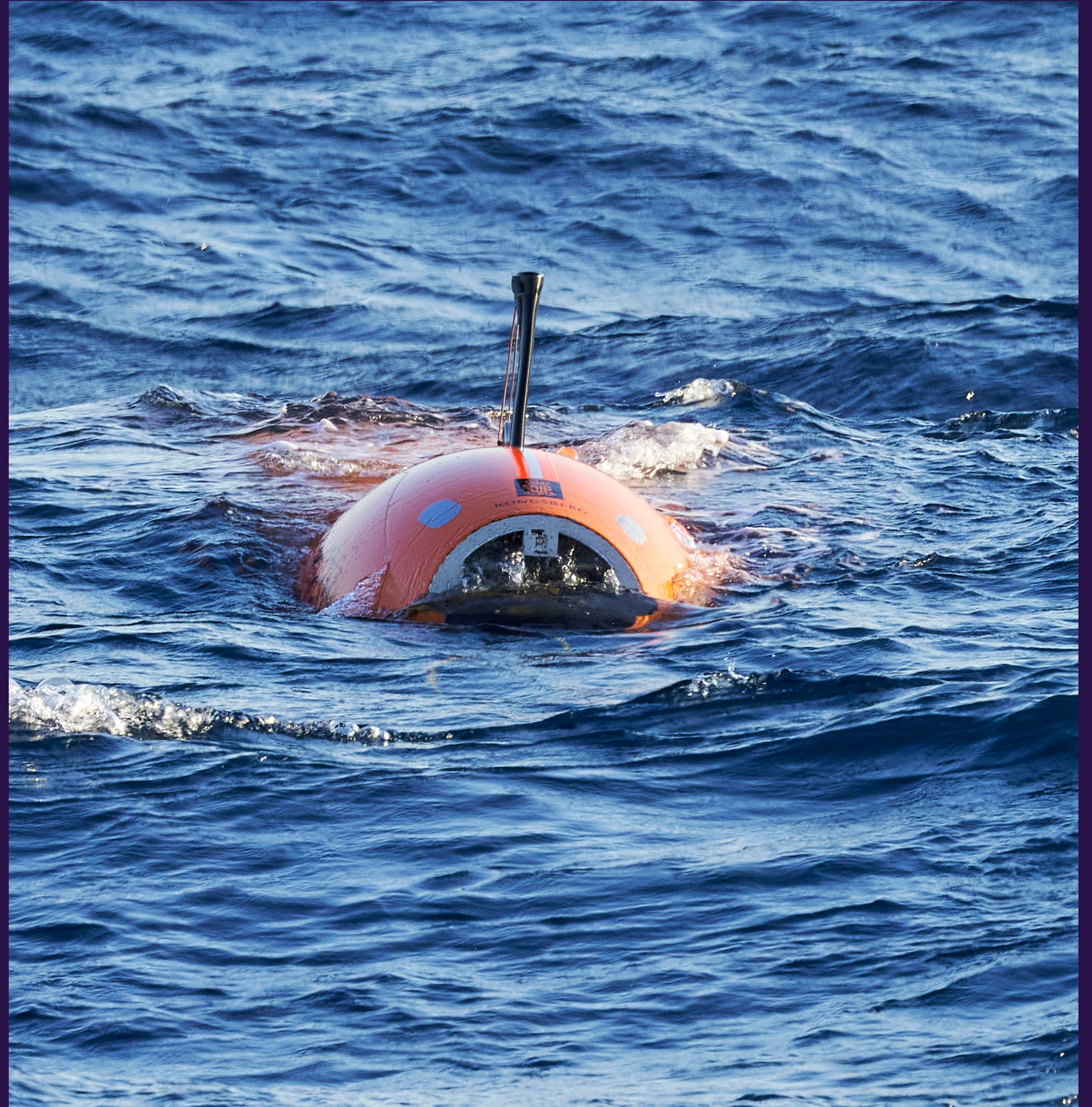




# Q2 Report

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2024





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# CEO LETTER

## CEO LETTER

I am very pleased to present our second quarter results for 2024, which demonstrate continuous growth and significant YoY increase for all key financials:

### Key Q2 2024 financial highlights include:

All amounts in USD 1.000

Revenue:	15 664, up from 1 379 and YOY increase of 1034%
EBITDA:	4 217, up from -1 574 and YOY increase of 368%
EBIT:	1 638, up from -2 708 and YOY increase of 160%
Net loss:	-911, up from -2 658 and YOY improvement of 66%
Backlog:	USD 45 million

(Note: Figures are in accordance with IFRS accounting principles.)

The start of the quarter included focusing on the departure of Argeo Venture from Norway and the upcoming mobilization for TotalEnergies and their Nambia Venus project. Production commenced medio May and has since shown good performance. Argeo Searcher completed the majority of the project for the National Centre for Polar and Ocean Research (NCPOR) (80%) but had to leave early for the required intermediate yard inspection and subsequently mobilizing for Woodside and their Calypso project and in Trinidad & Tobago. The remaining 20% can optionally be completed in Q4'24 or Q1'25. End of the quarter we mobilized the upgraded Hugin 6000 containerized system on to the Ocean Guardian for RWE Canopy project offshore California. Production for both Argeo Searcher and Ocean Guardian commenced in Q3'24.

Looking ahead to Q3, we will have three operational vessel spreads working across two continents and serving three major clients in both the O&G and the Renewables sector. As a result, we expect a significant increase in all our key financial figures.

### Backlog

Total firm Backlog from tenders in H1-2024 ended at USD 71 million. Produced revenues from this backlog in H1'24 was USD 25 million (Q2'24 USD 16 million), remaining firm backlog for H2 currently stand at USD 45 million.

### Health, Safety, Environment & Quality

HSEQ management is important for Argeo and being responsible is part of our core values. I'm very pleased to report that Argeo's professionalism and strong industry experience with continued focus on HSEQ performance has had a major positive impact on our business and this effort is recognized by our clients in all three verticals. Through H1-2024 we have completed significant operational and organisational growth both onshore and offshore. The entire team has shown dedication and focus, reaching, and in some areas, exceeding our corporate HSEQ KPI targets. Achieving a TRIF of 1.1 with zero LTIs over 18,000 exposure hours underscores our solid commitment to safety. This performance highlights our dedication to maintaining a safe working environment.

### Innovation & Technology

On the technical side, the new Hugin fleet has performed exceptionally well with good performance numbers and very good production rates. This is now proven to be a reliable acquisition platform that meets our customers' expectations. Additionally, further improvement to our turnkey data delivery platform enables us to provide near-on-demand product delivery, significantly enhancing customer satisfaction from well executed

Trond E. Figenschou Crantz  
CEO

# Financial Highlights



**USD 15.7**

Revenue Q2 2024

+1037% YoY

A good first quarter with revenues up from USD 1.4 in Q2 2023

**USD 4.2**

EBITDA Q2 2024

+368% YoY

EBITDA up from USD -1.6 in Q2 2023

**USD 1.6**

EBIT Q2 2024

+160% YoY

EBIT up from USD -2.7 in Q2 2023

**USD -0.9**

Net Loss Q2 2024

+66% YoY

Improvement from USD -2.6 in Q2 2023

**USD 45 million**

Backlog Q2 2024

+275% Since Q2 2023

During H1 2024 we have converted USD 71 million in backlog from won tenders. Of this, we have produced USD 25 million (USD 16 in Q2'24). Remaining backlog at the end of Q2 now totals USD 45 million.



# Main Events

## Main events Q2 2024

- Argeo awarded substantial contract with Woodside Energy for Calypso AUV survey
- Argeo awarded substantial contract with RWE for Canopy offshore wind project
- Subsequent offering completed raising NOK 30,250,000 in gross proceeds
- Argeo Venture started transit for TotalEnergies project
- Argeo is granted new patent for acoustic tracking of buried subsea objects
- Argeo granted patent from the Norwegian Industrial Patent office (Patentstyret) safeguarding the high-performance electromagnetic system "Argeo Listen"

# A complete subsea service provider

from acquisition to actionable data

Argeo is a complete subsea service provider operating in three major verticals, oil & gas, marine minerals, and the renewables sector. We offer a unique package combining **robust vessels**, **superior AUV's**, **advanced sensors** and digital imaging technology and an **intuitive digital platform** that collects complex data and brings this to

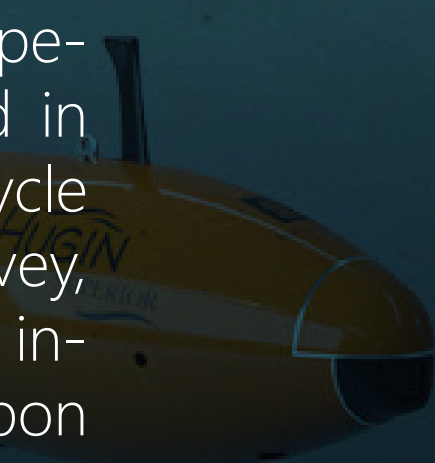
life. With our own vessels and superior AUV's we are fast, flexible and in a unique position to offer full lifecycle services. Our services include survey, inspection, maintenance, and repair, increasing efficiency and reducing carbon footprint for our customers.

TURNKEY ◀  
**Final product**

▶ ROBUST AND MODERN  
**Vessels**

▶ SUPERIOR  
**AUV's**

▶ UNIQUE PATENTED  
**Sensor systems**



# Bringing complex data to life

## in three key verticals

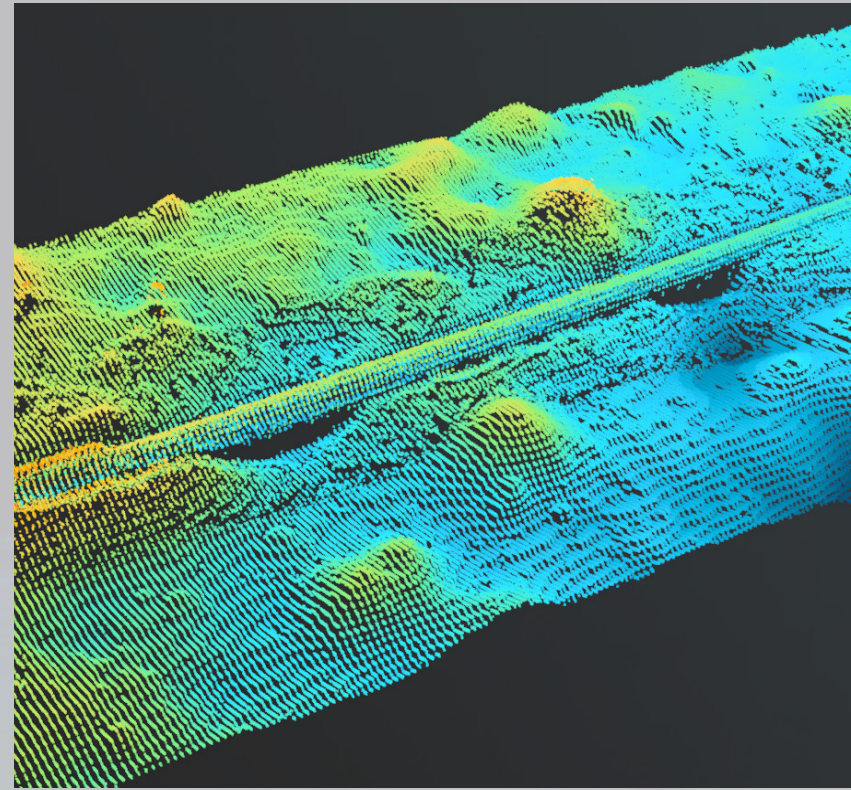
Argeo conducts ocean surveys & inspections using autonomous robotic solutions for three key markets, Oil & Gas, Marine Minerals and Renewables

### More cost-efficient survey and inspection giving our clients

- Faster inspections
- Faster project turnaround
- Lower CO2 footprint
- Safer operations with lower HSE risk

### Easy access to actionable data

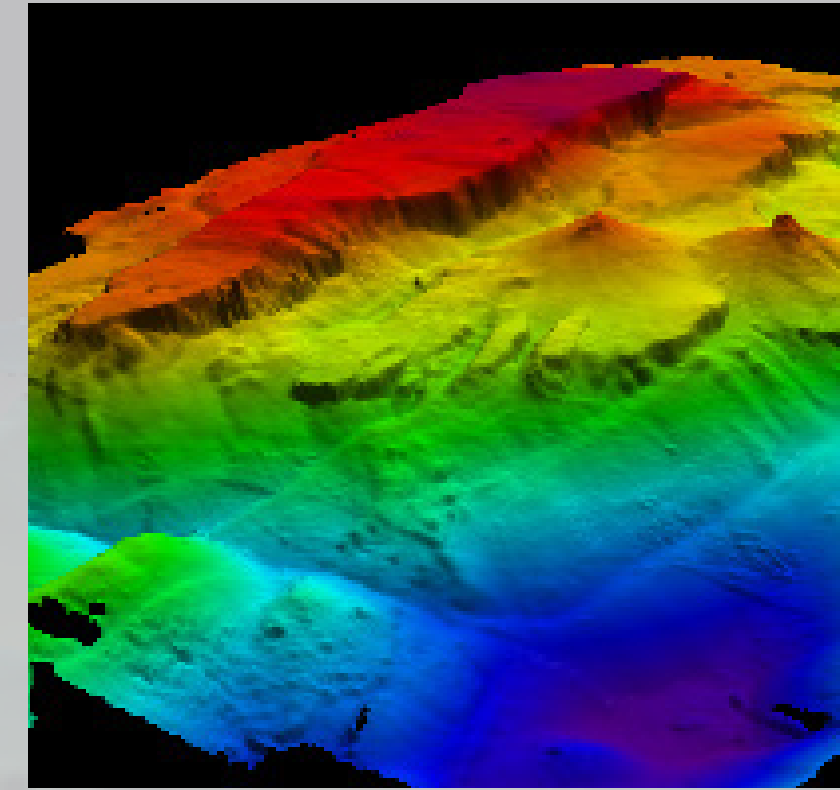
- Rapid decision ready data to clients during mission and project lifecycle
- Intuitive visualizations of complex data



### Oil & Gas

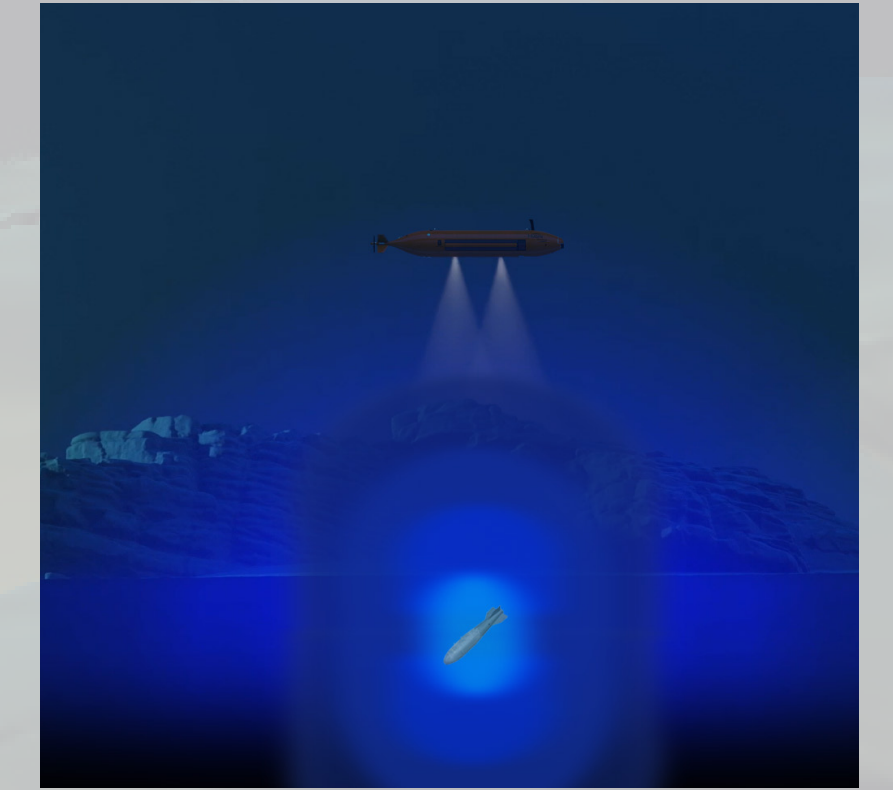
Argeo provides comprehensive services for the oil and gas industries, specializing in Inspection, Maintenance, Repair, and Survey (IRMS).

Our offerings include greenfield development, route survey connections with the installation of Floating Production Storage and Offloading units (FPSOs), and the inspection of existing pipelines, power cables, and subsea infrastructure. We conduct detailed subsea inspection programs and handle general maintenance activities. Additionally, we offer seismic support operations for Ocean Bottom Node (OBN) in collaboration with Shearwater Geo.



### Marine Minerals

Argeo work with marine minerals companies and geological institutions to conduct exploration surveys for new licenses and resource estimation. They also perform environmental assessments before and after exploration and extraction activities.



### Renewables

Argeo provides advanced survey and inspection services to the offshore wind industry using cutting-edge technology.

Our offerings include pre-installation and route surveys (IRMS), cable burial inspection, and underwater data collection for new areas. Argeo supports wind farm construction, infrastructure inspections, and offers multi-client services for greenfield acreage. These solutions ensure efficient and safe installation of wind turbines, promoting sustainable ocean wind energy.

# Market report



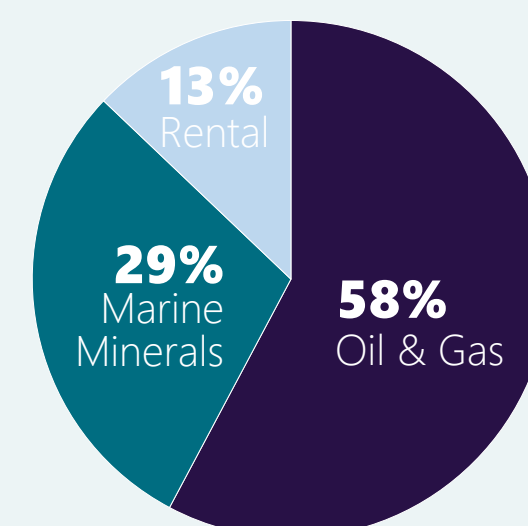
## Market report

### Strong strategic position within oil & Gas and

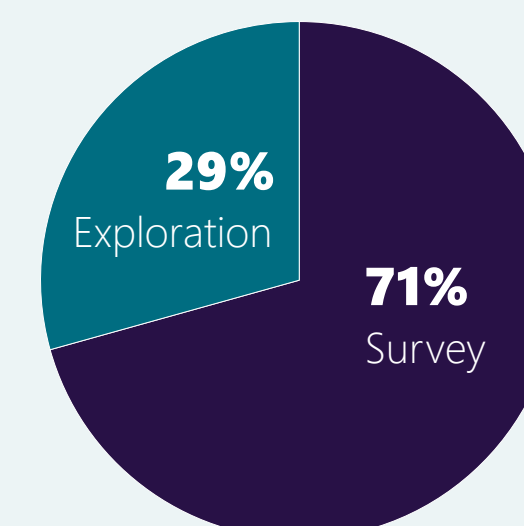
Argeo is developing a strong strategic position in our main verticals. This position allows us to move assets between verticals and therefore secure a higher utilization for our vessel spreads and assets.

In the year to date, Argeo has acquired important market shares in both Oil & Gas, and Marine Minerals and Renewables (Q3), for tier 1 clients. The Oil and Gas sector leads with 58% of the company's revenues, highlighting a consistent demand and our deep expertise in this industry. The Marine Minerals sector contributes 29%, showcasing our expanding role in this emerging market and finally now also seeing a growth in the Offshore Wind vertical. Geographically, our position has been particularly strong in West Africa, with 66% of our year-to-date revenues concentrated in this region, The remaining 34% of our revenues are from the Asia Pacific region, reflecting our strategic focus on expanding in this dynamic market.

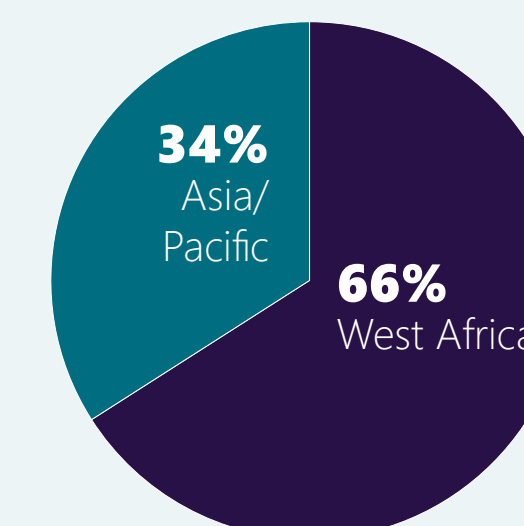
### Revenue distribution per market



### Revenue distribution product



### Revenue distribution geomarket





# Q2 2024 FINANCIALS

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# Financial statements

## Revenue

Revenue for Q2 2024 was USD 15.7 million, compared to USD 1.4 million in Q2 2023. Revenue in Q2 2024 is mainly from the deep-water mineral survey with India's National Centre for Polar and Ocean Research (NCPOR) in the Indian Ocean, and from the contract with TotalEnergies in Namibia.

## Cost

Cost of sales in Q2 2024 was USD 10.2 million, compared to USD 2.4 million in Q2 2023. Main reason for the increase is having two vessels in activity in Q2 2024 compared to one in the previous quarter, combined with higher operating cost in the area of operation.

Selling, general and administrative expenses increased from USD 0.6 million in Q2 2023 to USD 1.3 million in Q2 2024. The increase is reflecting a build-up of the organization to handle more activity with Argeo Venture coming into operation in 2024.

## EBITDA

EBTIDA was USD 4.2 million in Q2 2024, compared to minus USD 1.6 million in Q2 2023.

## Depreciation and amortisation

Depreciation and amortisation increased from USD 1.1 million in Q2 2023 to USD 2.6 million in Q2 2024. The increase in Q2 2024 is due to depreciation on the new assets Argeo Venture and two Hugin Superior AUV's. There is also an increase due to depreciation on the IFRS 16 Right-of-use assets bareboat charter of Argeo Searcher and office leases.

## Financial items

Net financial loss in Q2 2024 was USD 2.6 million and includes currency exchange loss amounting to USD 0.7 million. Net financial gain in Q2 2023 was USD 0.1 million.

## Net Profit/ Loss

Net loss for Q2 2024 was USD 0.9 million compared to a net loss of USD 2.6 million in Q2 2023.

## Balance Sheet

Total non-current assets at the end of the period were USD 82.3 million. Of this, Right-of-use assets amounted to USD 28.4 million consisting of the bareboat charter Argeo Searcher, two Hugin Superior leases and office leases. Property, plant and equipment was USD 49.2 million in the end of the quarter, and is mainly two Searaptor AUV's, one Hugin 6000 AUV, the Argus USV, the vessel Argeo Venture and lease additions to Argeo Searcher.

Cash and cash equivalents balance was USD 2.7 million at the end of the quarter, compared to USD 5.3 million at year end 2023.

Total liabilities at the end of the quarter were USD 64.7 million, compared to USD 36.6 million at the end of 2023. The increase is mainly due to new lease for a Hugin Superior, and a new loan for Argeo Venture.

## Shares

In April 2024, Argeo concluded its subsequent offering of 11,000,000 new shares at NOK 2.75 per share, raising gross proceeds of NOK 30,250,000.

In June 2024, Argeo did a consolidation (reverse split) of the Company's shares in the ratio 5:1. The new share capital of the Company after the reverse share split is NOK 22,208,174.50 divided into 44,416,349 shares, each with a nominal value of NOK 0.50.

As per 30 June 2024, a total of 1 526 000 options are outstanding in connection with the Company's share option program. 29 000 have vested and has a strike price of NOK 41. 1 487 000 options have a strike of NOK 16. The remaining 10 000 options are formalised as warrants ("Tranche 1 Warrants"). Exercise price for these is NOK 4.15, and all have vested.

In connection with the private placement in April 2021, the Company's general meeting approved the issuance of 750,000 new warrants to the existing shareholders of the Company before the private placement ("Tranche 2 Warrants"). 375 000 of these warrants expired in April 2023, and 258 103 was

replaced with share options granted 23 January 2024. The remaining 116 897 Tranche 2 Warrants can be exercised at NOK 0.50 given a demonstrated share market price appreciation of three times the Subscription Price within a period of 4 years. The Subscription Price in the private placement in April 2021 was NOK 41 per share.

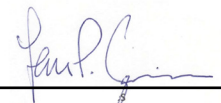





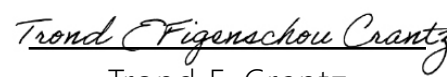
## Consolidated interim statement of comprehensive income

All amounts in USD 1,000	Note	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023
Revenues	4	15,664	1,379	25,131	3,816
<b>Total revenues and other income</b>		<b>15,664</b>	<b>1,379</b>	<b>25,131</b>	<b>3,816</b>
Cost of sales		10,188	2,383	15,517	5,074
<b>Gross profit</b>		<b>5,475</b>	<b>-1,004</b>	<b>9,615</b>	<b>-1,257</b>
Selling, general and administrative expenses		1,258	570	2,488	1,238
Depreciation and amortisation	5,6	2,579	1,134	4,380	1,935
<b>Total operating expenses</b>		<b>3,837</b>	<b>1,704</b>	<b>6,868</b>	<b>3,172</b>
<b>Operating profit (loss)/EBIT</b>		<b>1,638</b>	<b>-2,708</b>	<b>2,746</b>	<b>-4,430</b>
Share of results from joint venture		-47	-21	-66	-40
Finance income		15	4	19	12
Finance expense	7	1,803	343	2,947	744
Net exchange gains/(losses)		-714	411	1,322	1,196
<b>Net financial items</b>		<b>-2,550</b>	<b>50</b>	<b>-1,672</b>	<b>424</b>
<b>Profit/(loss) before tax</b>		<b>-911</b>	<b>-2,658</b>	<b>1,074</b>	<b>-4,006</b>
Income tax expense		-	-19	-2	77
<b>Net profit/(loss) for the period</b>		<b>-911</b>	<b>-2,638</b>	<b>1,076</b>	<b>-4,083</b>
<b>Other comprehensive income</b>					
<i>Items which may subsequently be reclassified to profit or loss:</i>					
Exchange differences on translation of foreign operations		687	-333	-1,681	-1,205
<b>Other comprehensive income for the period</b>		<b>687</b>	<b>-333</b>	<b>-1,681</b>	<b>-1,205</b>
<b>Total comprehensive income for the period</b>		<b>-224</b>	<b>-2,972</b>	<b>-605</b>	<b>-5,289</b>
<b>Earnings per share</b>					
Basic EPS - profit or loss attributable to equity holders (USD)	11	-0.02	-0.17	0.03	-0.27
Diluted EPS - profit or loss attributable to equity holders (USD)	11	-0.02	-0.17	0.03	-0.27
<b>Net profit/(loss) for the year attributable to:</b>					
Equity holders of the parent company		-911	-2,638	1,076	-4,083
Total comprehensive income attributable to:					
Equity holders of the parent company		-224	-2,972	-605	-5,289

## Consolidated interim statement of financial position

All amounts in USD 1,000	Note	30/06/2024	31/12/2023
Intangible assets	6	4,255	3,790
Right-of-use assets		28,413	18,456
Property, plant and equipment	5	49,209	36,250
Multi-client inventory		381	699
Investment in joint venture		-	152
<b>Total non-current assets</b>		<b>82,258</b>	<b>59,347</b>
Trade receivables		8,739	219
Other receivables		8,863	4,071
Cash and cash equivalents		2,701	5,340
Contract assets		399	552
Other current assets		3,553	2,073
<b>Total current assets</b>		<b>24,256</b>	<b>12,254</b>
<b>Total assets</b>		<b>106,514</b>	<b>71,601</b>
<b>All amounts in USD 1,000</b>			
	<b>Note</b>		
Share capital	9	2,163	1,890
Share premium		68,992	62,204
Other capital reserves		2,042	1,734
Other equity		-31,423	-30,818
<b>Total equity</b>		<b>41,774</b>	<b>35,010</b>
Non-current interest-bearing liabilities	7	15,559	4,940
Non-current lease liabilities		19,066	13,112
Non-current provisions		1	2
<b>Total non-current liabilities</b>		<b>34,626</b>	<b>18,053</b>
Current interest-bearing liabilities	7	3,817	2,394
Trade payables		13,947	6,456
Current lease liabilities		7,557	4,751
Current provisions		867	432
Contract liabilities		-	2,225
Other current liabilities		3,924	2,280
<b>Total current liabilities</b>		<b>30,113</b>	<b>18,537</b>
<b>Total liabilities</b>		<b>64,739</b>	<b>36,590</b>
<b>Total equity and liabilities</b>		<b>106,514</b>	<b>71,601</b>

Oslo, 29 August 2024

 Jan P. Grimnes Chair of the Board	 Geir Kaasen Board member	 Heidi G. Holm Board member	 Jim Dåtland Board member
 Lars Petter Utseth Board member	 Peter A. Hooper Board member	 Trond F. Crantz CEO	

## Consolidated interim statement of changes in equity

All amounts in USD 1,000	Paid-in equity			Other equity		Total equity
	Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
<b>Equity 1 January 2023</b>	<b>565</b>	<b>27,356</b>	<b>1,640</b>	<b>-2,191</b>	<b>-12,766</b>	<b>14,604</b>
Net profit or loss for the period	-	-	-	-	-4,083	-4,083
Other comprehensive income	-	-	-	-1,205	-	-1,205
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,205</b>	<b>-4,083</b>	<b>-5,289</b>
Issue of share capital (Note 9)	178	7,653	-	-	-	7,830
Registration of shares from December 2022	213	-213	-	-	-	-
Share-based payment (Note 10)	-	-	87	-	-	87
<b>Equity 30 June 2023</b>	<b>956</b>	<b>34,796</b>	<b>1,727</b>	<b>-3,396</b>	<b>-16,849</b>	<b>17,233</b>

All amounts in USD 1,000	Paid-in equity			Other equity		Total equity
	Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
<b>Equity 1 January 2024</b>	<b>1,890</b>	<b>62,204</b>	<b>1,734</b>	<b>-1,117</b>	<b>-29,701</b>	<b>35,010</b>
Net profit or loss for the period	-	-	-	-	1,076	1,076
Other comprehensive income	-	-	-	-1,681	-	-1,681
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,681</b>	<b>1,076</b>	<b>-605</b>
Issue of share capital (Note 9)	273	6,788	-	-	-	7,061
Share-based payments (Note 10)	-	-	308	-	-	308
<b>Equity 30 June 2024</b>	<b>2,163</b>	<b>68,992</b>	<b>2,042</b>	<b>-2,798</b>	<b>-28,625</b>	<b>41,774</b>

## Consolidated interim statement of cash flows

All amounts in USD 1,000	Note	YTD Q2 2024	YTD Q2 2023
<b>Cash flow from operating activities</b>			
Profit/loss before tax		1,074	-4,006
<i>Adjustments to reconcile loss before tax to net cash flow</i>			
Net financial items		1,672	-424
Depreciation, amortisation, and impairment		4,380	1,935
Share-based payment expense		300	-1
<i>Working capital adjustments</i>			
Changes in trade and other receivables		-13,312	1,042
Changes in contract assets and other current assets		1,329	-1,003
Changes in trade payables		7,491	1,276
Changes in provisions		434	295
Changes in contract liabilities and other current liabilities		-580	-3,317
<b>Net cash flows from operating activities</b>		<b>132</b>	<b>-4,204</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		-15,482	-1,466
Investment in subsidiaries		-122	-
Investment in Multi-client		292	-292
Development expenditures		-603	-1,008
Interest received		19	5
<b>Net cash flows from investing activities</b>		<b>-15,896</b>	<b>-2,762</b>
<b>Cash flow from financing activities</b>			
Proceeds from issuance of equity		7,061	7,830
Repayments of long term debt		-1,753	-4,159
Proceeds from long term debt		14,000	2,806
Payments for principal for the lease liability		-3,483	-276
Payments for interest for the lease liability		-1,589	-229
Interest paid		-1,035	-31
<b>Net cash flows from financing activities</b>		<b>13,201</b>	<b>5,941</b>
<b>Net change in cash and cash equivalents</b>		<b>-2,564</b>	<b>-1,026</b>
Cash and cash equivalents at beginning of the year		5,340	2,163
Net foreign exchange difference		-75	10
<b>Cash and cash equivalents at the end of the period</b>		<b>2,701</b>	<b>1,147</b>

# Notes

## Note 1 General information

Argeo AS ("the Company") is open for trading on Euronext Growth, with the ticker symbol ARGEO. The Company is incorporated and domiciled in Norway with principal offices located at Nye Vakås vei 14, 1395 Hvalstad, Norway.

Argeo AS and its subsidiaries (collectively "the Group" or "Argeo") offers services and technical solutions to the surveying and inspection industry.

The interim consolidated financial statements of the Group for the period ended 30 June 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 29 August 2024.

## Note 2 Basis of preparation and significant accounting policies

The interim consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes.

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by The European Union ("EU").

The interim consolidated financial statements are unaudited.

The interim consolidated financial statements of the Group for the six months ended 30 June 2024 do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Argeo's 2023 consolidated financial statements, which are available at [www.argeo.no](http://www.argeo.no). The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the Group's consolidated annual financial statements for the year ended 31 December 2023.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The interim consolidated financial statements have been prepared on a historical cost basis. All figures are presented in United States dollar ("USD") thousands (USD 1,000), except when otherwise stated.

Further, the interim consolidated financial statements are prepared on a going concern assumption.

### *Presentation and functional currency*

Argeo AS has Norwegian krone (NOK) as its functional currency and its subsidiaries have NOK, USD or Brazilian real (BRL) as their functional currencies. The Group presents its interim consolidated financial statements in USD to provide the primary users of the financial statements with more convenient information.

## Note 3 Significant accounting judgements, estimates and assumptions

The preparation of the interim consolidated financial statements in accordance with IAS 34 and applying the chosen accounting policies requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

In preparing the interim consolidated financial statements, the significant judgments, estimates and assumptions made by management in applying the Group's accounting policies and the key source of estimation uncertainty were the same as those applied to the Group's annual financial statements for the year ended 31 December 2023.

## Note 4 Revenues

Argeo AS has one operating segment focused on the delivery of subsea services. The operating segment is reported in a manner consistent with the internal reporting to the Board of Directors (the Group's chief operating decision-maker).

The Group's revenue from contracts with customers arise primarily from the performance of subsea services in accordance with customer specifications.

<b>Specification of revenue from contracts with customers (USD 1,000):</b>	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>YTD Q2 2024</b>	<b>YTD Q2 2023</b>
Revenue from contracts with customers	15,608	659	23,771	2,276
Rental income	56	719	1,360	1,540
<b>Total revenues</b>	<b>15,664</b>	<b>1,379</b>	<b>25,131</b>	<b>3,816</b>

<b>Geographical markets (USD 1,000)</b>	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>YTD Q2 2024</b>	<b>YTD Q2 2023</b>
Africa	10,258	-	15,678	-
Asia	5,350	-	8,093	-
Europe	-	659	-	2,276
<b>Total revenue from contracts with customers</b>	<b>15,608</b>	<b>659</b>	<b>23,771</b>	<b>2,276</b>

# Notes

## Note 5 Property, plant and equipment

USD 1,000	Vessels	AUV, USV <sup>1)</sup>	Misc. Equipment	Office equipment	Total
<b>Acquisition cost 1 January 2023</b>	<b>844</b>	<b>20,301</b>	<b>558</b>	<b>361</b>	<b>22,063</b>
Additions	20,259	298	365	143	<b>21,064</b>
Sale equipment	-	-	-169	-	<b>-169</b>
<b>Acquisition cost 31 December 2023</b>	<b>21,102</b>	<b>20,598</b>	<b>754</b>	<b>504</b>	<b>42,959</b>
Additions	13,755	909	601	216	<b>15,482</b>
Currency translation effects	-	56	-	-1	<b>55</b>
<b>Acquisition cost 30 June 2024</b>	<b>34,857</b>	<b>21,563</b>	<b>1,355</b>	<b>720</b>	<b>58,495</b>
<b>Acc.dep. &amp; impairment 1 January 2023</b>	<b>-</b>	<b>858</b>	<b>210</b>	<b>130</b>	<b>1,198</b>
Depreciation for the year	344	2,411	125	142	<b>3,022</b>
Impairment for the year	-	2,700	-	-	<b>2,700</b>
Sale equipment	-	-	-133	-	<b>-133</b>
Currency translation effects	-	-52	-	-26	<b>-78</b>
<b>Acc.dep. &amp; impairment 31 December 2023</b>	<b>344</b>	<b>5,917</b>	<b>202</b>	<b>246</b>	<b>6,709</b>
Depreciation for the period	860	1,567	55	93	<b>2,576</b>
Currency translation effects	-	3	-	-0	<b>2</b>
<b>Acc.dep. &amp; impairment 30 June 2024</b>	<b>1,204</b>	<b>7,486</b>	<b>258</b>	<b>339</b>	<b>9,287</b>
<b>Carrying amount 31 December 2023</b>	<b>20,759</b>	<b>14,681</b>	<b>552</b>	<b>259</b>	<b>36,250</b>
<b>Carrying amount 30 June 2024</b>	<b>33,653</b>	<b>14,077</b>	<b>1,097</b>	<b>381</b>	<b>49,209</b>

Economic life	5-10 years	7 years	3-5 years	3 years
Depreciation method	Linear	Linear	Linear	Linear

Additions in Q2 2024 are mainly related to reactivation and upgrade cost for the vessel Argeo Venture.

No indicators for impairment of property, plant and equipment were identified for the six months ended 30 June 2024.

<sup>1</sup> Autonomous Underwater Vehicles (AUV) and Unmanned Surface Vessels (USV).

## Note 6 Intangible assets

USD 1,000	Development	Software	Patents and licenses	Total
<b>Acquisition cost 1 January 2023</b>	<b>1,675</b>	<b>871</b>	<b>203</b>	<b>2,748</b>
Additions	1,509	-	14	<b>1,523</b>
Currency translation effects	9	-9	-	<b>-</b>
<b>Acquisition cost 31 December 2023</b>	<b>3,192</b>	<b>862</b>	<b>217</b>	<b>4,271</b>
Additions	603	-	-	<b>603</b>
Currency translation effects	6	-43	-	<b>-38</b>
<b>Acquisition cost 30 June 2024</b>	<b>3,801</b>	<b>818</b>	<b>217</b>	<b>4,837</b>
<b>Acc. amortisation 1 January 2023</b>	<b>-</b>	<b>247</b>	<b>36</b>	<b>282</b>
Amortisation charge for the year	-	130	40	<b>170</b>
Currency translation effects	-	28	-	<b>28</b>
<b>Acc. amortisation 31 December 2023</b>	<b>-</b>	<b>405</b>	<b>76</b>	<b>481</b>
Amortisation charge for the period	-	82	22	<b>104</b>
Currency translation effects	-	-3	-	<b>-3</b>
<b>Acc. amortisation 30 June 2024</b>	<b>-</b>	<b>484</b>	<b>98</b>	<b>581</b>
<b>Carrying amount 31 December 2023</b>	<b>3,192</b>	<b>457</b>	<b>141</b>	<b>3,790</b>
<b>Carrying amount 30 June 2024</b>	<b>3,801</b>	<b>335</b>	<b>120</b>	<b>4,255</b>

Economic life	5 years	5 years	5 years
Depreciation method	Linear	Linear	Linear

The capitalised development costs in Q2 2024 are mainly related to development of Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

No indicators for impairment of intangible assets were identified for the six months ended 30 June 2024.

# Notes

## Note 7 Interest-bearing debt

### Loans from Innovation Norway

The Group had three loans from Innovation Norway at the end of June 2024, all bearing an interest at 8.20%\*.

The Group has covenants related to the Innovation Norway funding (Loan Innovation Norway – C). The covenants are measured half-yearly based on the Group's ordinary financial reporting. The Group was compliant with all covenants as of 30 June 2024.

### Assets pledged as security for secured liabilities

All three loans from Innovation Norway are secured with machinery and plant in Argeo Survey AS, Argeo AS and Argeo Robotics. Further, the loans are secured with 50% of the shares in H1000 JV AS, a parent company guarantee from Argeo AS, and trade receivables in Argeo Survey AS.

### Seller's credits

The Group has seller's credits related to purchases of AUVs.

### Loan Argeo Venture

In February 2024 the Group entered into a sale-and-leaseback transaction involving the Company's vessel Argeo Venture. The transaction has been accounted for as a financing arrangement.

Non-current interest-bearing liabilities (USD 1,000)	Interest rate	Maturity	30/06/2024	31/12/2023
Seller's credit - A	12.80%	2026	1,730	1,971
Seller's credit - B	14.10%	2026	618	691
Seller's credit - C	14.10%	2025	-	293
Loan Innovation Norway - A	8.20%	2025	-	5
Loan Innovation Norway - B	8.20%	2026	113	177
Loan Innovation Norway - C	8.20%	2028	1,566	1,802
Loan Argeo Venture		2029	11,533	-
<b>Non-current interest-bearing debt</b>			<b>15,559</b>	<b>4,940</b>

Current interest-bearing liabilities (USD 1,000)	Interest rate	Maturity	30/06/2024	31/12/2023
Seller's credit - A	12.80%	2026	369	-
Seller's credit - B	14.10%	2026	124	-
Seller's credit - C	14.10%	2025	1,485	2,096
Loan Innovation Norway - A	8.20%	2025	13	16
Loan Innovation Norway - B	8.20%	2026	113	118
Loan Innovation Norway - C	8.20%	2028	313	164
Loan Argeo Venture		2029	1,400	-
<b>Current interest-bearing debt</b>			<b>3,817</b>	<b>2,394</b>

\*Innovation Norway may adjust the interest rate with a six week notice upon changes in underlying market rates.

## Note 8 Fair value measurement

### Fair value disclosures

Management has assessed that the fair values of cash and cash equivalents, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### Interest-bearing debt

For the interest-bearing liabilities, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is close to current market rates. The fair values of Interest-bearing liabilities are based on discounted cash flows using the current borrowing rate.

## Note 9 Share capital and shareholders information

### Issued capital and reserves:

Share capital in Argeo AS	Number of shares issued and fully paid	Par value per share (NOK)	Financial position (USD 1,000)
<b>At 1 January 2023</b>	<b>51,096,960</b>	<b>0.1</b>	<b>565</b>
Share capital increase January	21,783,840	0.1	213
Share capital increase February	3,124,368	0.1	31
Share capital increase February	139,337	0.1	1
Share capital increase June	15,576,168	0.1	146
Share capital increase July	2,670,531	0.1	25
Share capital increase October	78,125,000	0.1	721
Share capital increase November	20,123,625	0.1	186
Share capital increase December	260,095	0.1	2
<b>At 31 December 2023</b>	<b>192,899,924</b>	<b>0.1</b>	<b>1,890</b>
Share capital increase March	18,181,818	0.1	172
Share capital increase April	11,000,000	0.1	101
Share capital increase June	3	0.1	0
Reverse share split (1:5) June	-177,665,396	0.5	
<b>At 30 June 2024</b>	<b>44,416,349</b>	<b>0.5</b>	<b>2,163</b>

### Shareholders in Argeo AS at 30 June 2024

	Total shares	Ownership/voting rights
KISTEFOS AS	6,524,368	14.7%
SHEARWATER GEOSERVICES HOLDING AS	4,024,725	9.1%
LANGEBRU AS	2,500,000	5.6%
PRO AS	1,889,560	4.3%
SPAREBANK 1 MARKETS AS	1,536,691	3.5%
NORDNET LIVSFORSIKRING AS	1,511,571	3.4%
REDBACK AS	1,358,903	3.1%
ØSTERBRIS OFFSHORE AS	1,290,909	2.9%
ASCENT AS	1,119,316	2.5%
DNB BANK ASA	700,830	1.6%
MP PENSJON PK	596,891	1.3%
RANUM	560,000	1.3%
NORDNET BANK AB	480,000	1.1%
HUNDERI HOLDING AS	377,473	0.8%
TROPTIMA AS	366,194	0.8%
HAUGEN	347,360	0.8%
LINDVARD INVEST AS	333,933	0.8%
PERFORMA CONSULTING AS	326,194	0.7%
BERGSTÅ	300,000	0.7%
RAVI INVESTERING AS	300,000	0.7%
HANDÅ	300,000	0.7%
VIK	300,000	0.7%
Other	17,371,431	39.1%
<b>Total</b>	<b>44,416,349</b>	<b>100%</b>

# Notes

## 10 Share-based payment

Employees (including members of Executive management) and the Board of Directors receive remuneration in the form of share-based payment (options and warrants). As per 30 June 2024, the Group had 1,516,000 outstanding options and 10,000 outstanding warrants, with a weighted average strike price of NOK 16.48 and NOK 4.15, respectively.

On the 23rd of January 2024 the Group granted 1,501,000 share options which will vest 1/3 each year over a total vesting period of 3 years. The last possible exercise date 5 years from the grant date.

The grant replaces the 111,000 outstanding share options from the grant in December 2021 and 7,200 of the "Tranche 1" warrants, and 516,213 of the "Tranche 2" warrants.

The new awards in 2024 have been assessed to represent a replacement of the original awards from 2021. The incremental value arising from the granting of the replacement awards in 2024 is recognised over the vesting period of the replacement award.

The Group recognised USD 300 thousand of share-based payment expense in the consolidated statement of comprehensive income during the first half of 2024.

As at 30 June 2024, the Group has recognised a social security provision for share-based payment of USD 1 thousand.

<sup>1)</sup> Historical numbers are adjusted for the reverse share split in June 2024.

## 11 Earnings per share

The following table reflects the income and share data used in the basic and diluted EPS calculations:

USD	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023
Loss attributable to ordinary equity holders	-911,116	-2,638,248	1,076,303	-4,083,128
Weighted average number of ordinary shares - for basic EPS	43,884,480	15,263,134	41,447,790	15,059,844
Weighted average number of ordinary shares adjusted for the effect of dilution*	45,527,523	16,203,991	42,961,053	16,013,857
<b>Basic EPS - profit or loss attributable to equity holders of the Company</b>	-0.02	-0.17	0.03	-0.27
<b>Diluted EPS - profit or loss attributable to equity holders of the Company*</b>	-0.02	-0.17	0.03	-0.27

\*For Q2 2024, Q2 2023 and YTD 2023 the ordinary shares are not adjusted for the effect of dilution as the effect of including the additional shares is antidilutive.

## 12 Events after the reporting period

### Adjusting events

There have been no significant adjusting events subsequent to the reporting date.

### Non-adjusting events

In August 2024 the Group signed an agreement for the sale of two SeaRaptor AUVs.

There have been no other significant non-adjusting events subsequent to the reporting date.

## Alternative performance measures

### Alternative performance measures

This section includes information about alternative performance measures (APMs) applied by the Group.

These alternative performance measures are presented to improve the ability of stakeholders to evaluate the Group's operating performance.

The Group applies the following APMs:

### EBITDA

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) is used to provide consistent information on the Group's operating performance relative to other companies, and is frequently used by analysts, investors and other stakeholders when evaluating the financial performance of the Group. EBITDA, as defined by the Group, includes total revenue and other income and excludes depreciation, amortisation and impairment loss. A reconciliation of EBITDA is presented below.

EBITDA (USD 1,000)	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023
Total revenues and other income	15,664	1,379	25,131	3,816
Cost of sales	10,188	2,383	15,517	5,074
Selling, general and administrative expenses	1,258	570	2,488	1,238
<b>EBITDA</b>	<b>4,217</b>	<b>-1,574</b>	<b>7,126</b>	<b>-2,495</b>
<b>EBITDA margin</b>	<b>26.9 %</b>	<b>-114.2 %</b>	<b>28.4 %</b>	<b>-65.4 %</b>



# Superior capacity

With the most advanced fleet available

## ▶ ROBUST AND MODERN Vessels



Argeo Searcher



Argeo Venture

## ▶ SUPERIOR AUV's

Hugin  
Superior



Q1 2025

Hugin  
6000/1000



# Advanced Robotics

## Argeo Electromagnetic sensor system

### ARGEO LISTEN

- ✓ Positioning and burial depth of active power cables
- ✓ Inspection of subsea cathodic protection systems
- ✓ Marine Mineral exploration
- ✓ General site survey

### ARGEO WHISPER

- ✓ Tracking/burial depth of "dead" power cables
- ✓ Tracking buried pipelines
- ✓ Detection of Unexploded Ordnance (UXO)
- ✓ Marine Minerals exploration

### ARGEO DISCOVER

- ✓ Marine Minerals exploration

# Turn key final product

with Argeo SCOPE digital solution



Cloud-based solution for management, analysis, and interpretation of Ocean Space data

Enables **efficient 3D visualization** of Ocean Space Data in a user-friendly **browser-based interface**, supporting a **collaborative data** sharing and a smoother interpretation workflow.

## Seamless data fusion from seabed measurements such as:

- Synthetic aperture sonar (SAS)
- Sub-bottom profiler (SBP)
- Backscatter
- Bathymetry
- Subsea camera and snapshots
- Environmental data
- Laser measurements
- Geo-taggable documents
- WMS Services
- Interpreted surfaces and horizons from legacy platforms
- Electromagnetic field data

# Clean and safe oceans

## through responsible operations

Through our core business, we help our clients become more efficient in keeping the oceans safe and clean. Our complete set-up of vessels, robotic subsea equipment and our own developed and patented sensor systems enables us to perform inspection surveys up to eight times more efficiently than traditional methods. This technological edge not only enhances operational efficiency but also reduces environmental impact. **Therefore, HSEQ management is paramount for Argeo and being responsible is part of our core values.**

Our operations include inspection and maintenance of equipment for the Oil & Gas industry in addition to identification of outdated production equipment for removal, contributing to decommissioning (DECOM) efforts. Furthermore, Argeo's use of fuel-efficient vessels and battery-run robotic equipment underscores our commitment to sustainability, providing our company and services with a distinct green profile. Through these initiatives, Argeo continues to lead by example in promoting environmental stewardship and innovative solutions within the industry.

One of Argeo's most important value is to be responsible. This means that we must conduct business operations in a responsible and safe manner and to foster a healthy and prosperous workplace based on fairness and equality.

The UN Sustainable Development Goals were adopted by all the world's governments at the United Nations in 2015 and provide

a common and necessary roadmap. At Argeo, we celebrate these goals and believe in making a difference in the ocean space. All 17 of the UN SDGs are relevant to our business, yet we have chosen to focus on four main areas; 7: affordable and clean energy, 9: industry, innovation and infrastructure, 13: climate action and 14: life below water. We find that we can contribute more within these areas and that they are enablers to further strengthen the full set of UN goals.

### Status & ambition

As of Q2 2024 we have not yet started measuring a comprehensive carbon footprint, but it is our ambition to do so going forward. As our company grows it is also our ambition to set clear goals and to integrate an environmental awareness into all levels of the company, meaning we want sustainability to permeate the business. From how we write the contracts with our customers to the waste management in every office.

	HEALTH	SAFETY	ENVIRONMENT	QUALITY
Goals	We strive to achieve zero harm to people and to achieve zero LTIR	Our focus is to prevent incidents and promote a safety culture everywhere we operate	We are committed to understand and collectively work towards reducing our environmental footprint	Our focus is to enhance quality of products and service to exceed customer satisfaction
Achievements	<ul style="list-style-type: none"> <li>Zero fatality</li> <li>Zero LTIR*</li> <li>Zero MTC*</li> </ul>	<ul style="list-style-type: none"> <li>Zero fatality</li> <li>Low HIPO</li> <li>High safety observations</li> <li>90% safety interventions</li> </ul>	<ul style="list-style-type: none"> <li>Zero environmental incidents</li> <li>Lean fuel consumption</li> <li>Circular economy</li> </ul>	<ul style="list-style-type: none"> <li>Deliver ahead on-time</li> <li>High quality data</li> <li>Low turnaround time</li> </ul>

\* Lost Time Incident Rate (LTIR) and Medical Treatment cases (MTC) in rolling 12 months



Supporting development of renewable energy with a strong focus on offshore wind and Carbon Capture & Storage projects offshore.



Project based vessel hires allows for local charters. Survey sensor development through 3rd party partners.



Reduced carbon footprint in operation  
Vital surveys of environmental impact



Argeo solutions are key to examine impact on habitat and species below water, collecting data for benthic surveys through non-physical samples.

## #argeopeople

We are committed to our employees as well as our impact on the societies in which we operate. Argeo has a strong focus on ensuring equal treatment and opportunity for all staff members, promoting diversity, and maintaining an inclusive and harassment free workplace. Argeo is committed to respecting and promoting human rights of all individuals potentially affected by our operations. In Argeo, it is a continual process to improve on transparency, supply chain management and our professional conduct.



## Environmental

Through our core business, we help our clients become more efficient

### Status & ambition

Responsibility is a fundamental value at Argeo. We are dedicated to conducting our business with integrity, prioritizing safety and responsibility, and striving to minimize our environmental footprint. Argeo places significant emphasis on preventing negative environmental impacts from our operations.

Our company policy is to maintain safe and pollution-free practices that comply with both national and international regulations, as well as relevant standards and guidelines. Our objective is to continuously enhance our management skills in relation to environmental protection and we are committed to understand and collectively work towards reducing our environmental footprint.

### Vessel emissions in Q2 2024

Argeo Searcher	Argeo Venture	Ocean Guardian
<b>Co2</b> 2352 Tons	<b>Co2</b> 2788 Tons	<b>Co2</b> 193 Tons
<b>NOx</b> 36696 Kg	<b>NOx</b> 43481 Kg	<b>NOx</b> 3003 Kg
<b>Sox</b> 1466 Kg	<b>Sox</b> 1737 Kg	<b>Sox</b> 120 Kg

## Social

Building and sustaining a fair, responsible, and attractive workplace

### The right balance of people

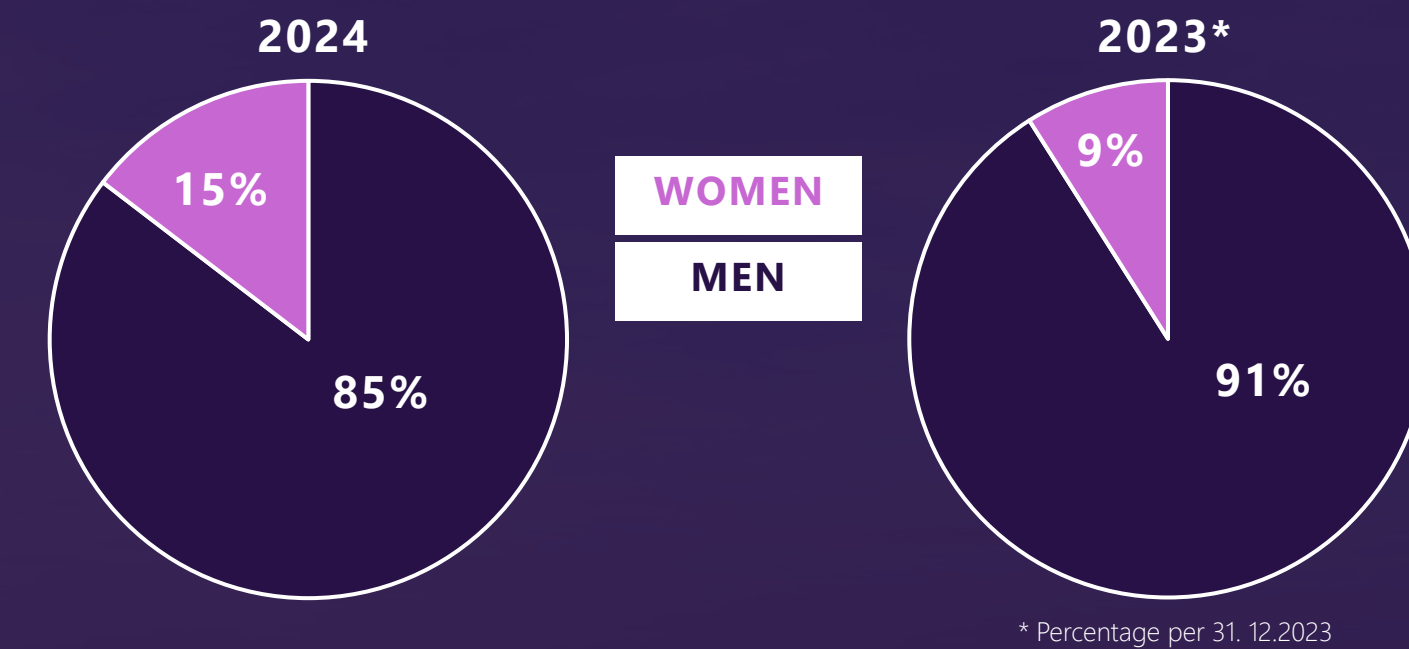
We believe maintaining a balanced and diverse workforce in terms of gender, age, and nationalities is a strategic advantage that fosters diverse perspectives and drives innovation.

This diversity enhances our ability to understand and serve a global customer base, strengthening our competitiveness and market presence. A varied team promotes an inclusive and collaborative work environment, encouraging creativity and improving overall performance.

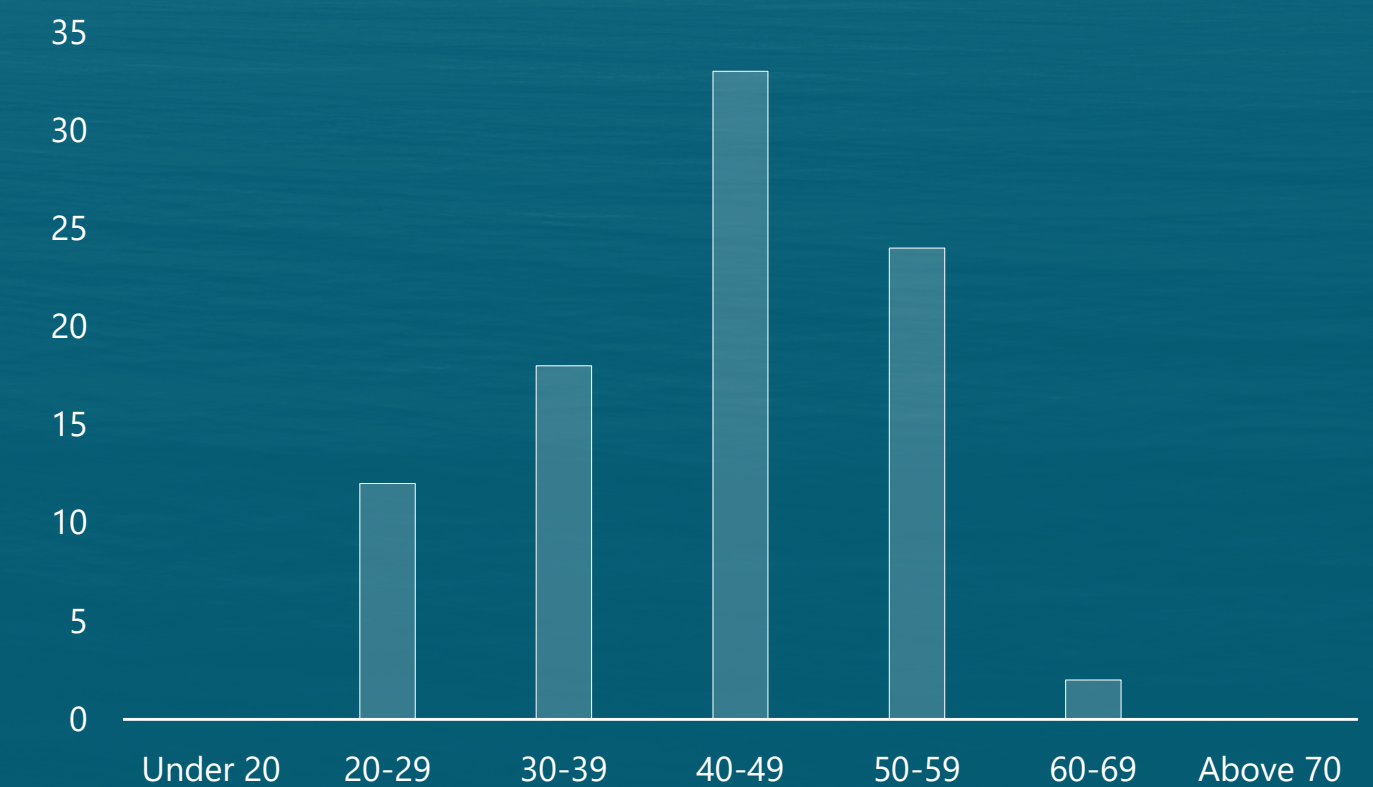
By embracing diverse experiences and viewpoints, we attract top talent, enhance employee satisfaction, and reduce turnover. This balance results in better decision-making and a more robust, adaptable organization.

End of Q2 2024 Argeo employees were from **19 nationalities**

## Gender balance per date



## Age distribution per date



## Governance

We believe active corporate governance is vital to the development of companies and that it provides long-term benefits for all Argeo's stakeholders.

Argeo's framework for corporate governance is intended to decrease business risk, maximize value and utilize our resources in an efficient, sustainable manner, for the benefit of shareholders, employees, and society at large.

### At Argeo we are all committed to

- Create a healthy and safe working place for both employees and contractors
- Create measurable goals
- Strive to achieve corporate environmental goals set forward
- Comply with relevant laws and regulations
- Promote a culture in which all employees share this commitment
- Promote responsible purchasing through our Supplier's Code of Conduct
- Develop and communicate a Company Code of Conduct
- Respecting and promote human rights of all individuals potentially affected by our operations. We respect the fundamental principles set forth in the Universal Declaration of Human Rights and related UN documents

## Responsible business practices

### Raising concerns & whistleblowing

All employees are encouraged to raise concerns whenever they identify activities which are not aligned with Argeo's values and behaviors. Argeo encourages employees to raise concerns in the first instance directly to line management. In circumstances where this is not possible or it may be more appropriate to do so due to the nature or seriousness of the concern, a confidential Whistleblowing portal is available.

### Bribery and anti-corruption

Argeo has a zero tolerance for bribery and corrupt payments in whatever form, whether given or received, directly or indirectly, anywhere in the world. Most countries, including the USA, the UK and Norway, have strict anti-bribery and anti-corruption laws in place, which are intended to prevent companies and individuals from gaining an unfair advantage, and from undermining the rule of law. We must never offer or accept bribes or kickbacks and must not participate in or facilitate corrupt activities of any kind. We must also never engage a third party (in particular, a commercial agent or other business representative) who we believe may attempt to offer a bribe to conduct company business.

Per 2023 our suppliers are asked to fill out a "self-assessment form" and our future goal is to develop a formal Supply Chain Sustainability Code of Conduct.

### Antitrust

Antitrust laws, sometimes also called competition laws, govern the way that companies behave in the marketplace. Antitrust laws encourage competition by

prohibiting unreasonable restraints on trade and anti-competitive conduct. The laws deal in general terms with the way companies deal with their competitors, clients, and suppliers. Violating antitrust laws is a serious matter and could place both the company and the individual at risk of substantial criminal penalties.

### Human rights policy

An important part of Argeo's commitment to responsible business is respecting human rights in accordance with internationally recognised standards. There is both a business and a moral case for ensuring that human rights principles are upheld during our operations and throughout our value chain.

Our approach is informed by the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

### Code of conduct

Argeo aspires to be an honest and trustworthy company. Our reputation depends upon each of us understanding the Code of Conduct, and always demonstrating integrity and honesty. The Code of Conduct sets the standard for how we should work together to develop and deliver our services, how we protect the value of Argeo, and how we work with customers, contractors, suppliers, and others.

**Argeo**

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