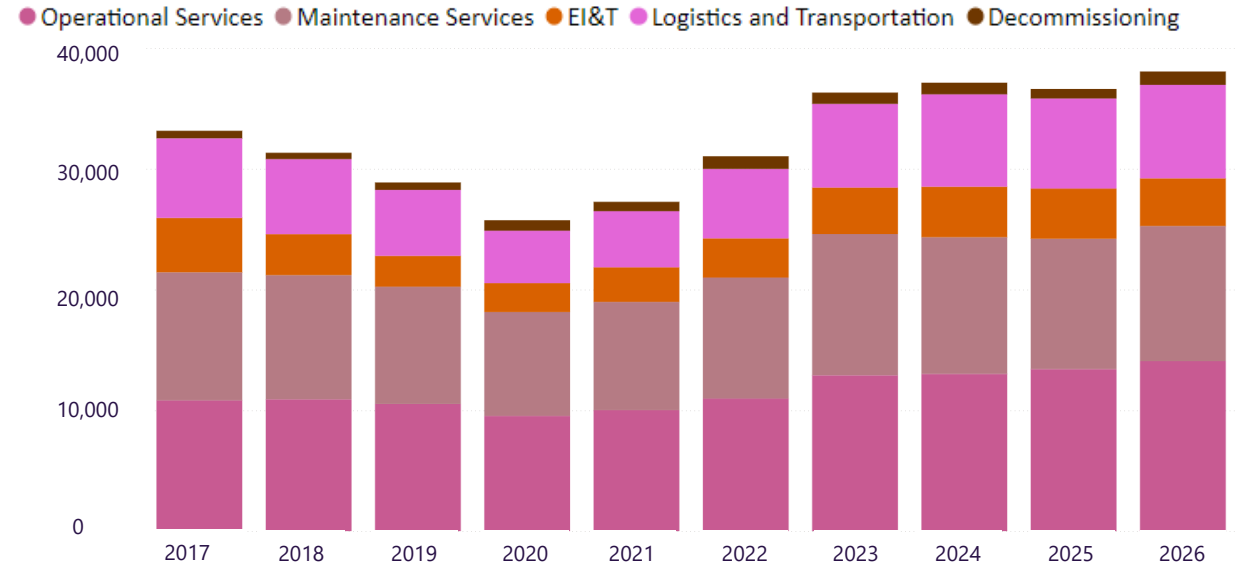
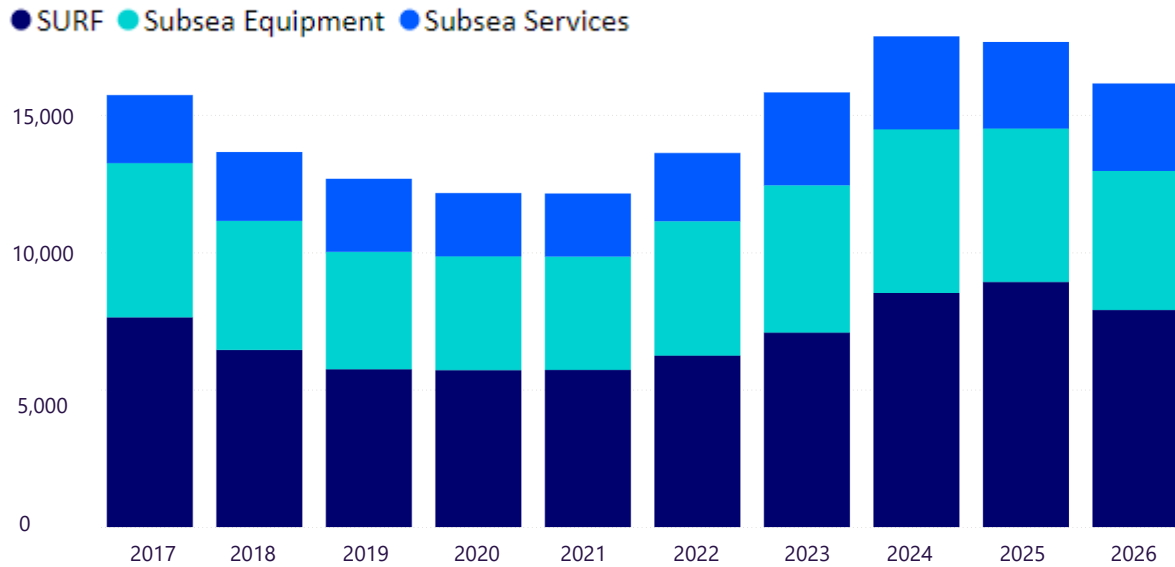
Operator	R&S	EPC & Topside Eq.	Subsea	Well	Operations
BP	717	2,901	3,428	7,932	9,915
ExxonMobil	1,295	8,634	6,686	10,616	13,968
Petrobras	1,481	20,559	16,193	11,273	44,173
Shell	2,105	6,361	5,988	11,777	11,097
TotalEnergies	690	4,621	4,647	4,936	7,368
Total	6,287	43,076	36,942	46,534	86,522

Countries selected in the following geomarkets: NSA (US, Brazil, Guyana, Suriname); EAME (Nigeria, Namibia, Angola, UK); APAC (Malaysia, Australia)

Source; Norwep markets & Rystad energy

Offshore market details 2023-2026

Subsea services, SURF and equipment, Operations and EPC topside



Countries selected in the following geomarkets: NSA (US, Brazil, Guyana, Suriname); EAME (Nigeria, Namibia, Angola, UK); APAC (Malaysia, Australia)

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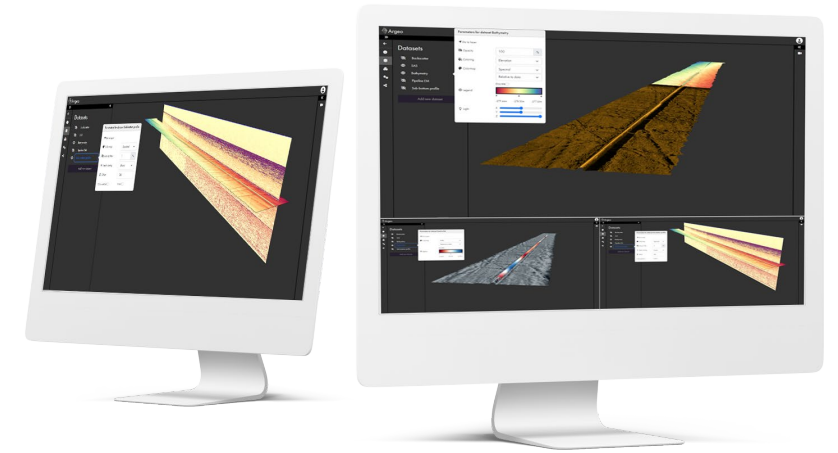
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Argeo Robotics

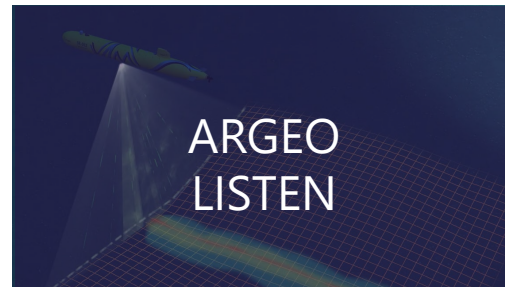
Argeo Robotics is a technology & engineering company delivering unique and innovative solutions for ocean subsea surveying and inspection.

Argeo SCOPE

Fast and performant 3D visualization of ocean space data in the cloud, supporting a collaborative data sharing and interpretation workflow.



Our sensor technology

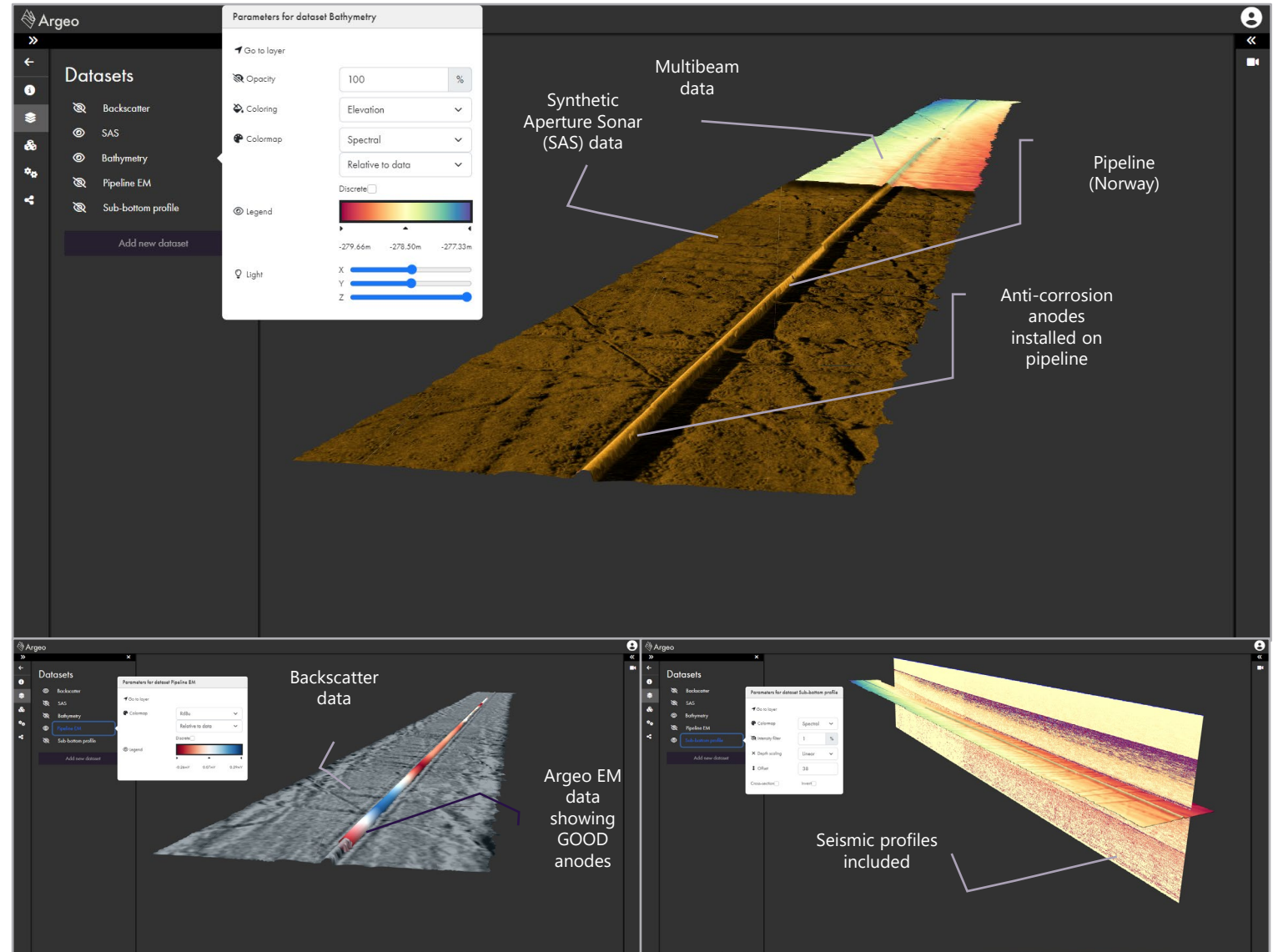


Argeo SCOPE

Fast and performant 3D visualization of vast amounts of ocean space data in the cloud, supporting a collaborative data sharing and interpretation workflow.

Seamless data fusion from seabed measurements such as:

- Synthetic aperture sonar (SAS)
- Sub-bottom profiler (SBP)
- Backscatter
- Bathymetry
- EM intensity along pipelines using Argeo Listen



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Income Statement

Amounts in NOK 1 000	Q4-2022	Q4-2021	YTD 2022	YTD 2021
Operating revenue	10 840	431	33 583	15 842
Operating cost	8 026	5 922	31 266	17 439
Employee expenses	18 259	11 650	62 425	22 662
Other operating expenses	5 006	2 023	17 954	8 755
Capitalisation of cost	-8 450	-4 083	-26 326	-6 367
EBITDA	-12 001	-15 080	-51 736	-26 647
Depreciation	5 413	365	12 481	1 276
EBIT	-17 414	-15 445	-64 217	-27 924
Net financial items	7 438	450	-5 768	-38
Profit/(loss) before tax	-9 976	-14 996	-69 985	-27 962
Income tax (expense)	4 641	7 042	17 764	9 848
Profit/ (loss) for the period	-5 334	-7 953	-52 220	-18 113

- Revenue in Q4 2022 is from the Argus USV survey in Norway and from the Hugin 6000 which started commercial work in Q3 2022.
- EBITDA minus NOK 12 million in Q4 2022, vs minus 15 million in Q3 2022
- Net financial items in Q4 2022 includes NOK 10.3 million unrealized currency exchange gain on the seller's credit nominated in USD

Balance Sheet

Amounts in NOK 1 000	31.12.2022	31.12.2021
ASSETS		
Intangible assets	24 304	7 647
Deferred tax asset	28 424	10 259
Multi-client library	4 000	0
Property, plant and equipment	211 840	3 965
Shares in associated companies	2 295	5 479
Total non-current assets	270 864	27 350
Trade receivables	22 949	6 164
Spare parts	15 630	0
Other current assets	44 468	67 964
Cash and cash equivalents	21 313	65 862
Total current assets	104 360	139 990
Total assets	375 224	167 340
EQUITY AND LIABILITIES		
Equity	213 184	148 051
Long term debt	106 482	5 933
Total non-current liabilities	106 482	5 933
Trade payables	29 151	6 288
Other current liabilities	26 406	7 068
Total current liabilities	55 558	13 356
Total liabilities	162 040	19 289
Total equity and liabilities	375 224	167 340

- Intangible assets include capitalized cost to Argeo Scope and the other development projects.
- PPE includes two SeaRaptor's, one Hugin 6000 and Argus USV.
- Other current assets at year end 2022 includes NOK 35.9 million unpaid share capital.
- Long term debt is mainly seller's credit on 3 AUV's.

Cash flow statement

Amounts in NOK 1 000	Q4-2022	Q4-2021	2022	2021
Cash flow from operating activities				
Profit/(loss) before tax	-9 976	-14 996	-69 985	-27 962
Depreciation	5 413	365	12 481	1 276
Financial income	-209	-89	-267	-89
Financial expense	-10 025	168	2 852	433
Gain/loss equity investments	2 796	276	3 183	471
Change in current assets	-77 750	-66 126	-8 919	-69 420
Change current liabilities	24 150	5 576	42 202	-1 810
Net cash from operating activities	-65 601	-74 826	-18 452	-97 101
Cash flow from investing activities				
Investment in property, plant and equipment	5 544	64 771	-218 962	-3 687
Investment in intangibles	-2 578	-2 619	-18 052	-4 903
Investment in Multi-client	0	0	-4 000	0
Net investment in associated companies	0	0	0	-5 871
Sale AUV to associated company	0	0	0	10 838
Net cash from investing activities	2 966	62 152	-241 014	-3 624
Cash flow from financing activities				
Net proceeds from new equity	46 995	0	117 353	159 911
Proceeds from new debt	0	0	122 743	0
Repayment of debt	-4 531	-340	-25 009	-760
Financial income	209	89	267	89
Financial expense	-260	-168	-703	-433
Net cash flow from financial activities	42 414	-419	214 652	158 807
Net change in cash and cash equivalents	-20 222	-13 093	-44 815	58 082
Cash and cash equivalents beginning of period	42 458	78 955	65 862	7 780
Net currency exchange differences	-924	0	266	0
Cash and cash equivalents end of the period	21 313	65 862	21 313	65 862

- Negative change in current assets in Q4 2022 includes unpaid share capital (NOK 35.9 million) and reclassification from PPE to Spares (NOK 15.6 million).
- Investment in PPE in Q4 2022 NOK 10.1 million (excluding effect of reclassification Spares).
- Investment in intangibles NOK 2.6 million in Q4 2022.
- Net proceeds from share issue in December 2022 NOK 47 million.
- Repaid NOK 4.5 million seller's credit in Q4 2022.

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- Argeo Searcher conversion and rigging completed
- Argeo teams up with global multi-client player on MC prospecting survey for deep-sea minerals
- Mid-Atlantic 2023 ultra deep-water campaign firms up to 30 million NOK
- Offshore Wind market attractive for Argeo Argus USV

▶ **Thank you**