



Digitizing the ocean space

Argeo Q1 company presentation

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- This presentation includes and is based on, among other things, forward-looking information and statements
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Highlights

Introduction to Argeo

Operational update

Technology

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Q1 Highlights

- Ordered a new Hugin 6000 from Kongsberg
- Signed a 12-month project for the new Hugin 6000 AUV
- Awarded a NOK 8.5 million contract from Statens Vegvesen for the Sea Raptor “Alpha”
- Completed Sea Acceptance Testing (SAT) in the North-Sea
- First Sea Raptor delivered in February 2022
- Remaining work for the Hugin project in Brazil given new startup in late May

Subsequent events

- NOK 75 million private placement in April 2022
- AUV work for Statens Vegvesen successfully completed
- Commenced Multi-Client offshore wind project at Utsira Nord
- Deep-water SeaRaptor project moved to early July

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ARGEО AT A GLANCE



47
EMPLOYEES



3
AUV CREWS

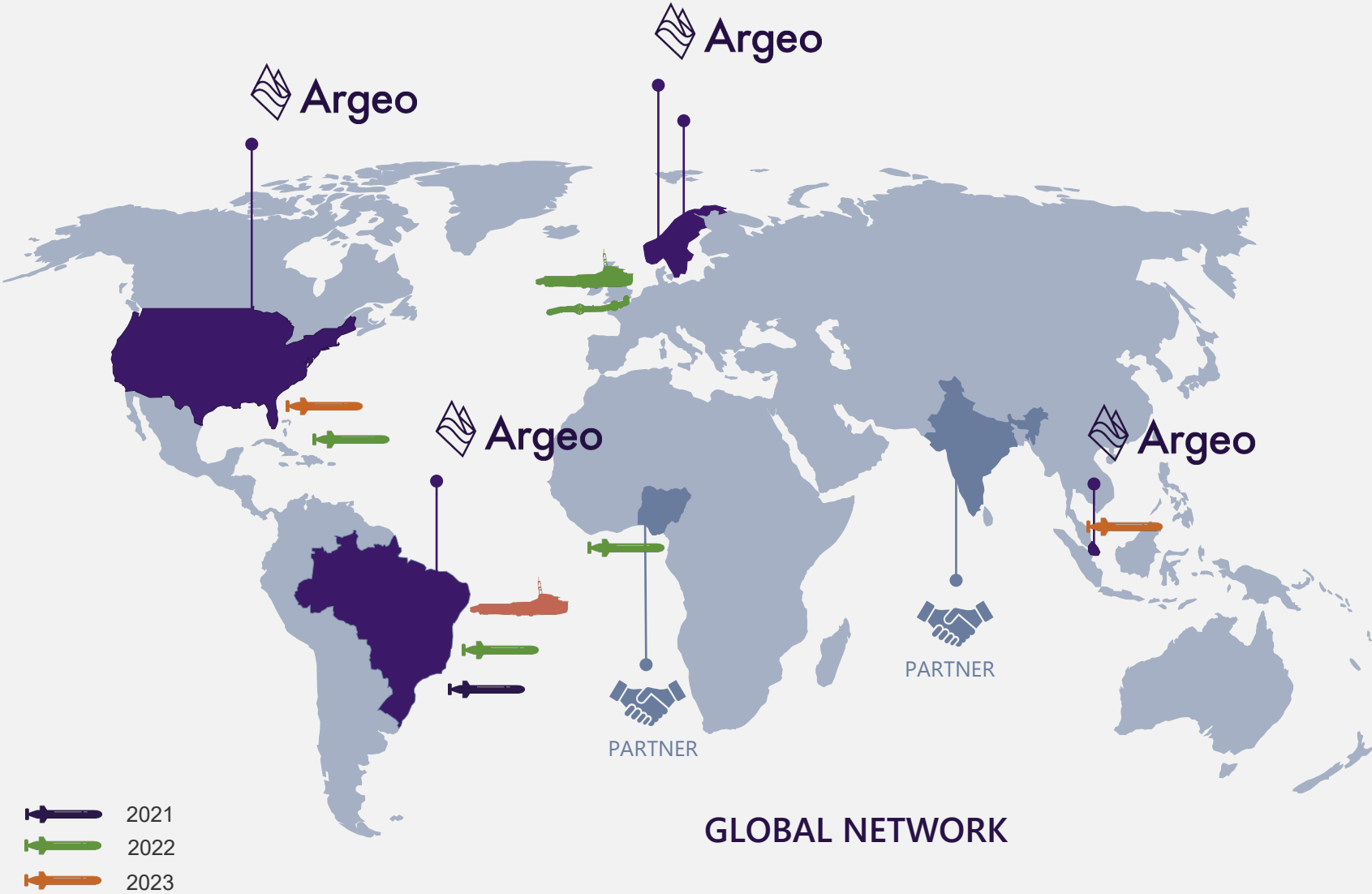


4 (6*)
AUVs

1 (2*)
USVs



1
Eelume



GLOBAL NETWORK



Source: Company
* Numbers in parentheses indicate vessels planned by 2023

ARGEO'S MISSION

Transforming the ocean
surveying and inspection industry

Utilising autonomous underwater
and surface vehicles and unique
sensor and imaging technology

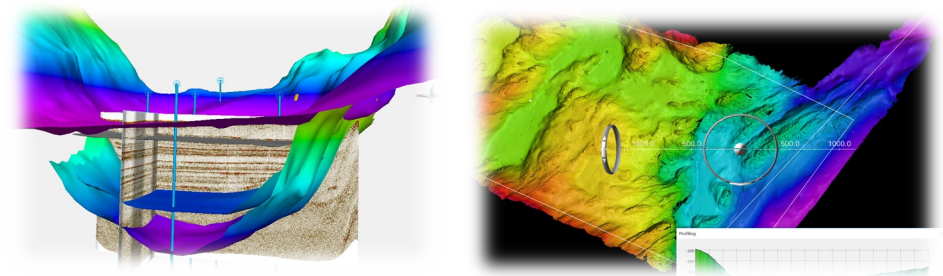
to significantly **increase**
efficiency and quality

And to substantially **reduce the**
industry CO2 footprint

HIGH CAPABILITY ROBOTICS SOLUTIONS



UNIQUE IMAGING AND MODELLING TECHNOLOGY



"FASTER, BETTER, GREENER AND AT A LOWER COST"

Robotics and digital solutions for the ocean space

ENGINEERING & CONSTRUCTION

- Data acquisition, imaging and underground modelling for large infrastructure projects.
- High accuracy imaging reducing project risk and construction costs



OFFSHORE WIND

- Wind farm design of foundations, substations etc.
- Investigation of routes for power cable
- Inspection of existing infrastructure



O&G SURVEY INSPECTION

- Offshore field design, location of platform and subsea infrastructure
- Investigation of routes for pipelines
- Detection of damage and erosion on existing installations



DEEP SEA MINERALS

- Exploration for Deep-Sea Minerals (DSM)
- Wide use of sensors and in-house technology for mineral deposits characterization, a system under development by Argeo Robotics



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Steadily developing our fleet to meet market demand

	HUGIN 1000 AUV	SEARAPTOR AUV	SEARAPTOR AUV	ARGUS USV	EELUME AUV	HUGIN 6000 AUV
PLAND TO ACQUIRE						
ACQUIRED						
PLANNED DELIVERY	FEB 21	FEB 22	MAR 22	MAR 22	MAY 22 <div>rental</div>	AUG 22
ACTUAL OPERATIONS	MAI 21	MAR 22	MAR 22	APR 22	OCT 22	AUG 22

New Hugin 6000

COMMERCIALLY AVAILABLE FROM THE BEGINNING OF H2 2022



“

The Hugin 6000 is a state-of-the-art ultra-deep water AUV with all the necessary payload systems to make it one of the most advanced high-capacity survey machines in the world.

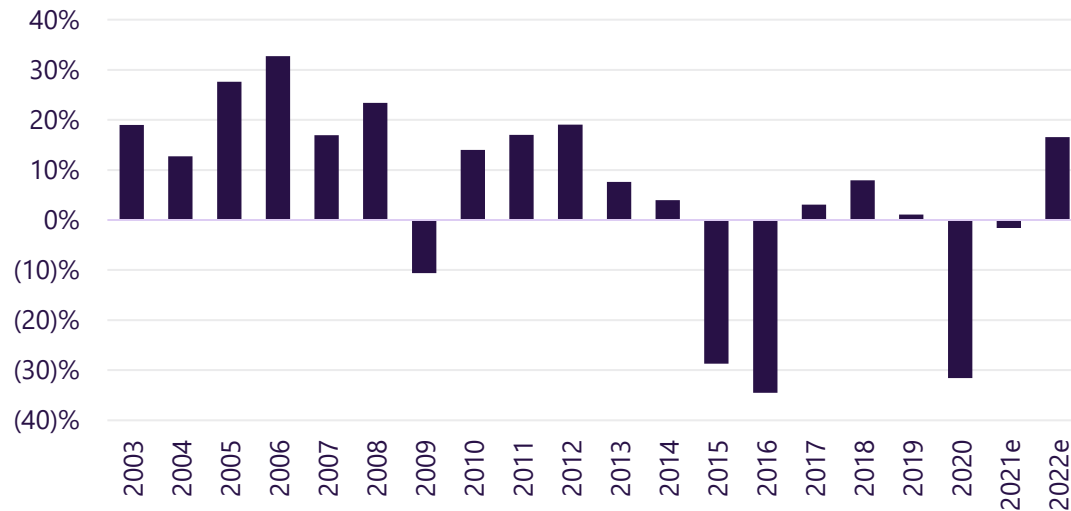
**12-month project with
net value of 4,5 MUSD**

- Project will commence H2 2022
- Minimum guaranteed duration of 6-months
- 6-month extension, with estimated completion in H2 2023
- Total net value for full 12 months of 4.5 MUSD

E&P spending expected to increase significantly

ALONGSIDE SIGNIFICANTLY EXPANDING GLOBAL OFFSHORE CAPEX SANCTIONING

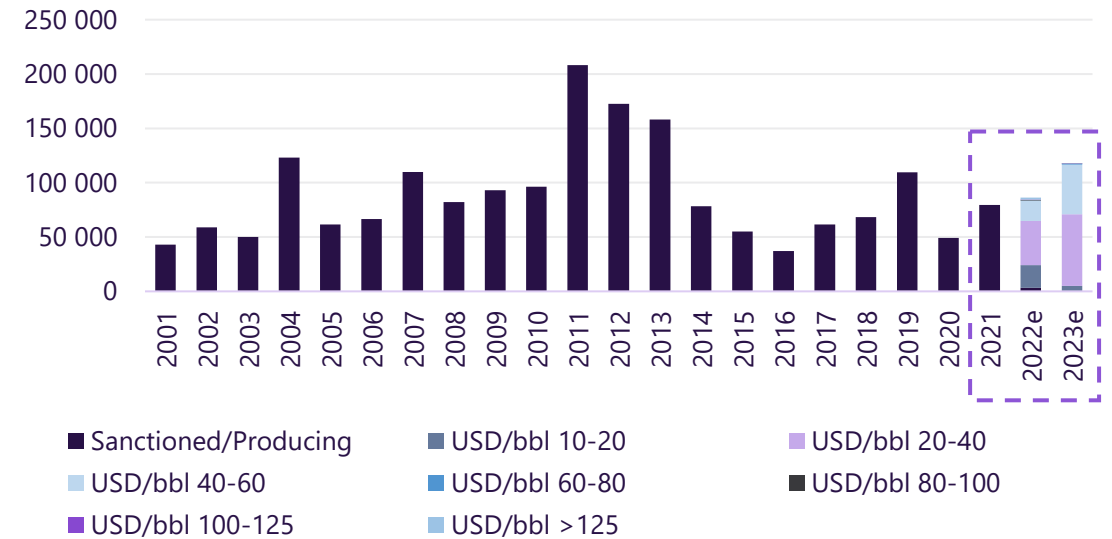
E&P spending (Y/Y)



Argeo's growth and expansion into new geomarkets are driven by further growth in E&P spending (17% in 2022)

Positioning key assets strategically to capitalize on stronger subsea activities supports faster mobilization and cost-effective operations

Global capex sanctioning (USDm)



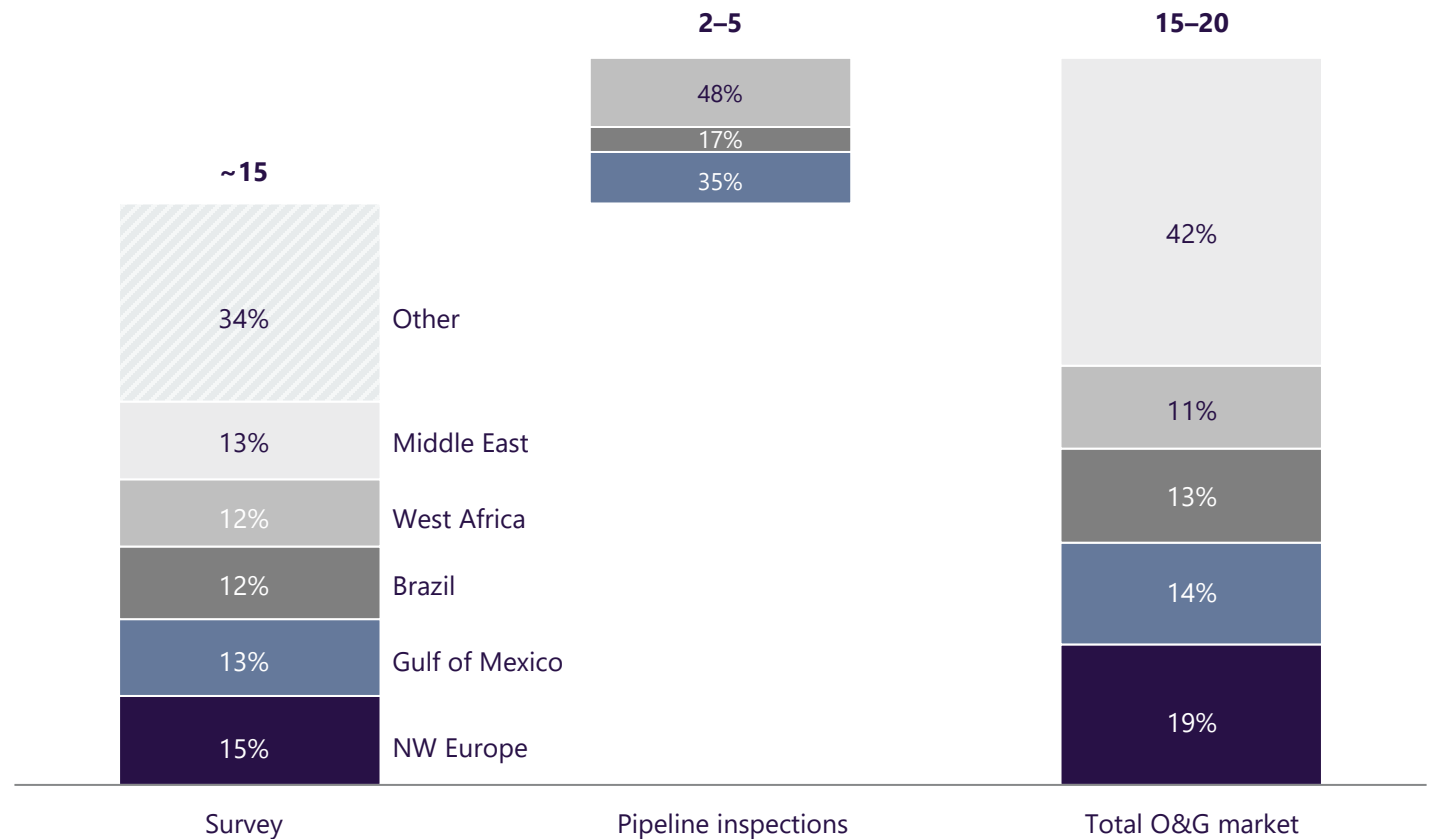
With global offshore sanctioning up 8% in 2022 and a further increase to 37% in 2023, Argeo is perfectly positioned to capitalize on this strong growth to support our fleet expansion going forward

Unique offering to the O&G business demanding efficiency gains

ARGEIO IS WELL POSITIONED TO MEET GROWING DEMAND FOR EFFICIENT AND LOW-CARBON SOLUTIONS IN THE BROADER O&G INDUSTRY

- Global survey market based on Rystad Energy estimates on total offshore survey spending
- Annual global demand of NOK 15–20 billion within the O&G industry
- Estimated total addressable market of NOK ~1.5–2.0 billion in Norway, where survey accounts for ~65% of the total

Global annual addressable market within the O&G industry (NOKbn)¹







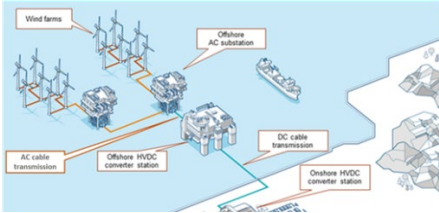





USV ARGUS in its final stages of testing



Argeo positioned in the entire offshore wind value chain

WIDE-RANGING SURVEY AND INSPECTION USE IN OFFSHORE WIND

		Pre operation concession	Early planning and design	Construction & installation	Operations & maintenance	Decommissioning
Offshore wind farm life cycle stage	Argeo subsea services	Multi Client/Data as Service pre-concession and license	Geo-uplifted products from initial survey combined with new acquisitions	Focused survey, trenching, depth of burial and verification	Subsea inspection and maintenance tasks focused monitoring task	Subsea inspection and maintenance tasks focused monitoring task
	Main surveys performed	<ul style="list-style-type: none"> Initial survey ordered by government to highlight attractiveness for operators Developers perform environmental surveys to obtain concession 	<ul style="list-style-type: none"> Full site investigation to determine turbine locations and provide input to foundation and cable planning Detection of hazardous elements like UXOs¹⁾ 	<ul style="list-style-type: none"> Surveys to update geophysical and hydrographical changes impacting engineering assumptions 	<ul style="list-style-type: none"> Inspections of on-site installations, e.g., anchoring and fundament Inspections of cables, e.g., if still protected under ground 	<ul style="list-style-type: none"> Inspections of site installations, for removal estimations Inspections of cables, e.g., if still protected under ground
	Argeo tools used					
	Offshore wind farm life cycle stage					

Argeo's solutions accelerate offshore wind development

ENABLING RENEWABLES

Pre operation concession

Early planning and design

Construction & installation

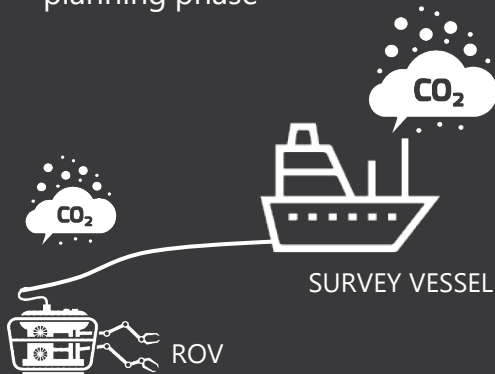
Operations & maintenance

Decommissioning



CHALLENGES WITH OFFSHORE WIND TODAY

1. Long time from plan to build
2. High development cost
3. Low confidence in bidding and planning phase



DATA AS A SERVICE

Reduce planning time
by 1–2 years

Earlier data access

- Increase confidence and reduce risk from application to construction
- Reduce time needed for optimizing development solution

Cover the whole wind farm

Increase collaboration
Large survey replaces numerous small ones
Less resources spent by authorities and developers

>30% cost reduction to client

Increase efficiency
Economies of scale

Lower CO2 footprint

Higher data quality



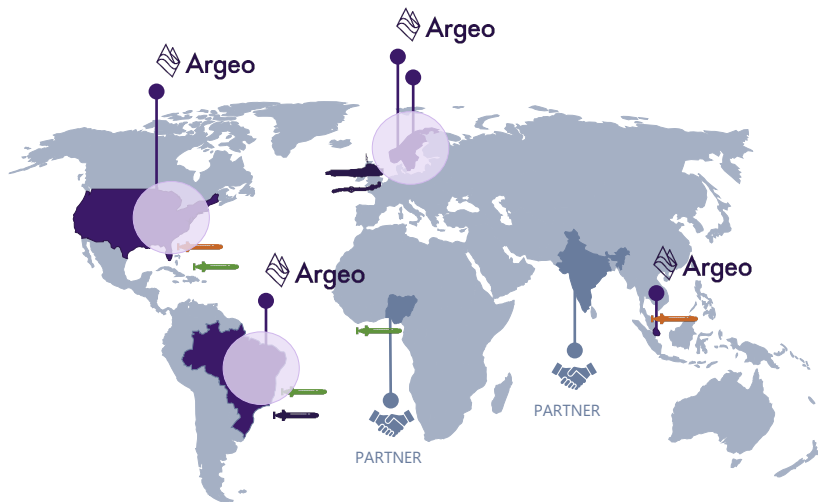
Bringing cost-efficient Multi Client to wind farming

ENABLING RENEWABLES

Argeo's Multi Client model

- Argeo efficiently surveys the entire wind park, creating high-resolution imaging and bathymetry of the ocean bottom and building a digital library

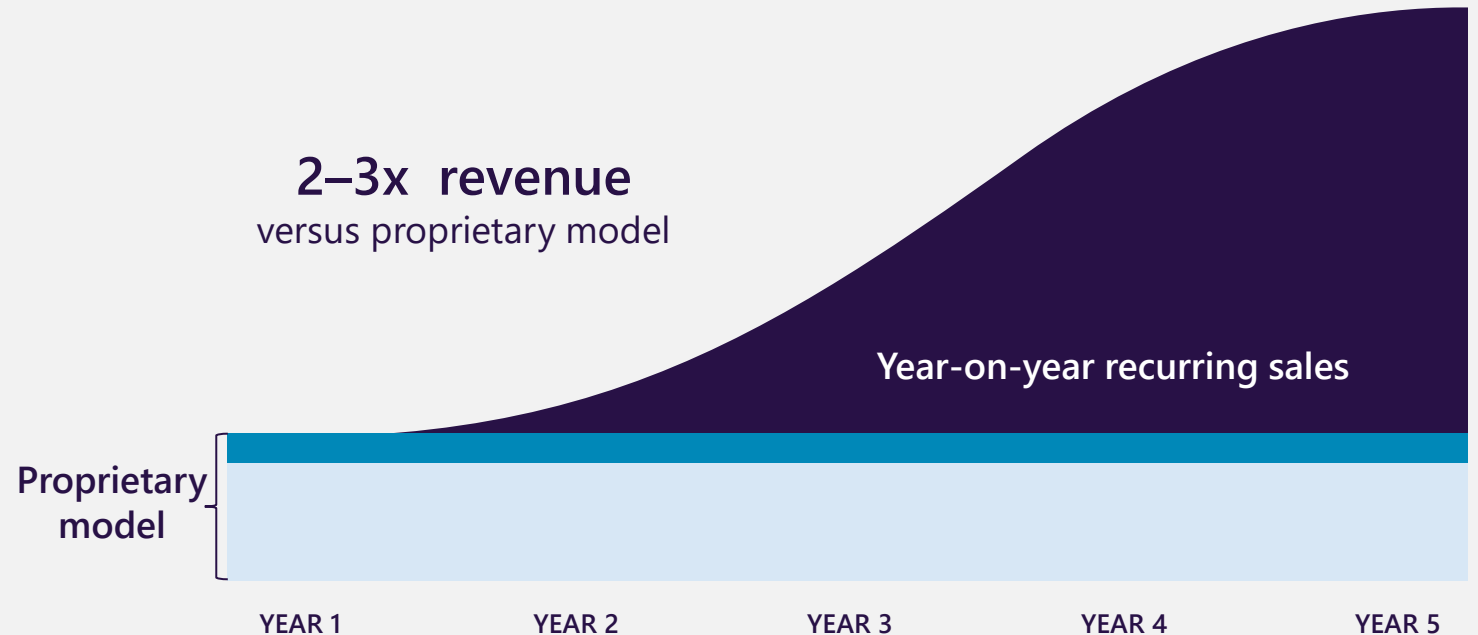
ARGEO GROWTH GEOMARKETS



Building a strong library with significant long-term value

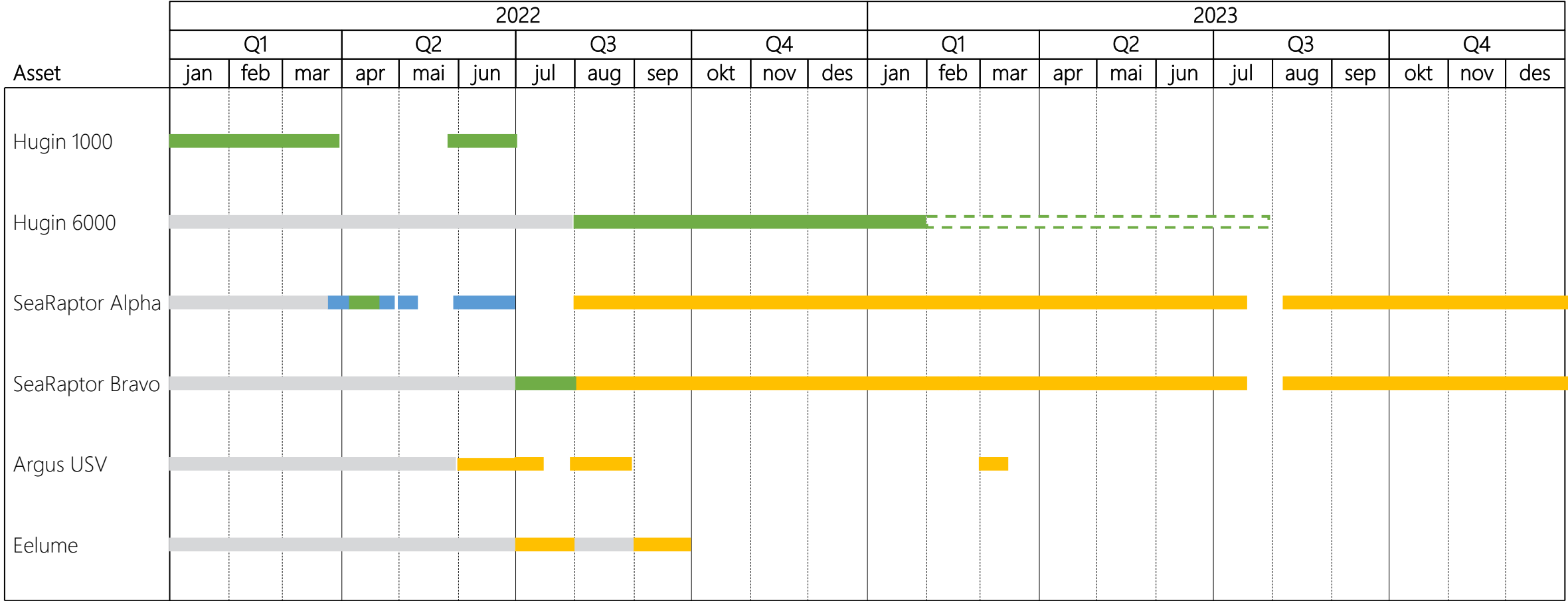
- Large-scale, high-quality data from key areas – long-term relevance to clients
- Early acquisition relevant for several clients evaluating the areas
- Successful bidders likely to upgrade their data licenses
- Dynamic wind farm ownership

2–3x revenue
versus proprietary model

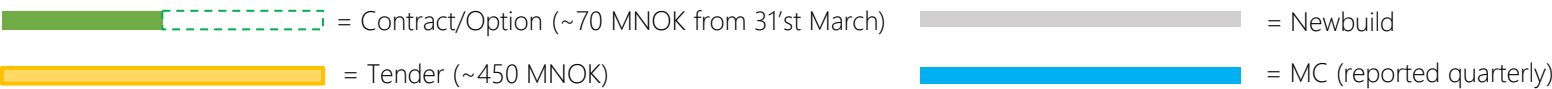


Tenders and project pipeline solidifying

Argeo Fleet Schedule Q1-2022



Rescheduling of assets may occur dependent of project commencement and vehicle availability



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Unique in-house abilities to generate valuable data output



“Argeo Listen” measure the position and strength of electricity in objects on the seabed.

CATHODIC PROTECTION

Zinc sacrificial anodes are used to protect pipelines and subsea installations from corrosion. The anodes corrode in stead of the pipeline and needs to be replaced from time to time. By flying Argeo’s AUV over the pipe Argeo Listen measure **and identify the condition** of these anodes and **predict** the need for replacement.

INSPECTION

Argeo Listen can localize electrical cables that have been buried or exposed by shifting sand dunes on the seabed. The tool can also be used to pinpoint the cable’s position in real time even when buried.



“Argeo Whisper” sends out electrical signals from the AUV detecting objects with a higher level of electrical conductivity or higher resistance than its surroundings.

PIPELINE AND OBJECT TRACKING

Traditional use of AUV’s cannot locate buried pipelines. By sending out electrical signals and identifying the location of the reflection and signal strength the tool can decide direction, position and depth of the pipeline.

UXO

With “Argeo Whisper” one can identify and locate objects containing metals, typically unexploded ordnance, with an AUV rather than using a large vessel and tethered magnetometers.



“Argeo Discover” is developed to search and find minerals and smaller objects than the Argeo Whisper can locate as it is 5 times as powerful.

DEEP-SEA MINERALS EXPLORATION

Deep-sea minerals can be separated from its surroundings as it has a higher level of electrical conductivity. Argeo Discover can detect these minerals and determine the extent of the deposits.

In some cases, one AUV will push signals out and another AUV will listen for the reflection.



ARGEO ENLIGHT

ARGEO INTROSPECTION

ARGEO FORESIGHT

Mission Controlled Operation for USV & Eelume

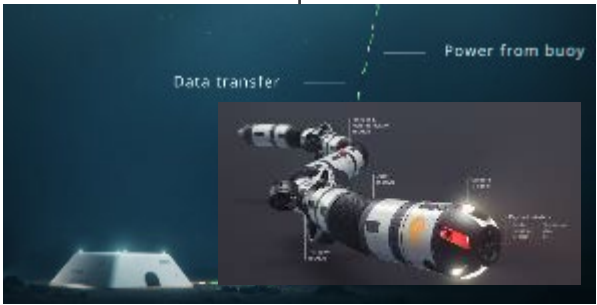
Argeo Mission Control Centre

IP/VSAT/4G/5G/Iridium and MBR link

Supervised operations



Both client base (on-prem) and containerized operation centres will be made available, supported by Argeo's global Mission Control Centre



Global Mission Control: Supporting client on-prem or containerised Supervised operations providing 100% mission support and backup



Argeo Digital Ocean Space

OPTIMIZING VALUE FROM OCEAN DATA

SUBSEA ASSET DIGITALIZATION, VISUALIZATION AND ANALYSIS ENABLED



The main tool for data processing and visualization of data in addition to our Multi-Client data shopping window



3D visualization and mapping of subsea inspection data fully interpreted
Georeferenced in space and time



Prediction of subsea movements and remaining lifetime of assets based upon trends in data measured over time

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Income Statement

Amounts in NOK	Q1-2022	Q1-2021	2021
Operating revenue	6 913 301	1 140 898	15 841 933
Operating cost	4 676 349	497 070	17 439 402
Employee expenses	13 842 936	1 592 821	22 661 612
Other operating expenses	4 397 915	1 102 571	8 755 430
Capitalisation of cost	-3 658 689	0	-6 367 084
EBITDA	-12 345 210	-2 051 564	-26 647 427
Depreciation	630 107	307 212	1 276 144
EBIT	-12 975 317	-2 358 776	-27 923 571
Net financial items	385 944	-61 688	-38 288
Profit/(loss) before tax	-12 589 373	-2 420 463	-27 961 859
Income tax (expense)	2 776 647	513 425	9 848 396
Profit/ (loss) for the period	-9 812 726	-1 907 039	-18 113 463

- Revenue in Q1 2022 is mainly from our AUV project in Brazil.
- Total expenses in Q1 2022 NOK 22.9 million, up from NOK 19.6 million in Q4 2021.
- Increase due to operation in Brazil, and continued increase of employees

Balance Sheet

Amounts in NOK	31.03.2022	31.03.2021	31.12.2021
ASSETS			
Intangible assets	12 463 110	3 363 934	7 647 152
Deferred tax asset	13 036 078	824 146	10 259 439
Property, plant and equipment	65 072 246	1 220 120	3 964 613
Shares in associated companies	5 513 794	5 862 978	5 478 556
Total non-current assets	96 085 229	11 271 177	27 349 760
Trade receivables	9 141 962	1 023 685	6 164 055
Other current assets	52 601 599	445 221	67 963 861
Cash and cash equivalents	32 898 064	948 735	65 862 065
Total current assets	94 641 625	2 417 641	139 989 981
Total assets	190 726 854	13 688 818	167 339 740
EQUITY AND LIABILITIES			
Equity	138 237 892	4 346 065	148 050 618
Long term debt	35 632 981	6 653 333	5 933 333
Total non-current liabilities	35 632 981	6 653 333	5 933 333
Trade payables	10 561 895	1 357 329	6 287 642
Other current liabilities	6 294 087	1 332 091	7 068 148
Total current liabilities	16 855 982	2 689 420	13 355 790
Total liabilities	52 488 963	9 342 753	19 289 123
Total equity and liabilities	190 726 854	13 688 818	167 339 740

- Intangible assets of NOK 12.5 million includes mainly capitalized cost to our Digital Ocean Space project.
- PPE includes first SeaRaptor delivered in Q1 2022.
- Other current assets includes 49.4 million in Pre-payments for assets to be delivered later in 2022.
- Long term debt includes seller's credit for first SeaRaptor.

Cash flow statement

Amounts in NOK	Q1-2022	Q1-2021	2021
Cash flow from operating activities			
Profit/(loss) before tax	-12 589 373	-2 420 463	-27 961 859
Depreciation	630 107	307 212	1 276 144
Financial income	0	0	-89 449
Financial expense	167 066	56 124	432 934
Gain/loss equity investments	-35 238	86 714	471 136
Change in current assets	12 384 354	3 239 098	-69 419 911
Change current liabilities	3 500 196	-12 376 031	-1 809 979
Net cash from operating activities	4 057 112	-11 107 345	-97 100 984
Cash flow from investing activities			
Investment in property, plant and equipment	-61 483 986	-593 586	-3 687 020
Investment in intangibles	-5 069 713	0	-4 903 211
Net investment in associated companies	0	-5 871 402	-5 871 402
Sale AUV to associated company	0	10 837 500	10 837 500
Net cash from investing activities	-66 553 699	4 372 512	-3 624 132
Cash flow from financing activities			
Net proceeds from new equity	0	0	159 910 974
Proceeds from new debt	30 039 647	0	0
Repayment of interest-bearing debt	-340 000	-40 000	-760 000
Financial income	0	0	89 449
Financial expense	-167 066	-56 124	-432 934
Net cash flow from financial activities	29 532 582	-96 124	158 807 489
Net change in cash and cash equivalents	-32 964 005	-6 830 958	58 082 373
Cash and cash equivalents beginning of period	65 862 065	7 779 692	7 779 692
Cash and cash equivalents end of the period	32 898 060	948 734	65 862 065

- Positive change in current assets due to delivery of first SeaRaptor. Was classified as Other current asset in Q4 2021.
- Investment in PPE mainly first SeaRaptor.
- Investment in intangibles NOK 5.1 million in Q1 2022.
- New debt NOK 30 million related to first SeaRaptor

Summary

On track extending our fleet and services globally

Increased market demand and strong overall market outlook

On track developing our digital solutions

Rationale

- 1** Attractive market opportunity
- 2** Strong industry and technological competence
- 3** Ability to meet high demand through fleet expansion
- 4** Sustainable business model
- 5** Solid customers in all verticals

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Attractive markets – we experience strong interest and opportunities in all our markets

Experience accelerating growth and tenders in O&G

Strong potential and momentum in Offshore Wind

Expect continued build-up of tenders in 2022 supporting further growth

► **Thank you**