



Digitizing the ocean space



Q3 PRESENTATION

10th of November, 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.

ARGEO AT A GLANCE



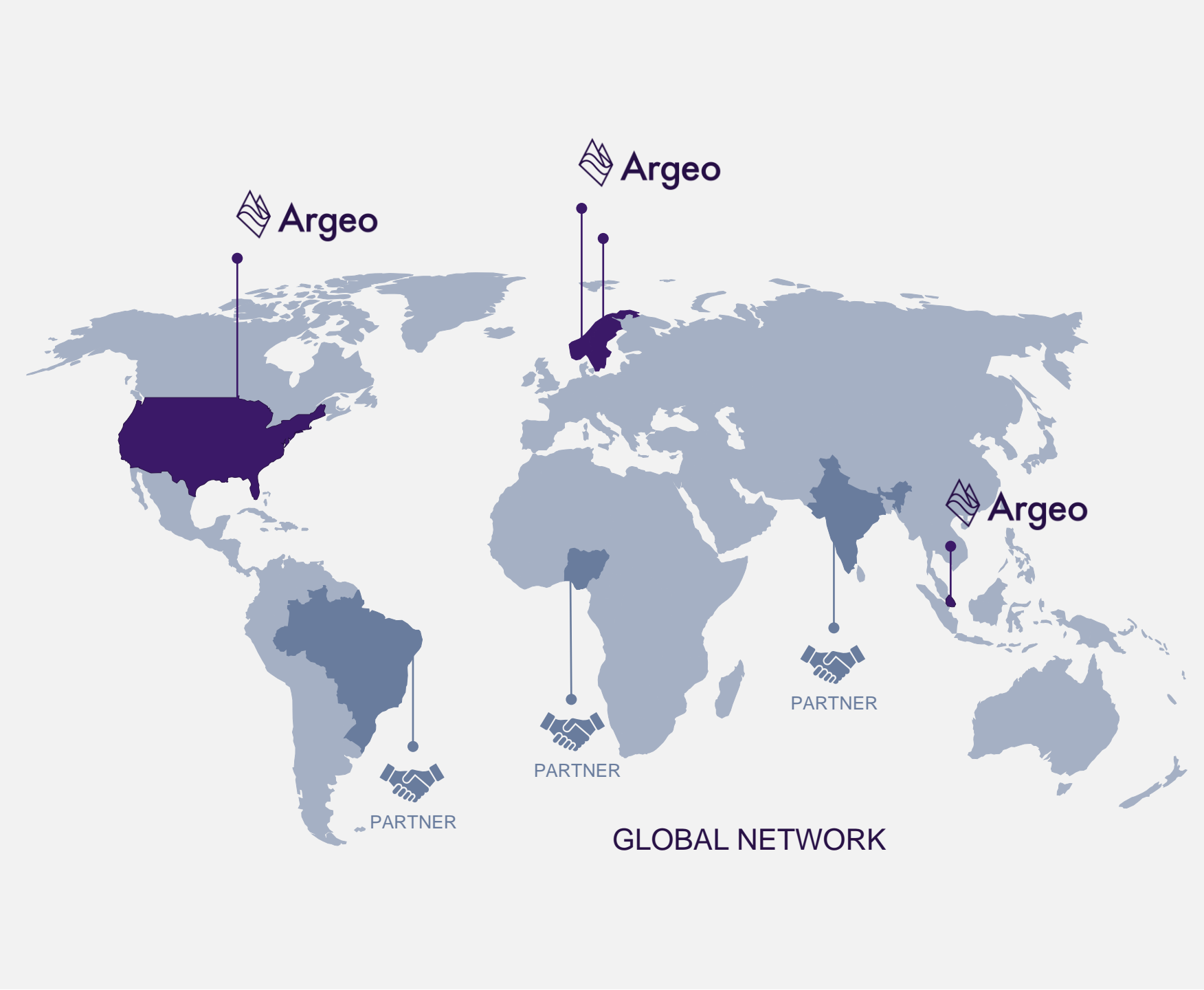
37
EMPLOYEES



3
AUV CREWS



1 (3)
ASSETS



ARGEO'S MISSION

TRANSFORMING the ocean
surveying and inspection industry

..by **UTILIZING AUTONOMOUS**
underwater and surface vehicles and
unique sensor and imaging technology

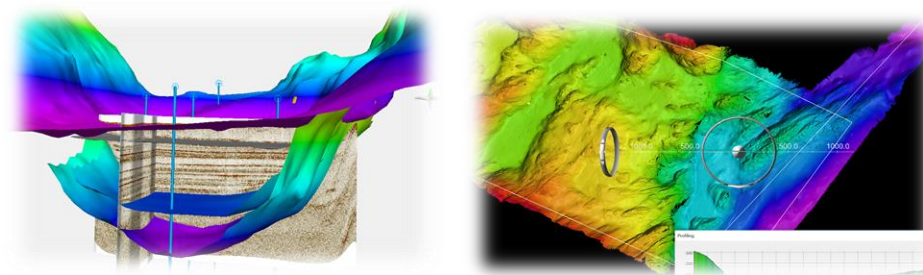
..to significantly **INCREASE**
EFFICIENCY AND QUALITY

..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”

Transforming the ocean surveying and inspection industry

Dedicated survey vessel



Day rate: High

CO2-emission: High

Data Quality: Low

Productivity: Medium

Dedicated ROV vessel



Day rate: High

CO2-emission: High

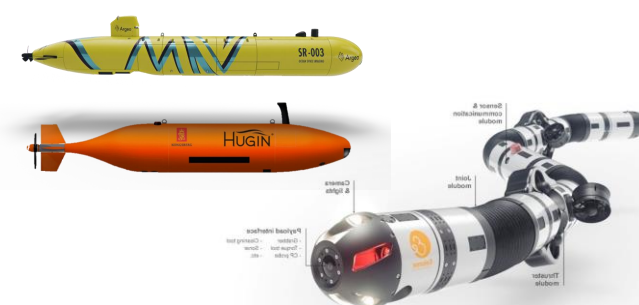
Data Quality: Medium

Productivity: Low

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



AUV/Robotics



Day rate: Low

CO2-emission: Low

Data Quality: High

Productivity: High

✓ The most efficient data acquisition robots in the world

✓ Acquisition speed > 3.5x ROV

Q3 Highlights

Business and commercial expansion according to plan	<ul style="list-style-type: none">• Argeo presence in both North and South Americas with partnerships established for commercial operations• Established in both West Africa and India with tender activity ongoing in both markets
SeaRaptor AUV's delivery and testing according to plan	<ul style="list-style-type: none">• First SeaRaptor "Alpha" on track to undergo Factory Acceptance Test #1 in December 2021• Second SeaRaptor "Bravo" building according to plan with delivery in Q1 2022
Recruitment and crew training according to plan	<ul style="list-style-type: none">• Nearly 30 people onboarded since Q1, completing 3 AUV crews, operational and technical team• Onboarding of commercial team ongoing and engaged in project pipeline and backlog building
Strong client interest globally leading to project tendering	<ul style="list-style-type: none">• Good client feedback on Argeo's commercial solution with several majors interested• RFQ submitted globally covering both AUV's and USV's
Attractive Multi Client business development	<ul style="list-style-type: none">• Argeo are in a unique position for development of disruptive business models in several verticals• Several Multi Client (MC) opportunities identified, and project allocation being readied
Finance and income statement for the quarter	<ul style="list-style-type: none">• Revenue for Q3 2021 NOK 3.4 million, compared to NOK 0.5 million in 2020• Cash balance NOK 79 million, end of Q3 2021

Sales & marketing



Commercial update EMEA & AMERICAS

COMMERCIAL TEAM



**Kim Gunn
Maver, PhD**

SALES MANAGER
EMEA



**Thomas
Conradi Granli**

SALES MANAGER
AMERICAS



**Elisabeth
Andenæs**

MARCOM
MANAGER



**Christian
Halvorsen**

TENDER
MANAGER



**Ruben
Janssen**

MULTI CLIENT
MANAGER

FIRST INTERNATIONAL EXPO



OPPORTUNITIES



OFFSHORE
WIND



O&G SURVEY
& INSPECTION



CABLE INSTALLATION
& VERIFICATION

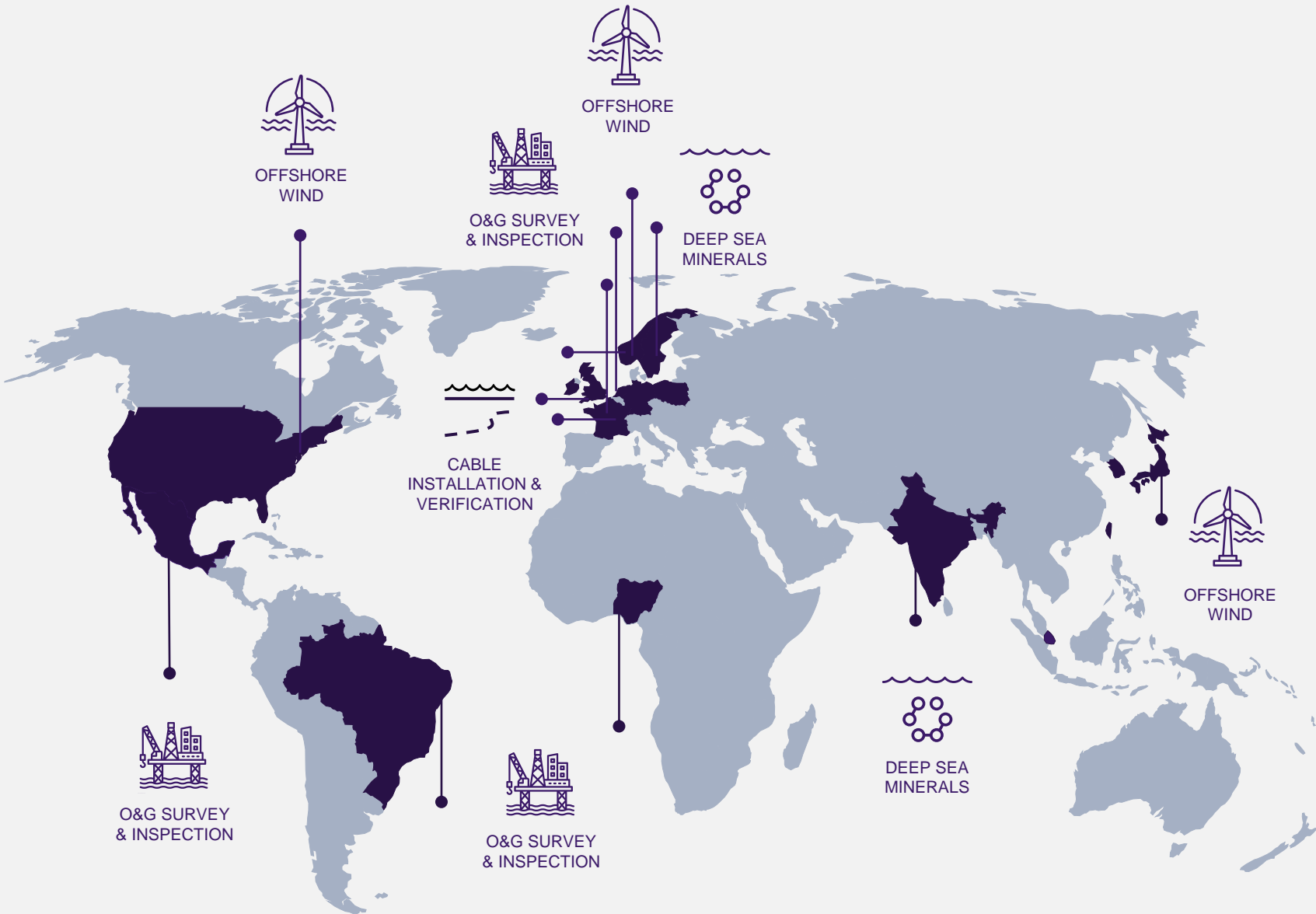
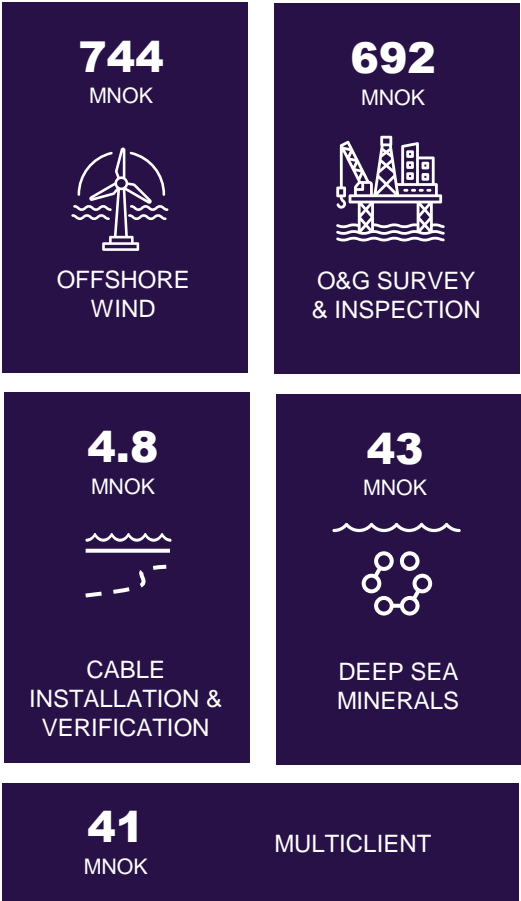


DEEP SEA
MINERALS

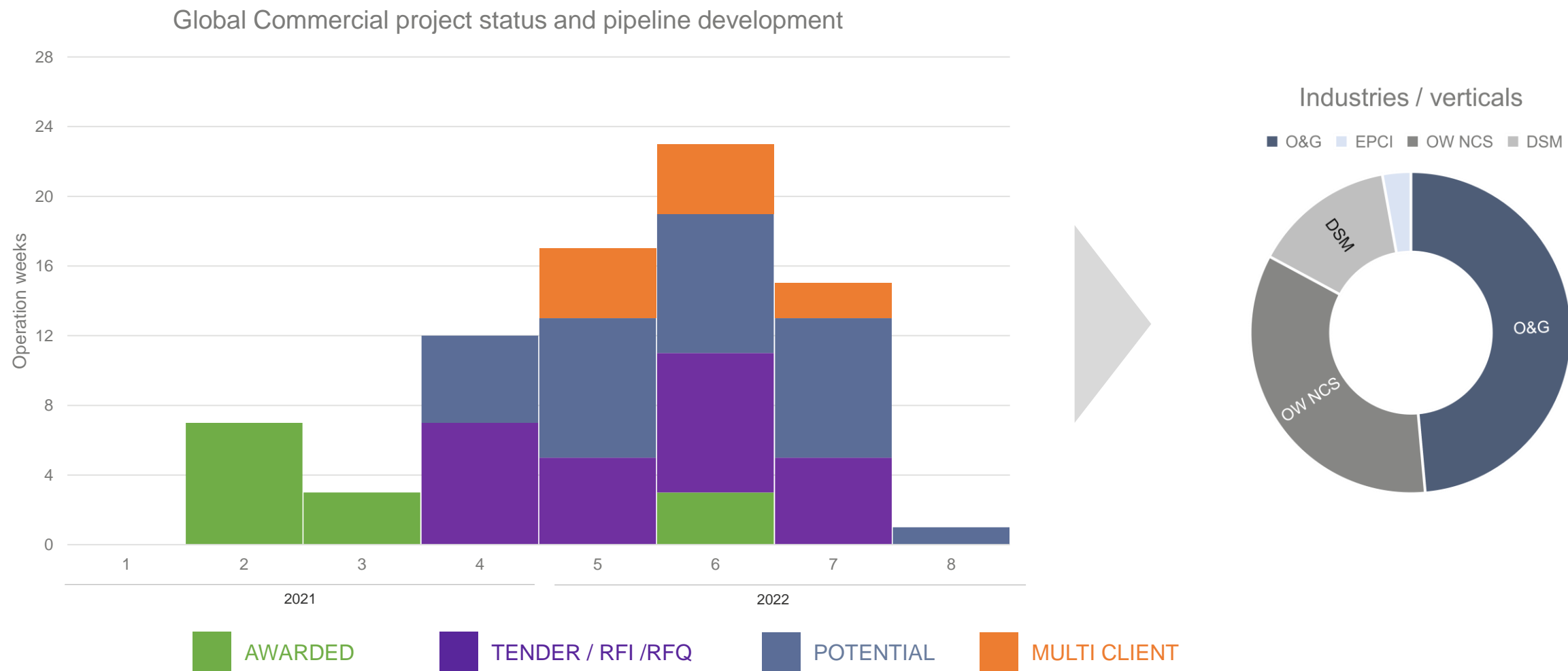
- Argeo-developed sensor technology
- Argeo expertise in demand with subcontractors and suppliers to oil & gas and offshore windfarm
- New and effective business models for seabed surveying and installation IMR work within Offshore Wind and Oil & Gas

GLOBAL INTEREST

Weighted lead value

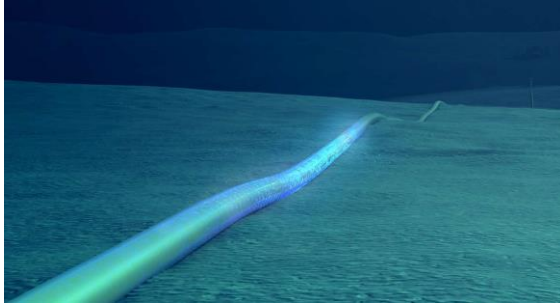


Global interest and good tender activity across verticals



Robotics and Digital solutions for the ocean space

Cable installation & verification



Increase in offshore electrification projects and inter-continental power distribution.

This in turn **drives new markets** for inspection and maintenance using new and more efficient technologies.

Offshore wind



Increase investments in renewable sources of energy and favorable government policies:

Expected growth with a CAGR 10% during 2021 - 2026

O&G Survey & Inspection



Rising number of deep-water activities and a clear directive from majors to **replace traditional vessel** based IMR solutions with robotics and unmanned solutions.

Expected growth with a CAGR 24% during 2021 - 2026

Deep Sea Minerals



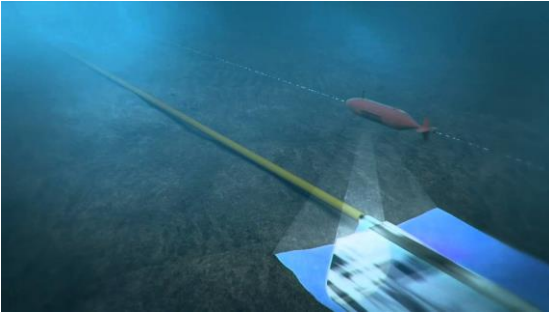
Global demand for batteries and metals for the renewable sector is the main growth driver for this market.

Expected growth with a CAGR 37% during 2021 - 2026

Argeo value proposition through
proprietary technology

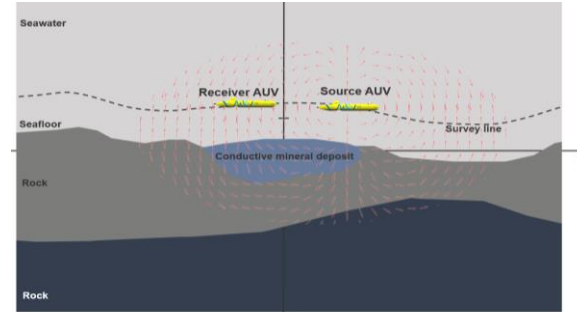
Disruptive technology opening new markets

Sensor development



- ✓ Tailor-made receiver system for AUV (patented) compatible with both SeaRaptor, Hugin and Resident AUV systems
- ✓ Buried cable and pipeline tracking system for Autonomous robotics
- ✓ Electrical and telecom cable verification system
- ✓ Detection of UXO (unexploded ordnance) for Offshore Wind
- ✓ Cable installation (post survey) and inspection (depth of burial)
- ✓ Integrates with all other AUV sensors and data

AUV CSEM Technology



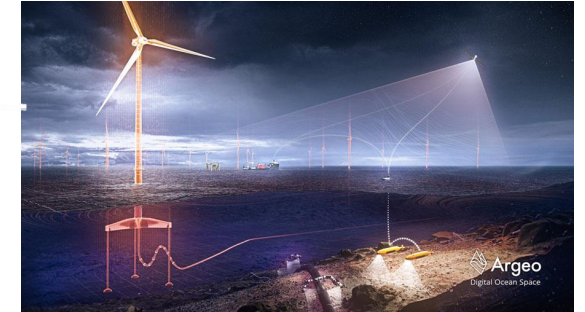
- ✓ Highest resolution EM data of any commercial system in the market today
- ✓ Works equally well on describing Seafloor Massive Sulfide (SMS) and Manganese crust deposits
- ✓ Integrates perfectly with all our other AUV sensors
- ✓ Significantly lower cost than traditional vessel EM
- ✓ Real-Time “onboard” AUV processing and coms to surface USV or vessel

Argeo USV



- ✓ Low carbon footprint
- ✓ Uninterrupted shore-to-shore operations. 30-day endurance ~ 5000 km of autonomous data collection
- ✓ Multi sensor installation for shallow water survey
- ✓ Full onshore Mission Control
- ✓ Link and Dock with AUV and Eelume system
- ✓ Integrates all payload sensors and Mission Control communication
- ✓ Fully configurable back deck solution

Argeo Digital Twin



- ✓ 12MNOK in cash funding from Innovation Norway & the Norwegian Research Council
- ✓ Project Management and Key employees already onboard
- ✓ AI/Analytic sensor data interpretation and integration
- ✓ Digital representation of any physical Ocean Space Project
- ✓ Integrates all ARGEO AUV/Robotics solutions
- ✓ Initial solution ready in 2022

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

SeaRaptor AUV



Key features

- Depth rated to 6,000m
- Up to 50 hours battery capacity
- Great maneuverability and stability
- Visual, bathymetric and sonar survey data

Benefits

- ✓ Asset light and very scalable
- ✓ Completely autonomous deployment and recovery
- ✓ Significant CO2 reduction from operations
- ✓ Integration of full Argeo EM tool pack

Eelume AUV



- Modular combination of joints, thrusters and payload modules
- Disruptive technology for subsea inspection, maintenance and repair (IMR)
- Engineered to live permanently under water

- ✓ Ultra-flexible and slender body that can operate in restricted areas subsea
- ✓ Modular system that can be tailor made for various operations
- ✓ Integration of full Argeo EM tool pack

Hugin AUV

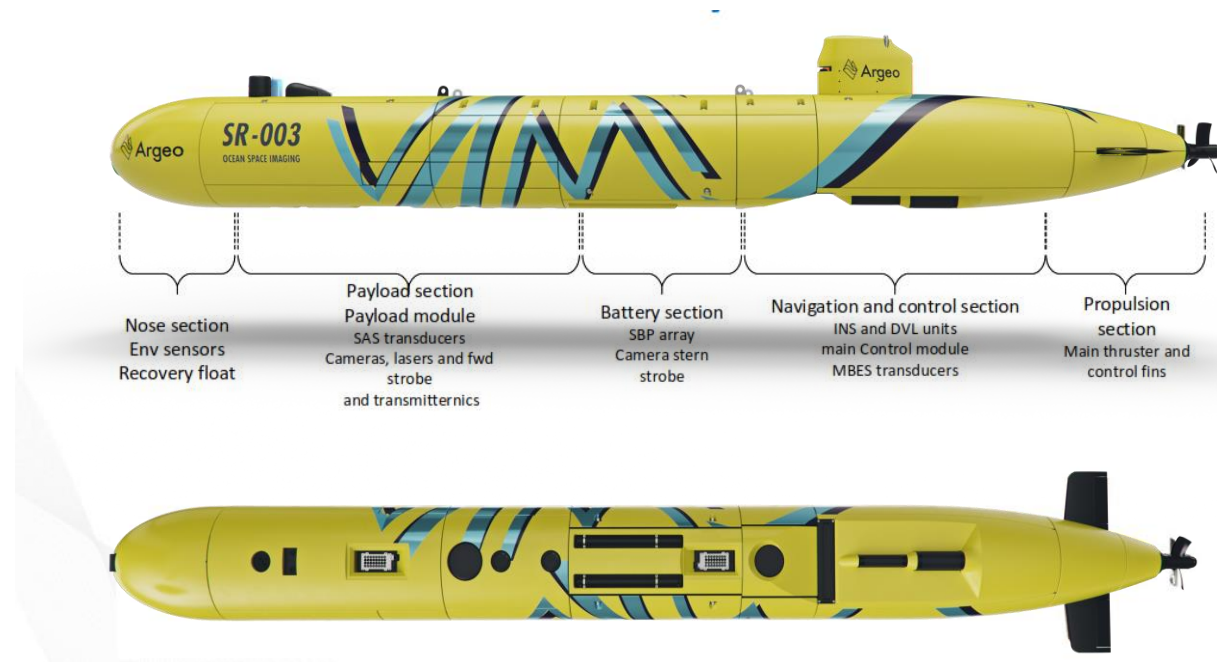


- Depth rated to 6,000m
- Up to 60 hours battery capacity
- Wide range of available sensor integrations
- Custom sensor integrations available
- Navigation sensors and acoustic aiding

- ✓ Several payload ports
- ✓ Integration of full Argeo EM tool pack
- ✓ Modular and highly customizable
- ✓ Integral part developed by Argeo and produced by Teledyne

A closer look at our SeaRaptor 6000

Autonomous Underwater Vehicle (AUV)



SAFETY AND COMMUNICATION SENSORS

- Collision avoidance sonar
- Acoustic communication
- Emergency release
- Surface communication

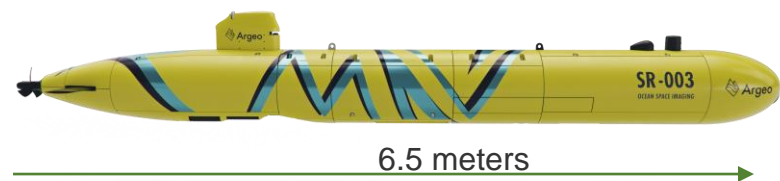
NAVIGATION & ENVIRONMENTAL SENSORS

- Collision avoidance sonar
- Inertial Navigation
- Depth and Velocity
- Conductivity (CDT)
- Environmental pack

SAFETY AND COMMUNICATION SENSORS

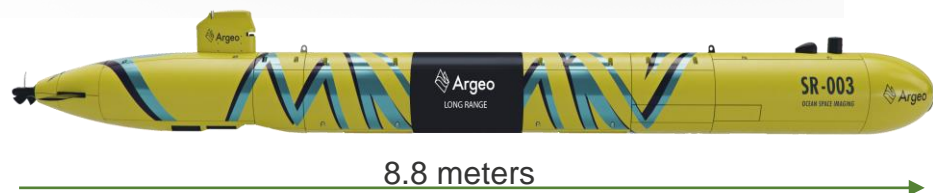
- Multibeam
- Sub-Bottom Profiler
- Synthetic Aperture Sonar
- Camera and Laser
- Cathodic Protection
- CathX Hunter + Laser
- Onboard data processing

Unmanned from shore to shore with unparalleled efficiency 2021-2022



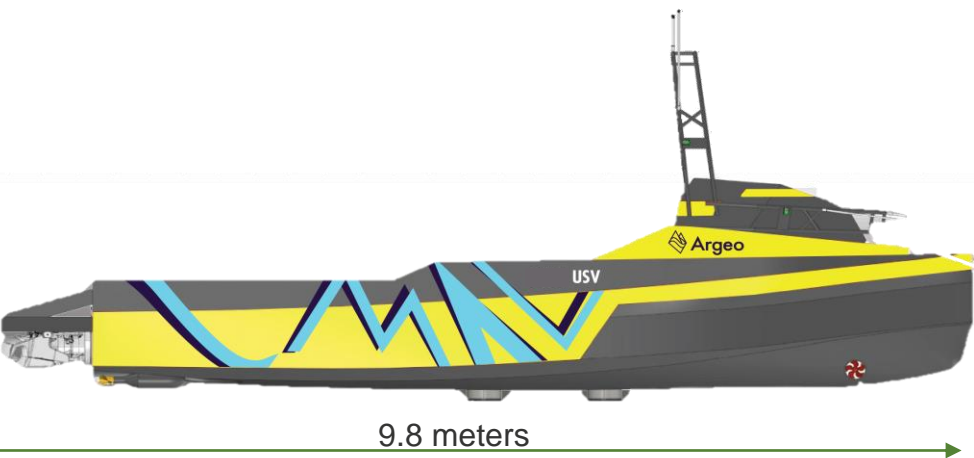
6.5 meters

2021



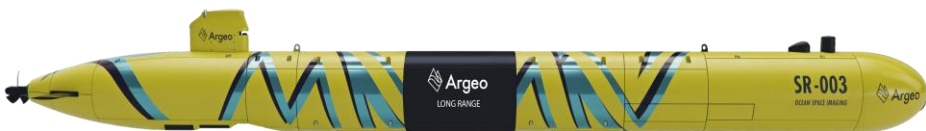
8.8 meters

2022



9.8 meters

2022



Key features

- Up to 240 hours endurance (2022) extender
- Depth rated to 6,000m
- Wide range of available sensor integrations
- Argeo EM tool pack included



Key features

- Up to 30 **DAYS** endurance (2022)
- Depth rated to SURFACE
- Wide range of available sensor integrations
- Custom sensor integrations available

Eelume

First commercial operator of the Eelume system



Acquiring an Eelume robot is part of Argeo's strategy to transform the ocean space inspection industry through robotics, sensors, and data analytics technology, reducing the operational carbon footprint whilst making inspections more efficient and cost effective.

“We believe that this is just the beginning of a major shift in how the industry conducts underwater operations. There is a need in the market for this type of solution, and we anticipate a significant requirement for more robots of this type in the long term,” says Trond Crantz, CEO, Argeo

Significant benefits to clients within O&G and Offshore Wind

Over 50% Cost Reduction in IMR operations

Significant direct cost reduction

- ✓ Potential for up to 200-day reduction of IMR vessel use annually per field installation
- ✓ Hibernating solution provide significant reduction mob/demob cost

Operational benefits

- ✓ Extremely versatile and customizable design using modular payload
- ✓ Ultra-flexible and slender body that can operate in restricted subsea areas
- ✓ Robotic arms that can operate tools and carry out intervention tasks
- ✓ Fully mission controlled (supervised) tasks

Human and environmental benefits

- ✓ Climate neutral operation with nearly neutral CO2 footprint
- ✓ On-shore remote operation will substantially reduce HSEQ exposure

O&G and Offshore Wind



Value proposition to customers



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

Income Statement

Amounts in NOK	Full Year				
	Q3-2021	Q3-2020	YTD 2021	YTD 2020	2020
Operating revenue	3 406 080	480 325	15 410 880	5 344 042	12 834 387
Employee expenses	5 229 589	818 019	11 012 054	1 671 148	2 902 341
Other operating expenses	5 509 099	745 823	15 965 874	3 337 856	6 350 502
EBITDA	-7 332 607	-1 083 517	-11 567 048	335 038	3 581 544
Depreciation	304 329	233 058	911 294	667 737	972 321
EBIT	-7 636 936	-1 316 575	-12 478 342	-332 699	2 609 224
Net financial items	-509 577	-16 506	-487 924	-32 078	-97 218
Profit/(loss) before tax	-8 146 514	-1 333 081	-12 966 266	-364 777	2 512 006
Income tax (expense)	1 755 983	293 278	2 806 073	80 251	-506 495
Profit/ (loss) for the period	-6 390 531	-1 039 803	-10 160 193	-284 526	2 005 511

- Revenue impacted by two projects being delayed
- Expenses reflecting ramp up of organization and preparation for higher activity after delivery of new assets

Balance Sheet

Amounts in NOK	30.9.2021	30.9.2020	31.12.2020
ASSETS			
Intangible assets	5 782 593	2 527 173	3 570 598
Deferred tax asset	3 116 794	925 760	339 014
Property, plant and equipment	68 346 099	711 616	11 564 582
Investment in JV	5 754 273	0	0
Total non-current assets	82 999 759	4 164 549	15 474 193
Trade receivables	7 725 861	481 656	4 419 219
Other current assets	276 176	66 760	288 786
Cash and cash equivalents	78 954 596	788 252	7 779 692
Total current assets	86 956 633	1 336 668	12 487 697
Total assets	169 956 392	5 501 217	27 961 890
EQUITY AND LIABILITIES			
Equity	156 003 885	3 913 069	6 203 106
Long term debt	6 273 333	720 000	6 693 333
Total non-current liabilities	6 273 333	720 000	6 693 333
Trade payables	5 598 461	217 349	12 345 080
Other current liabilities	2 080 713	650 799	2 720 371
Total current liabilities	7 679 173	868 148	15 065 451
Total liabilities	13 952 507	1 588 148	21 758 784
Total equity and liabilities	169 956 392	5 501 217	27 961 890

- Intangible assets includes data modelling software and the Digital Twin project
- PPE is mainly payments on the two SeaRaptors and the USV

Cash flow statement

Amounts in NOK	Q3-2021	Q3-2020	YTD 2021	YTD 2020	Full Year 2020
Cash flow from operating activities					
Profit/(loss) before tax	-8 146 514	-1 333 081	-12 966 266	-364 777	2 512 006
Depreciation	304 329	233 058	911 294	667 737	972 321
Interest expense	65 523	16 270	203 814	38 553	106 509
Loss equity investments	148 802	0	195 419	0	0
Change in current assets	4 672 050	1 157 525	-3 294 032	-152 420	-4 312 009
Change current liabilities	-3 383 488	-114 312	-7 386 277	148 562	14 345 865
Net cash from operating activities	-6 339 297	-40 540	-22 336 048	337 656	13 624 692
Cash flow from investing activities					
Investment in property, plant and equipment	-37 555 087	0	-68 458 278	-117 335	-11 071 483
Capitalisation of development cost	-1 444 688	-267 194	-2 284 027	-704 657	-1 951 483
Net investment in Joint Venture	0	0	-5 871 402	0	0
Sale AUV to JV	0	0	10 837 500	0	0
Net cash from investing activities	-38 999 775	-267 194	-65 776 207	-821 992	-13 022 966
Cash flow from financing activities					
Net proceeds from new equity	0	0	159 910 974	0	0
Proceeds from interest-bearing debt	0	0	0	0	6 000 000
Repayment of interest-bearing debt	-340 000	-80 000	-420 000	-80 000	-106 667
Interest paid	-65 523	-16 270	-203 814	-38 553	-106 509
Net cash flow from financial activities	-405 523	-96 270	159 287 159	-118 553	5 786 824
Net change in cash and cash equivalents	-45 744 595	-404 004	71 174 904	-602 890	6 388 550
Cash and cash equivalents beginning of period	124 699 191	1 192 256	7 779 692	1 391 142	1 391 142
Cash and cash equivalents end of the period	78 954 597	788 252	78 954 596	788 252	7 779 692

- Invested NOK 37.6m in assets
- Capitalised NOK 1.4m as development cost for the Digital Twin project

Investment proposition

