Argeo

Digitizing the ocean space

First Quarter Presentation

12th of May, 2021

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.

Highlights

A first mover with zero negative legacy

1 Successful private placement and listing on Euronext Growth	• Successful and significantly over subscribed private placement of NOKm 175 with high quality investors • Argeo listing on Euronext Growth 26'th of March 2021, ticker ARGEO
2 Successful market expansion	• Successful business pivoting from onshore & shallow market to deep water operations with our robotics solutions • Establishing US presence with first international office being established in Houston to provide access to deep-water market (and growing Offshore Wind market)
3 Growing fleet of advanced robotics systems	• First Hugin Autonomous Underwater Vehicle (AUV) in operation • Ordered two identical deep water SeaRaptor 6000 AUV's for delivery in Q3 2021 and Q1 2022 • All our available surface and underwater robotics systems being used in parallel for a major O&G company
4 Strong client interest and project tendering	• Secured nearly full project backlog for Q2 NOK 15-20 million and maintaining 2021 guiding NOK 70-80 million • Good market traction and interest from significant clients in O&G, EPCI and Offshore Wind segment, and interest internationally including West Africa and Asia Pacific
5 Technology & Engineering	• Moving forward with good pace, establishing framework for the company´s revolutionary Ocean Space Digital Twin ("Digital Ocean Space") • Pilot customer signup progressing well for participation in the DT development program for all four segments

Key message

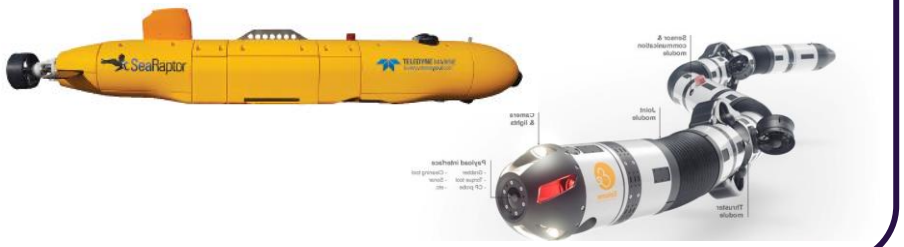
Transforming the ocean surveying and inspection industry

..by utilizing autonomous underwater and surface vehicles and unique sensor and imaging technology

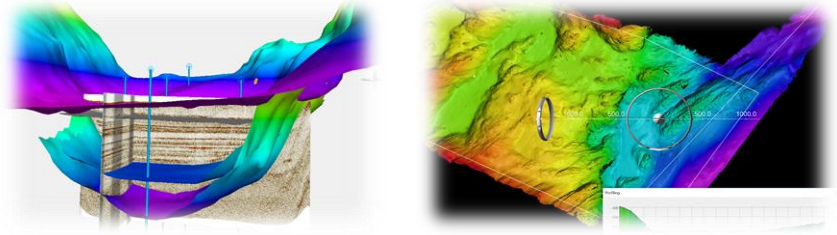
..to significantly increase efficiency and quality

..and to substantially reduce the CO2 footprint for the industry

High capability AUVs



Unique imaging and modelling technology



"Faster, better, greener and at a lower cost"

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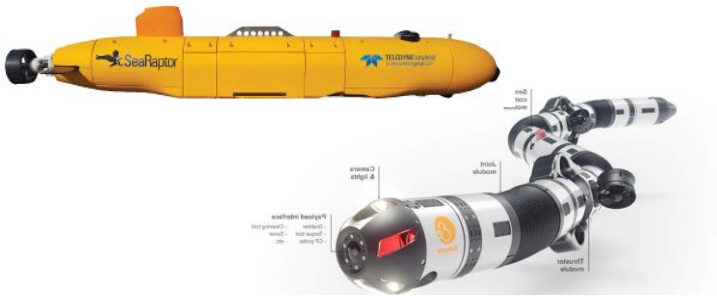
Transforming the ocean surveying and inspection industry

Dedicated survey vessel	Dedicated ROV vessel	AUV/Robotics
		
Day rate: High	Day rate: High	Day rate: Low
CO2-emission: High	CO2-emission: High	CO2-emission: Low
Data Quality: Low	Data Quality: Medium	Data Quality: High
Productivity: Medium	Productivity: Low	Productivity: High

Traditional players delivering high-cost and time consuming services, applying large vessels and expensive equipment

✓ The most efficient data acquisition robots in the world

✓ Acquisition speed > 3.5x ROV

Source: Arkwright research, Company

Agenda

Argeo

Management team with strong industrial track record

Argeo team – experienced professionals from the seismic and oil & gas sectors

Trond Figenschou Crantz
CEO / Founder

- 20+ years of leadership experience from Schlumberger and PGS
- Extensive technical, operational and commercial experience
- B.Sc. In Robotics and MBA

Odd Erik Rudshaug
CFO

- 35+ years experience from shipping and oil & gas
- Co-founder & CFO for RXT, experience from PGS and EMGS
- M.Sc. Business & Economics

Thorbjørn Rekdal, PhD
CTO

- 20+ years of leadership experience from PGS
- Head of PGS Research and Commercialization
- Leader of the PGS patent commission
- Commercialized several large technology projects
- PhD in Geophysics

Bjørn Jensen
COO

- 20+ years of leadership experience from Magseis, iSurvey and PGS
- Global operational responsibility for all PGS marine seismic operations
- M.Sc. In Engineering Cybernetics

Team experience

Schlumberger PGS emgs rxt iSURVEY magseis fairfield

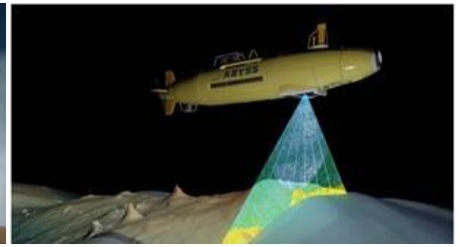
Source: Company

A technology focused ocean imaging and robotics specialist

Company overview

- Argeo was established by an experienced team of professionals in 2017 with HQ in Asker, Norway
- The team has spent three years developing the concept and solutions for data acquisition, processing and modelling
- Strong focus on robotized solutions that save time and cost for the customer
- Management with “skin in the game” and global industrial focus

Market segments

EPCI	Offshore wind	O&G Survey & Inspection	Deep Sea Minerals
			

Significant milestones completed, on time and on budget

- ✓ Recently acquired an AUV in the secondhand market at attractive pricing
- ✓ Ordered two identical SeaRaptor 6000 AUV with delivery in Q4-2021 and Q1-2022
- ✓ Signed multi-year, NOKm 30-40 mineral exploration contract for Asia-Pacific region starting February 2022
- ✓ Tendering for projects internationally in Asia & Pacific (AP), Europe & US

Sustainable development goals - focus on reducing carbon footprint in all operations

Source: Company

Segment update – Strong activity across all market verticals

EPCI

- Several anchoring and mooring programs for clients for Norwegian shallow water Aquaculture and deep-water construction
- Detailed 3D geological modelling from surface robotics solutions
- Bathymetric and seismic survey data
- Completed Q2 2021

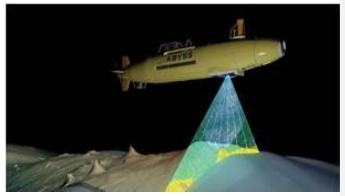
Offshore Wind

- Tendering activity for two OW programs in 2021 and 2023
- High specification survey including detailed 3D integration modelling.
- Program plan involving Argeos underwater and surface robotics solutions
- If successful bid, Q2 2021 start with expected completion in Q3

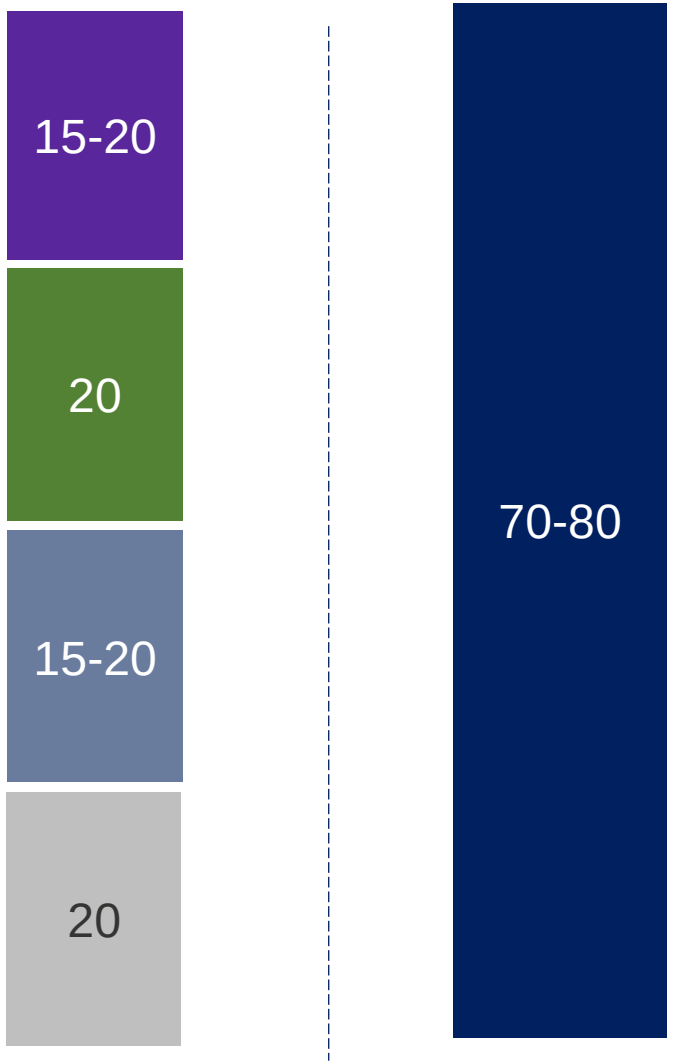
Oil & Gas

- Large electrification program for major Norwegian O&G company
- Utilizing three of Argeo's robotics solutions in parallel
- Program plan involving Argeos underwater and surface robotics solutions
- Completed Q2 2021 with possible extension

Deep Sea Minerals



- DSM contract, NOKm 30-40 in the Pacific region 2022
- Tendering for DSM contract in Southeast Asia/Pacific for Q4 2021 startup
- 2x identical SeaRaptor 6000-meter rated units with delivery Q3-2021 and Q1-2022
- Planed tendering for 2022 Norwegian campaign



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Argeo's tools are high-capability AUV's with complimentary abilities

	Hugin AUV	Eelume AUV	SeaRaptor AUV
			
	Argeo KONGSBERG	Argeo Eelume SUBSEA INTERVENTION	Argeo TELEDYNE TECHNOLOGIES INCORPORATED
Key features	• Up to 80 hours battery capacity • 4,500m depth rating • Great maneuverability and stability • Visual, bathymetric and sonar survey data	• Modular combination of joints, thrusters and payload modules • Disruptive technology for subsea inspection, maintenance and repair (IMR) • Engineered to live permanently under water	• Depth rated to 6,000m • Wide range of available sensor integrations • Custom sensor integrations available • Navigation sensors and acoustic aiding
Benefits	✓ **Asset light and very scalable** ✓ **Completely autonomous deployment and recovery** ✓ **Marine diesel consumption reduced by > 10t per day**	✓ **Ultra-flexible and slender body that can operate in restricted areas subsea** ✓ **Modular system that can be tailor made for various operations** ✓ **Robotic arms that can operate tools and carry out intervention tasks**	✓ **Several payload ports that provide serial communication** ✓ **Redundant emergency systems** ✓ **Proven software** ✓ **Marine diesel consumption reduced by > 10t per day**

Source: Kongsberg Gruppen, Eelume, Teledyne Technologies, Company

Ordered second SeaRaptor 6000 meter Autonomous Underwater Vehicle

Argeo's growing deep water robotics «fleet»

Planned project scheduling

Factory Acceptance Test SR6K #1	Q3-2021
Factory Acceptance Test SR6K #2	Q1-2022
Mobilizing for Asia Pacific (AP) DSM:	Q1-2022
Mobilizing for Asia Pacific (AP) DSM:	Q1-2022

SR6K "twin's" – key features

Length:	5.8 meter
Weight (in air):	1.200 kg
Depth rating:	6000 meters

The AUV's are modular and very mobile (air transportable) with supporting systems which can be strategically placed in our Geomarkets for rapid deployment between regions. All data collected will be processed onboard (the AUV) using onboard-postprocessing and mosaicking software to allow quick turnaround during missions and improved decision making for the customer.

The AUV will be equipped with the latest:

- Kraken MinSAS 120 Synthetic Aperture Sonar (providing large swath area coverage and high-resolution imagery and bathymetry data collection.
- Teledyne Reason T50-S Multi-Beam dual frequency 200/400 kHz Echo Sounder
- Teledyne Benthos Chirp III Sub Bottom Profiler
- iXblue PHINS 6000 INS
- Teledyne RDI Tasman DVL
- CathX Hunter Laser & Camera System.

In addition to a whole host of extra environmental sensors, extra batteries and LARS systems

Unmanned from continent to continent is coming with full force

The Argeo Surface robots

Near-shore Autonomous robot for survey or Hugin surface link to shore

Next generation Long Endurance Autonomous robot

Mariner Long Endurance – key features

- Low carbon footprint
- Uninterrupted shore-to-shore operations; up to 30+ days mission duration
- Unsupervised geophysical, hydrographical and AUV survey
- Link and Dock with Hugin and Eelum system
- Multi sensor installation for shallow water survey
- Launch and Recovery from shore or ship of opportunity.
- Containerized shipping and operation

Argeo

Source: Maritime Robotics & Argeo Innovation Project

Eelume Autonomous Underwater Inspection Drone (UID)

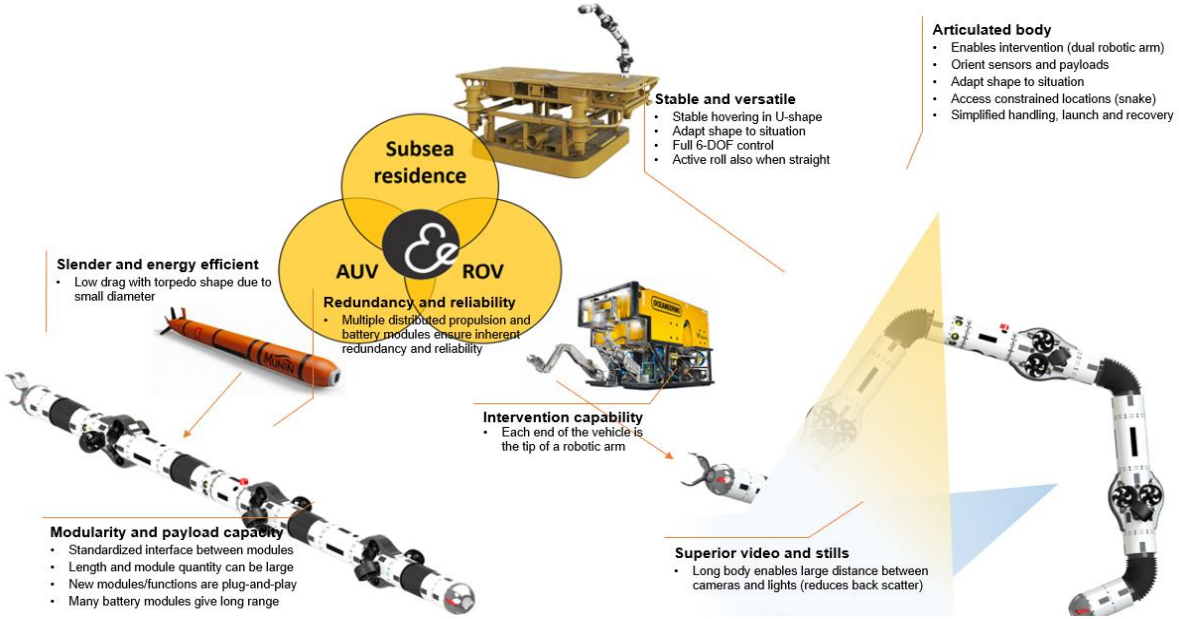
Argeo Light Intervention and Inspection services

Eelume– key features

The snake-like robot Eelume is designed to live permanently underwater and carry out tasks that would normally require the use of a remote-controlled robot from the surface.

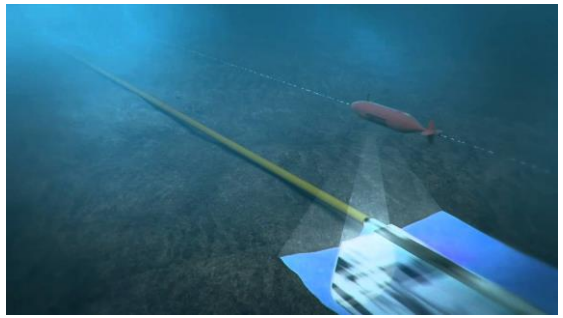
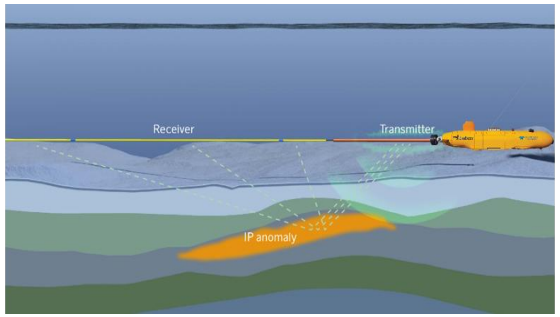
Eelume's value proposition will disrupt the Subsea IMR and Offshore wind O&M value chain and significantly improve economics and environmental footprint

Features full autonomy operation with long endurance hibernation and remote operations from Argeo's Control centers internationally



Source: Company

Technology & Engineering (T&E) – project development

	Sensor development	Mineral Hunter	Mariner LE	Argeo Digital Twin
				
Key features	• Next Gen. pipeline and electric cable tracker for integrity inspection • Ensure correct tracking of buried assets • Allows for 3x speed over ROV • Can be implemented in all our AUV robotics solutions	• Deep Sea Mineral exploration and characterization system • Autonomous implementation allowing for acquisition • Allows for 3x speed over ROV • Can be implemented in all our AUV robotics solutions	• Low carbon footprint • Uninterrupted shore-to-shore operations • Multi sensor installation for shallow water survey • Link and Dock with Hugin and Eelume system	• Autonomous & robotics digital acquisition simulator • Real-time sensor data processing • Project data “Time Machine” • AI/Analytic sensor data interpretation and integration
Benefits	✓ **3x efficiency over ROV** ✓ **Integrates in all ARGEO AUV solutions** ✓ **Future continent to continent autonomous inspection** ✓ **Integrates with all other payload sensors in AUV**	✓ **6000-meter depth rated** ✓ **Integrates in SeaRaptor AUV** ✓ **Seabed & Deep target mineral Characterization system** ✓ **Integrate with all other payload sensors in AUV**	✓ **Full onshore Mission Control** ✓ **30-day endurance ~ 5000 km of autonomous data collection** ✓ **Integrates all payload sensors and Mission Control communication**	✓ **Digital representation of any physical Ocean Space EPCI project** ✓ **Integrates all ARGEO AUV/Robotics solutions** ✓ **Project lifecycle time-laps monitoring**

Argeo

Source: Company

Argeo value proposition

Fastest and most cost-effective survey solutions	• A significantly more flexible and faster pure-play provider not dependent on the shipping model • More than 50% time savings and 60% cost reduction compared to traditional ROV survey solutions
Significantly reduced emissions	• Minimized need for vessel infrastructure and up to 60% reduction in CO2 emissions from operations
AUVs provide more effective data acquisition	• Lowers the number of operators and allows for smaller support/”mother” vessels • Allows for higher speed and more effective data acquisition than by using ROVs
Improved data quality	• AUVs improve the image resolution and data quality by bringing the sensors closer to their targets

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Income Statement

Amounts in NOK	Q1-2021	Q1-2020	Full Year 2020
Operating revenue	**1 140 898**	**1 144 551**	**12 834 387**
Employee expenses	1 592 821	625 705	2 902 341
Other operating expenses	1 599 641	746 827	6 350 502
EBITDA	**-2 051 564**	**-227 980**	**3 581 544**
Depreciation	307 212	189 986	972 321
EBIT	**-2 358 776**	**-417 967**	**2 609 224**
Net financial items	-61 688	-22 017	-97 218
Profit/(loss) before tax	**-2 420 463**	**-439 983**	**2 512 006**
Income tax (expense)	513 425	96 796	-506 495
Profit/ (loss) for the period	**-1 907 039**	**-343 187**	**2 005 511**

- Q1 2021 a transition quarter with delivery of equipment & preparing for a busy Q2 2021.
- Increase in Employee expenses and Other operating expenses due to this ramp-up.

Balance Sheet

Amounts in NOK	31.3.2021	31.3.2020	31.12.2020
ASSETS			
Intangible assets	3 363 934	2 179 087	3 570 598
Deferred tax asset	824 146	942 305	339 014
Property, plant and equipment	1 220 120	942 816	11 564 582
Investment in JV	5 862 978	0	0
Total non-current assets	**11 271 177**	**4 064 208**	**15 474 193**
Trade receivables	1 023 685	1 000 906	4 419 219
Other current assets	445 221	47 180	288 786
Cash and cash equivalents	948 735	267 717	7 779 692
Total current assets	**2 417 641**	**1 315 803**	**12 487 697**
Total assets	**13 688 818**	**5 380 011**	**27 961 890**
EQUITY AND LIABILITIES			
Equity	4 346 065	3 854 408	6 203 106
Long term debt	6 653 333	800 000	6 693 333
Total non-current liabilities	**6 653 333**	**800 000**	**6 693 333**
Trade payables	1 357 329	277 892	12 345 080
Other current liabilities	1 332 091	447 711	2 720 371
Total current liabilities	**2 689 420**	**725 603**	**15 065 451**
Total liabilities	**9 342 753**	**1 525 603**	**21 758 784**
Total equity and liabilities	**13 688 818**	**5 380 011**	**27 961 890**

- Intangible assets is capitalized cost related to development of 3D Geological modelling system.
- Purchased used AUV in December 2020, transferred to 50% owned JV with Multiconsult in January 2021.
- New funding 175m not included (closed in April).

Argeo

Cash flow statement

Amounts in NOK	Q1-2021	Q1-2020	Full Year 2020
Cash flow from operating activities			
Profit/(loss) before tax	-2 420 463	-439 983	2 512 006
Depreciation	307 212	189 986	972 321
Interest expense	56 124	22 017	106 509
Loss equity investments	86 714	0	0
Change in current assets	3 239 098	-652 090	-4 312 009
Change current liabilities	-12 376 031	6 017	14 345 865
Net cash from operating activities	**-11 107 345**	**-874 054**	**13 624 692**
Cash flow from investing activities			
Investment in property, plant and equipment	-593 586	-227 355	-11 071 483
Capitalisation of development cost	0	0	-1 951 483
Net investment in Joint Venture	-5 871 402	0	0
Sale AUV to JV	10 837 500	0	0
Net cash from investing activities	**4 372 512**	**-227 355**	**-13 022 966**
Cash flow from financing activities			
Proceeds from interest-bearing debt	0	0	6 000 000
Repayment of interest-bearing debt	-40 000	0	-106 667
Interest paid	-56 124	-22 017	-106 509
Net cash flow from financial activities	**-96 124**	**-22 017**	**5 786 824**
Net change in cash and cash equivalents	-6 830 958	-1 123 425	6 388 550
Cash and cash equivalents beginning of period	7 779 692	**1 391 142**	**1 391 142**
Cash and cash equivalents end of the period	**948 734**	**267 717**	**7 779 692**

- "Change in current liabilities" reflecting AUV delivered in December 2020, paid in January 2021.
- "Net investment in JV" and "Sale AUV to JV" caused by transferred the AUV to the JV owned with Multiconsult.

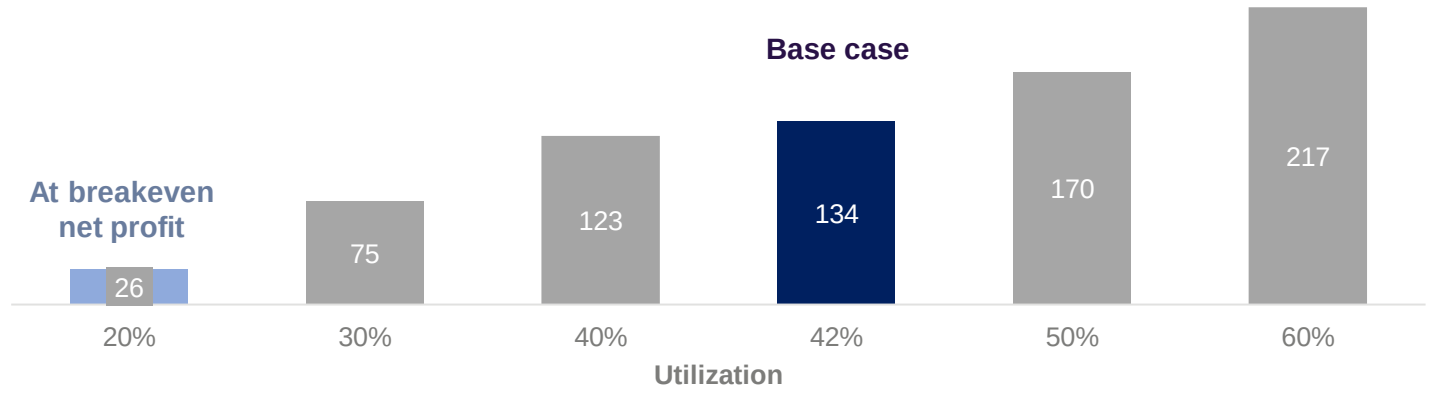
Robust and profitable case with a low required utilization for breakeven

- Due to the pure-play and light business model, Argeo require a relatively low fleet utilization for operations to be breakeven
- Example from 2022 in business plan (first year of “full operation”):
  - Breakeven on net earnings at 20%
  - Well below the relatively conservative estimate of 42% in business plan

➔ Robust business case!

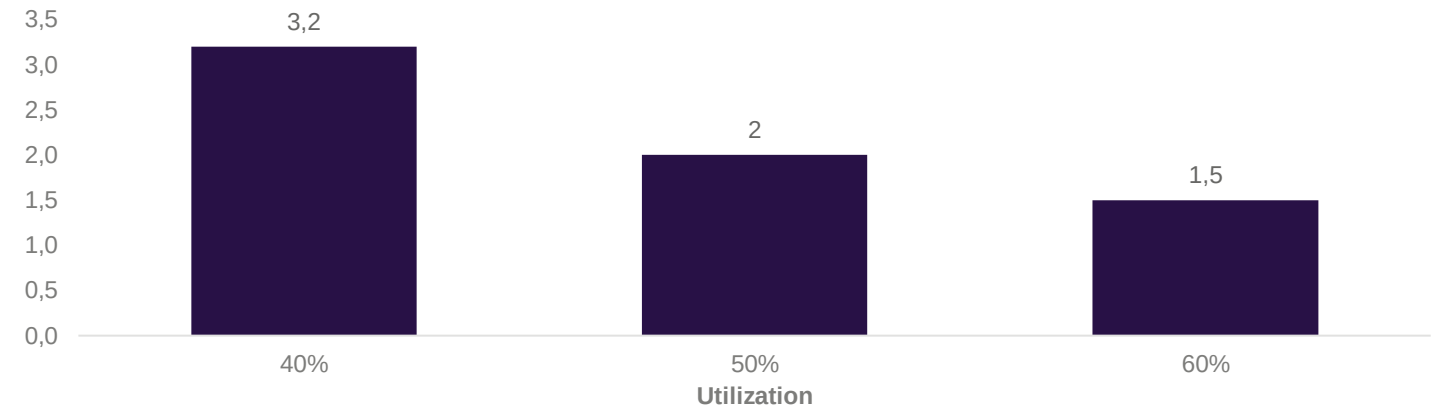
EBITDA at various utilization rates – 2022

NOK million



Pay-back AUV

Years



Source: Company

Summary

Transforming the market for survey and inspection services with cutting-edge technology and significantly faster, cheaper greener and better services

Purchased a second SeaRaptor for Q4 2021 delivery, and international expansion

Services contribute to significantly lower fuel consumption and man hours in operations

Q2 guiding NOK 15 – 20 million and maintaining 2021 guiding of NOK 70-80 million

Addressing both large existing markets and fast-growing emerging markets

Strong focus on the green energy transition with a very low carbon footprint from operation

Argeo offering

Infrastructure

- Data acquisition, imaging and underground modelling for large infrastructure projects and aquaculture
- High accuracy imaging needed to reduce project risk and construction costs

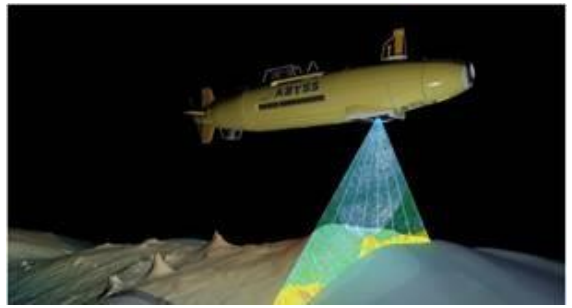
Offshore wind

- Input to wind farm design, including design and location of foundations, substations etc.
- Investigation of routes for power cable and assessment of environmental impact
- Inspection of existing infrastructure

O&G Survey & Inspection

- Input to offshore field design, including design and location of platform and subsea infrastructure
- Investigation of routes for pipelines
- Detection damage/erosion on existing installations

Deep Sea Minerals



- Exploration and characterization of deep sea minerals
- Wide use of sensors and in-house Mineral Hunter system under development by Argeo Robotics
- Significant upside in future Multi Client data library developed

Source: Arkwright research and interviews