



Digitizing the ocean space

Argeo Q3 company presentation

17 November 2022

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Disclaimer

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

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Introduction to Argeo

Operational update

Commercial & Market update

Technology

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Q3 Highlights

- SeaRaptor "Bravo" completed ultra-deep water AUV survey work
- Hugin 6000 commenced work on the previously announced contract

Later events

- 5-year bareboat contract for vessel Argeo Searcher with option to buy
- First contract for Argeo "Argus" with very good performance
- Argeo Searcher contract work in the North Atlantic for Deep Sea Minerals
- Argeo received patent application approval for our unique EM sensor systems
- Argeo SCOPE launched as a product line

Highlights

Business development

- Argeo's fleet has grown, and new assets has been brought into commercial operations
- The company is now well positioned for several large contracts

Markets

- Current project pipeline in South America for 2023 is now exceeding 300 MNOK and close to award
- In our other geomarkets our pipeline is smaller but steadily increasing

Finances

- Financially we expect to be EBITDA positive in the second quarter of 2023
- We are targeting an EBITDA for next year at 50 MNOK or higher
- Larger contracts expected to be awarded will start up during first quarter of 2023
- Expect slight improvement in the fourth quarter, mostly contributed by the Hugin 6000 project

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4 GEOMARKETS

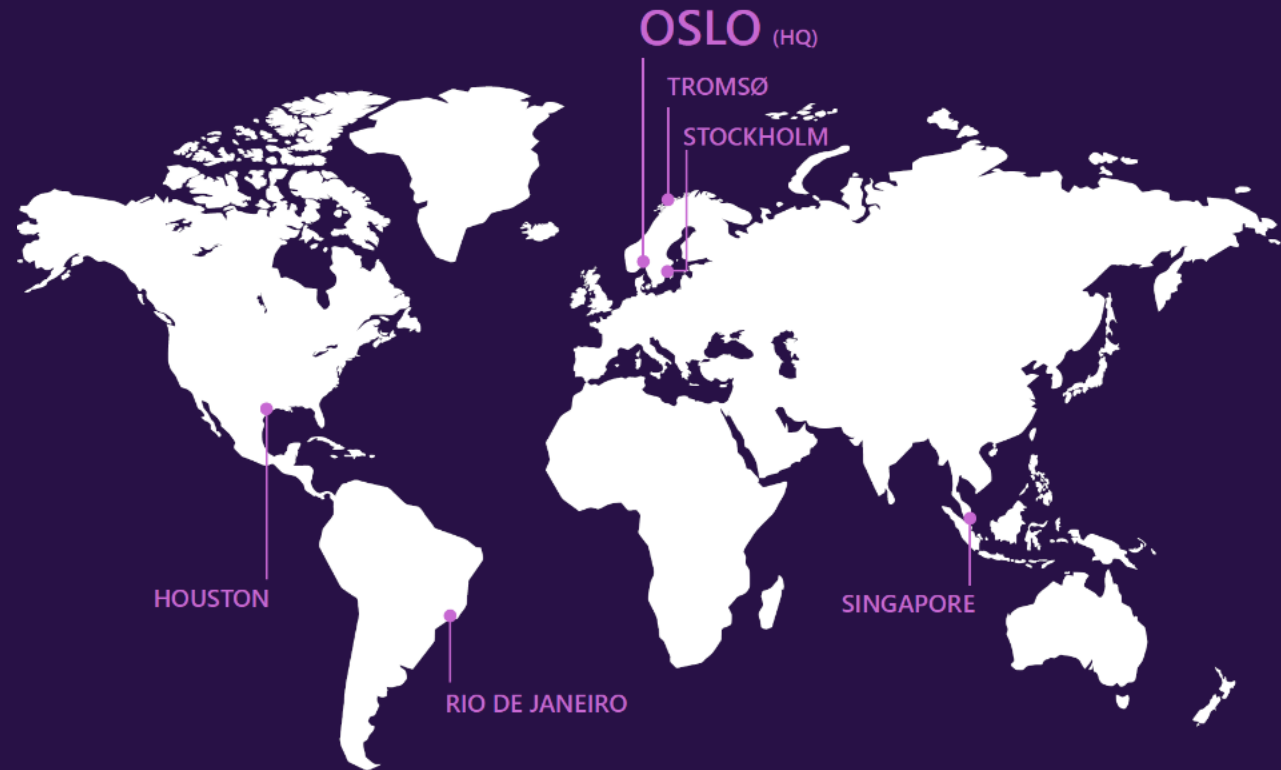


3 AUV CREWS



6 ASSETS

► Close to our customers



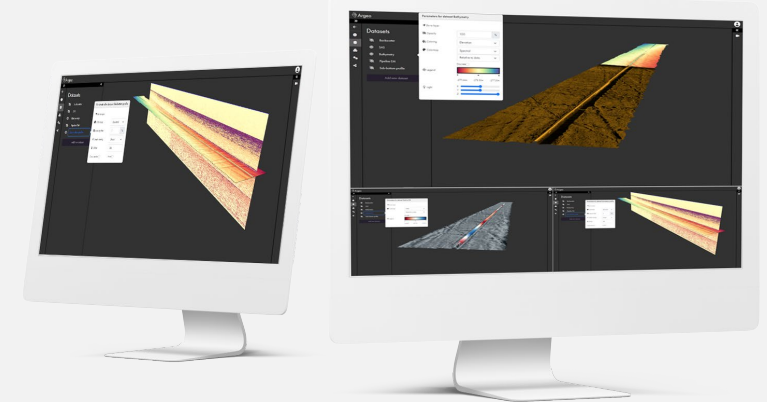
Our mission

Argeo's mission is to transform the ocean surveying and inspection industry utilizing autonomous underwater and surface vehicles, and unique sensor and imaging technology, to significantly increase efficiency and quality, and substantially reduce the industry CO2 footprint.

High capability robotics solutions



Unique sensor technology and powerful 3D cloud-based visualization



Faster, better, greener, and at a lower cost

Robotics and digital solutions
for the ocean space

Four attractive key markets



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Robotics and digital solutions
for the ocean space

Technology enabled service provider



FLEET UPDATE

Steadily developing our fleet to meet market demand

| | HUGIN 1000 AUV | SEARAPTOR AUV | SEARAPTOR AUV | ARGUS USV | HUGIN 6000 AUV | ARGEO SEARCHER VESSEL | SURVEY & LARGE IMR LIGHT WROV WROV | |
|--------------------|---|---|--|---|---|---|---|---|
| PLAN TO ACQUIRE |  |  |  |  |  |  |  |  |
| ACQUIRED |  |  |  |  |  |  | | |
| DELIVERY | FEB 21 | FEB 22 | MAY 22 | JUN 22 | AUG 22 | JAN 23 | TBD | TBD |
| DEPTH RATING | 1000 | 6000 | 6000 | 200 | 6000 | N/A | 3000 | 4000 |
| ENDURANCE | 15 HRS | 50 HRS | 50 HRS | 30 DAY | 60 HRS | 200 DAY | | |



AUV & ROV SURVEY & INSPECTION VESSEL

Argeo Searcher is an effective multipurpose AUV/ROV survey vessel with an excellent track record for several O&G clients worldwide since delivered in 2001/2006



► Argeo Searcher

Vessel info

- Length 108,6m x breath 18m
- Class: DNV, HELDK DYNPOS -DPS2
- Long endurance diesel electric propulsion
- OSM Vestland Management
- Capacity for 65 persons onboard
- FRC: Norsafe with diesel waterjet propulsion
- Helideck for Super Puma 9.3t

Survey Spread

- AUV: 1 x SeaRaptor 6000
- ROV: 1 x WROV/Observation/Survey (option)
- Instrumentation and acoustic positioning (SON/HIPAP)
- Dedicated instrument/operations room
- Computerized onboard data processing center
- Client office space and conference room
- Marlink VSAT communication

Specifications

Speed and fuel consumption

- Service speed 12 knots max
- Fuel capacity 1600 m³
- Endurance operation 200 days in operation

Fuel consumption

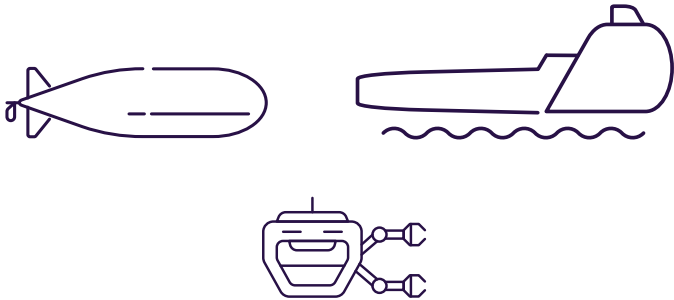
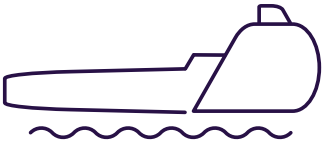
- Operation DP: 7 m³
- Transit (10 kn): 15 m³

Strategic development to meet global demand in the subsea sector

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



Expanding Scope of Work capability 2023 ->



By introducing a combination of AUV's, ROVs and purpose built subsea/survey vessels Argeo will be able to offer full scale subsea services, undertaking larger scope-of-work for clients going forward.

Argeo Argus USV

FIRST COMPLETED PROJECT WITH VERY GOOD PERFORMANCE



“

Argeo is the first company to commercialize this particular solution, and we are pleased the market is responding well asking for discussions to engage our new USV

Uncrewed, remotely supervised survey and inspection vessel

- Fully Uncrewed Surface Vehicle (USV)
- Dimensions: 9x3 meters
- Launched June 16th, 2022
- First commercial project October 28'th 2022

New Hugin 6000

COMMERCIAL 6+6 MONTH PROJECT ONGOING IN INTERNATIONAL WATERS



“

We are pleased to confirm that the project is going according to plan and brings this high-specification into commercial work for the customer.

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

- Ongoing project from September 1st, 2022
- Minimum guaranteed duration of 6-months
- 6-month extension, with estimated completion in H2 2023
- EBITDA contribution for full 12 months of 4.5 MUSD

First Argus project

Focused USV based acquisition project

Project details may be provided in our Q4 presentation or in a separate session due to the project's sensitivity. However, the project stats are excellent with 98% production performance of multi-physics data acquisition in a constrained area.

Argeo was contracted by Multiconsult to survey an area in Norway for an industrial project. Argeo was responsible for planning, execution, data processing, interpretation and reporting.

The project was carried out using Argeo's Argus USV

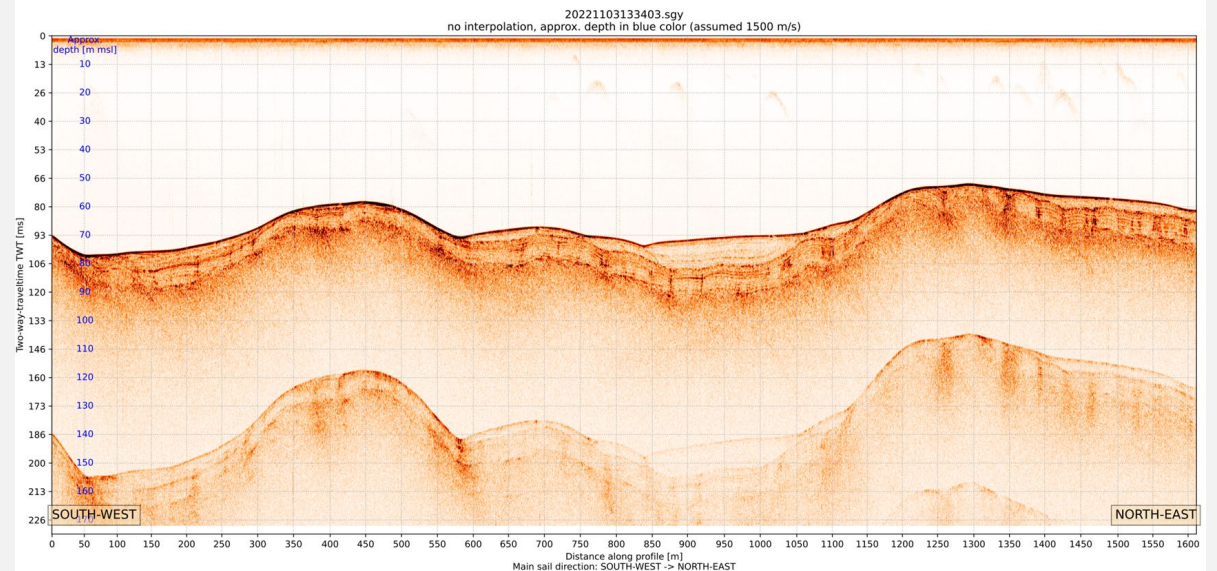
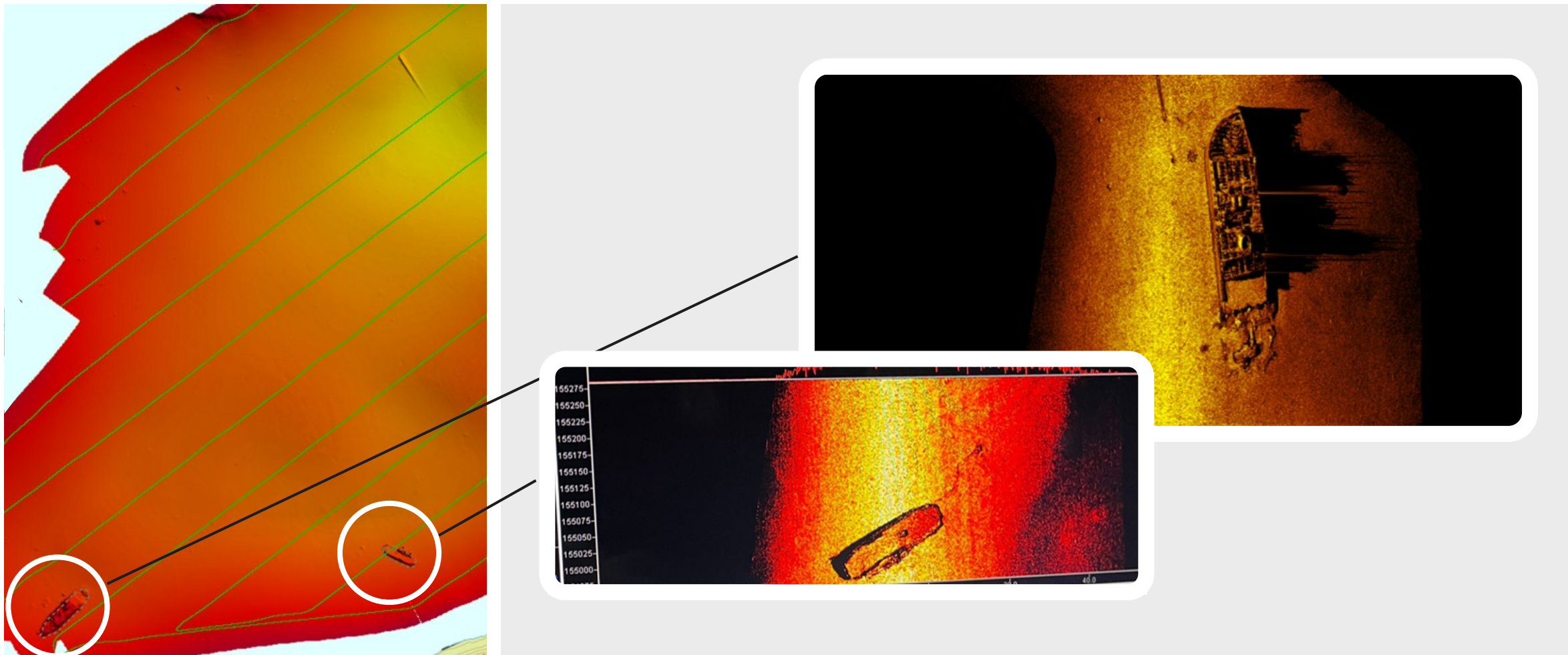
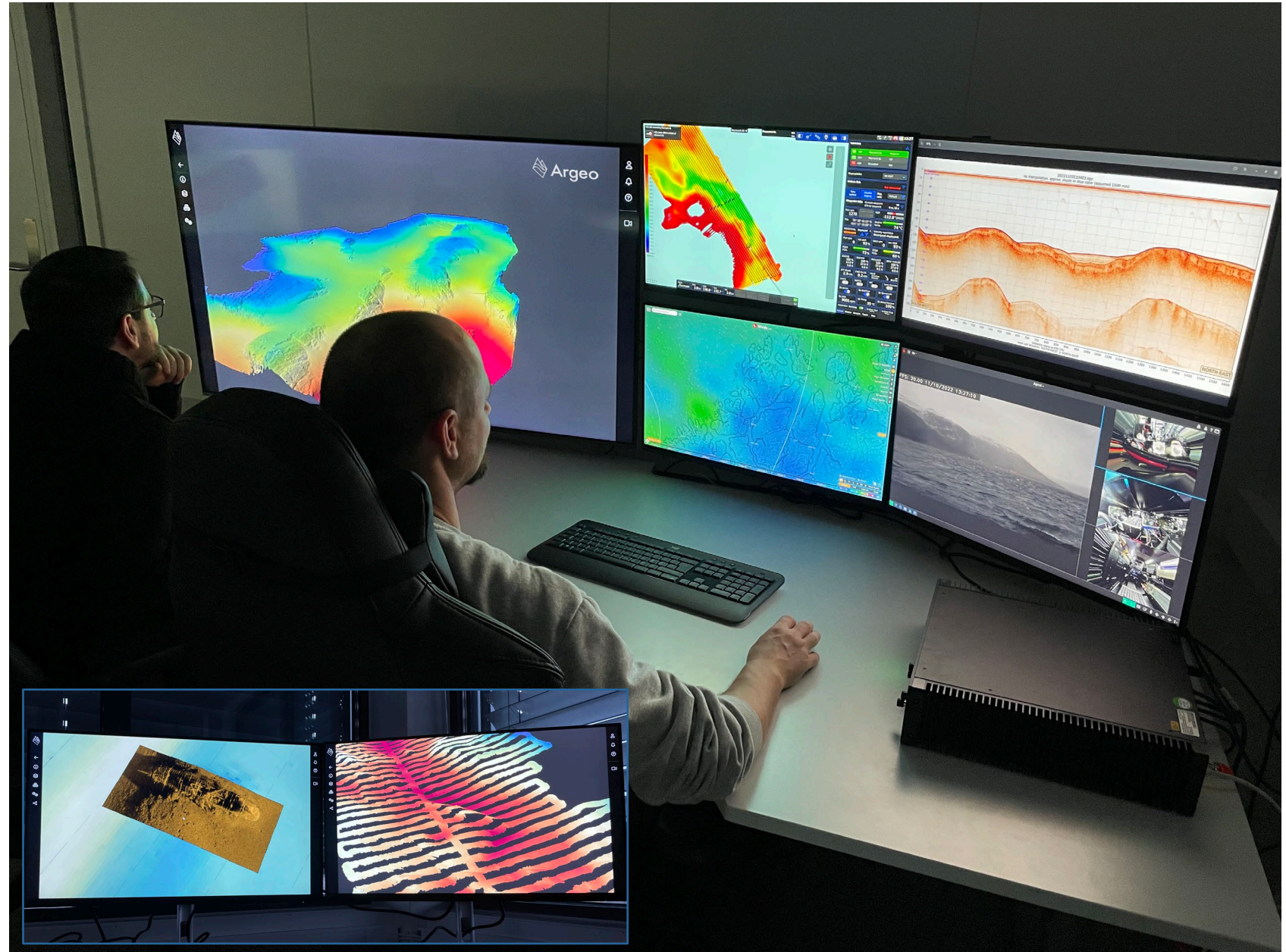


Illustration: Seismic line data acquired with Argus USV

USV project for renewables industry


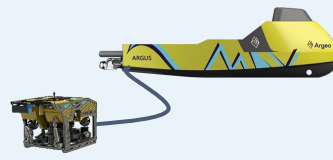
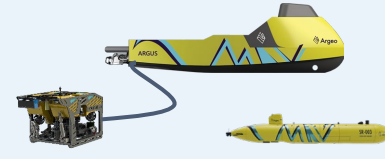
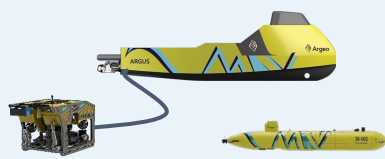
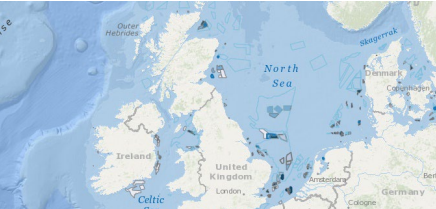





USV project controlled from Argeo Remote



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 |  |  |  |  |  |
| | |  |  |  |  |  |

Argeo's solutions accelerate offshore wind development

ENABLING FASTER RENEWABLES SOLUTIONS

Pre operation concession

Early planning and design

Construction & installation

Operations & maintenance

Decommissioning

Data as a service

REDUCE PLANNING
TIME BY 1-2 YEARS

Earlier access to data

- 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



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► **Commercial & Market update**

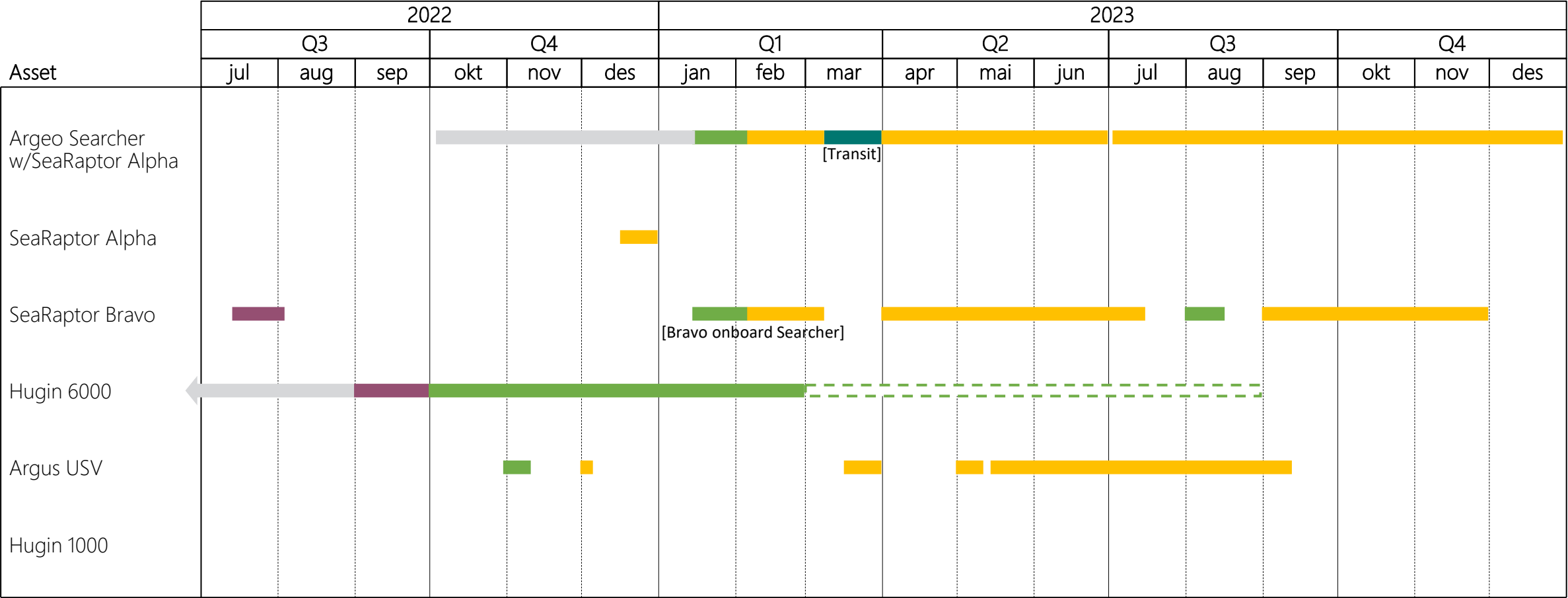
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Tenders and project pipeline solidifying

Argeo Fleet Update Q3-2022



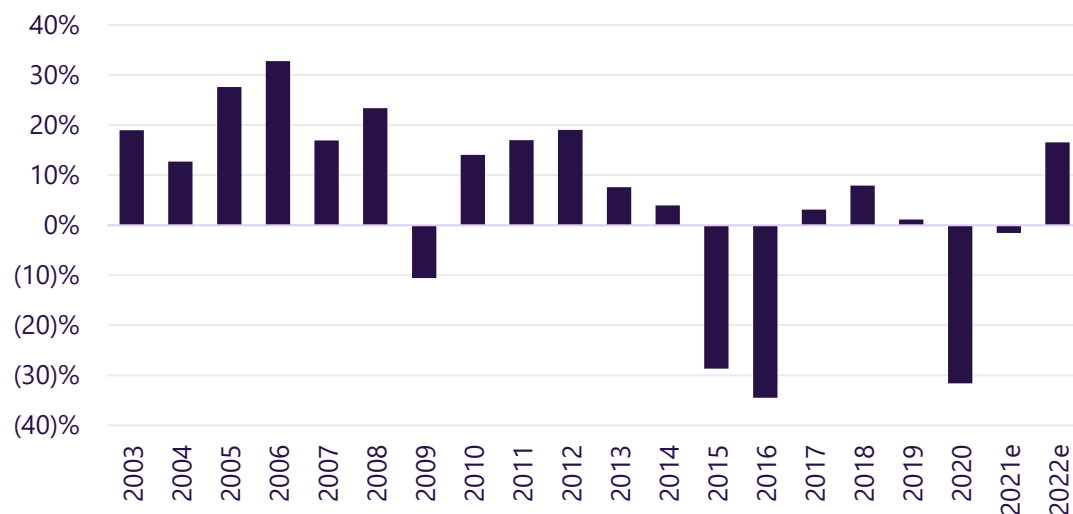
Rescheduling of assets may occur dependent of project commencement and vehicle availability

- = Newbuild phase
- = Completed
- = Inter-regional Transit
- = Contract/Frame Agreement incl. Options (excl. completed projects & MC, ~56 MNOK equiv.)
- = Tender/RFI/Other requests/Prospects (~383 MNOK equiv.)
- = MC (estimated total sales over 5 years ~4 MNOK equiv.)

E&P spending expected to increase significantly

ALONGSIDE SIGNIFICANTLY EXPANDING GLOBAL OFFSHORE CAPEX SANCTIONING

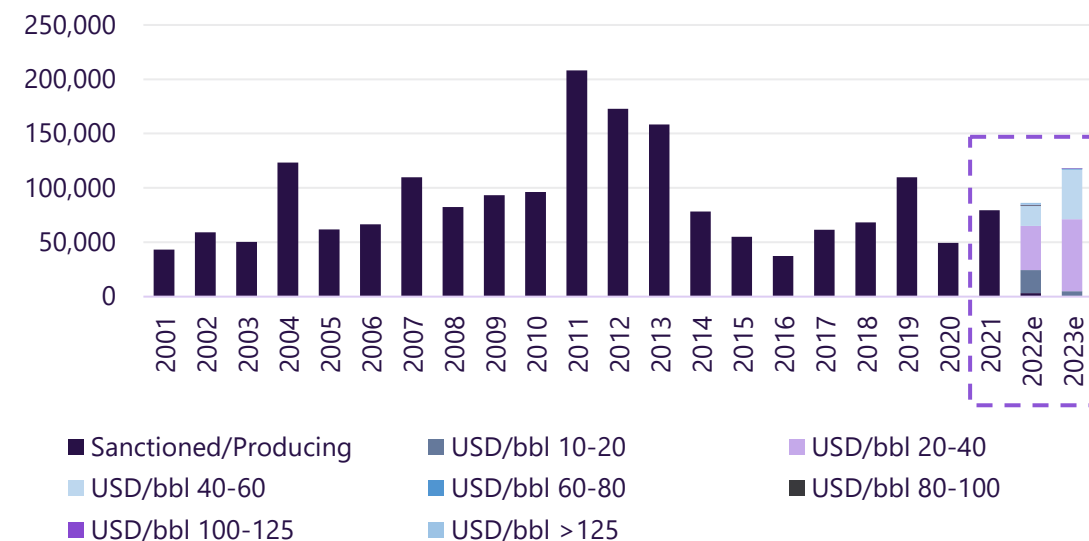
E&P spending (Y/Y)



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

Brazil project sanctioning increase significantly 2023-2026

ARGEIO BRASIL BUSINESS EXPANSION FOCUSING ON STRONG GROWTH MARKETS

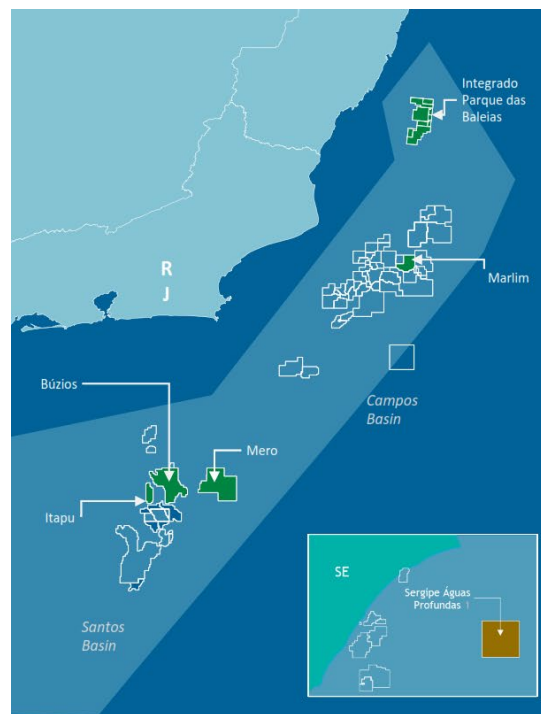
O&G Subsea market (Survey & IMR)

- 12 awarded projects starting from Q2 2022 – Q3 2025
- Further 11 project on tender with expected start 2023 - 2025
- Growing decommissioning requirement in brownfields
- Confirmed 15 new FPSOs from 2022 - 2026
- Significant number of add-on IMR and survey services
- Water depth range from 100 – 3000 meters

Tighter supply and growing rates

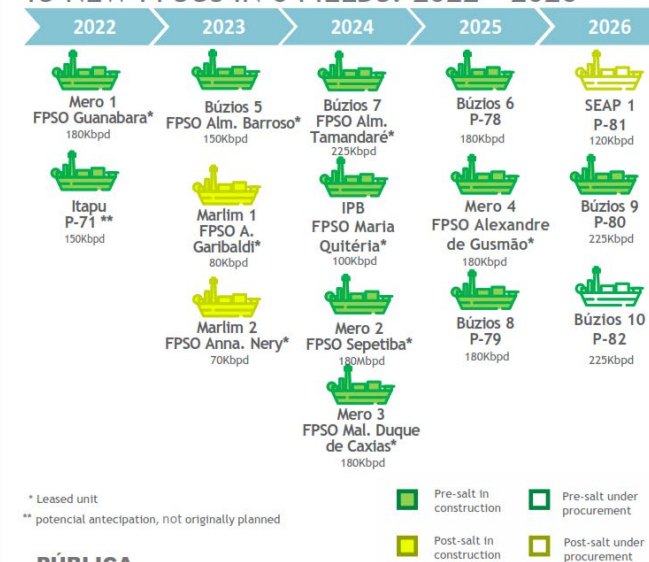
- Very tight market going forward with further strengthening rates (2023-2024)
- Typical OSRV/RSV rates edging beyond 50 000 KUSD (TC)
- Complete spread & vessel pushing 90 000 KUSD -> 2023

Sanctioned FPSO projects 2022-2026



LEADER IN FPSO PROJECTS

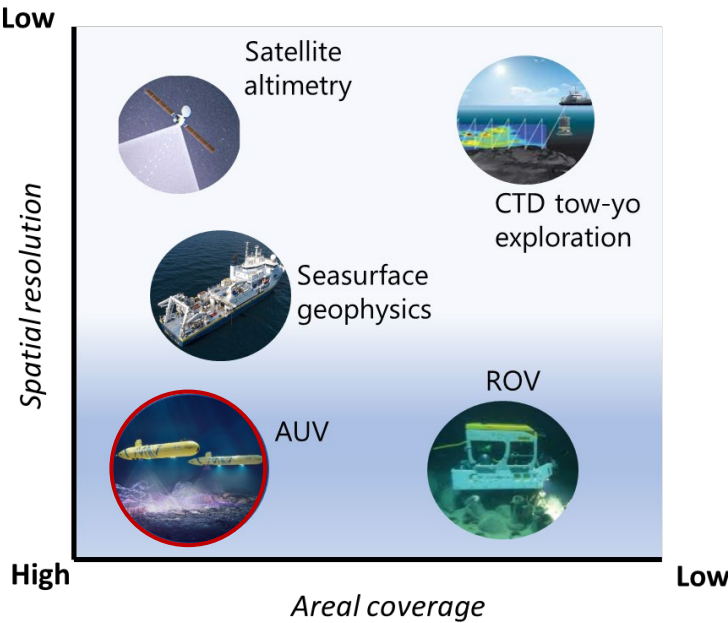
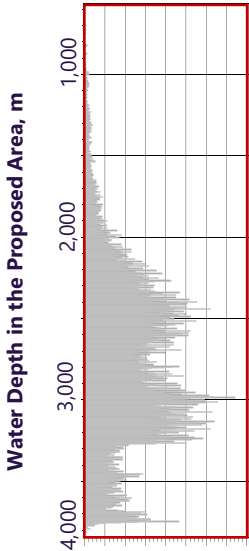
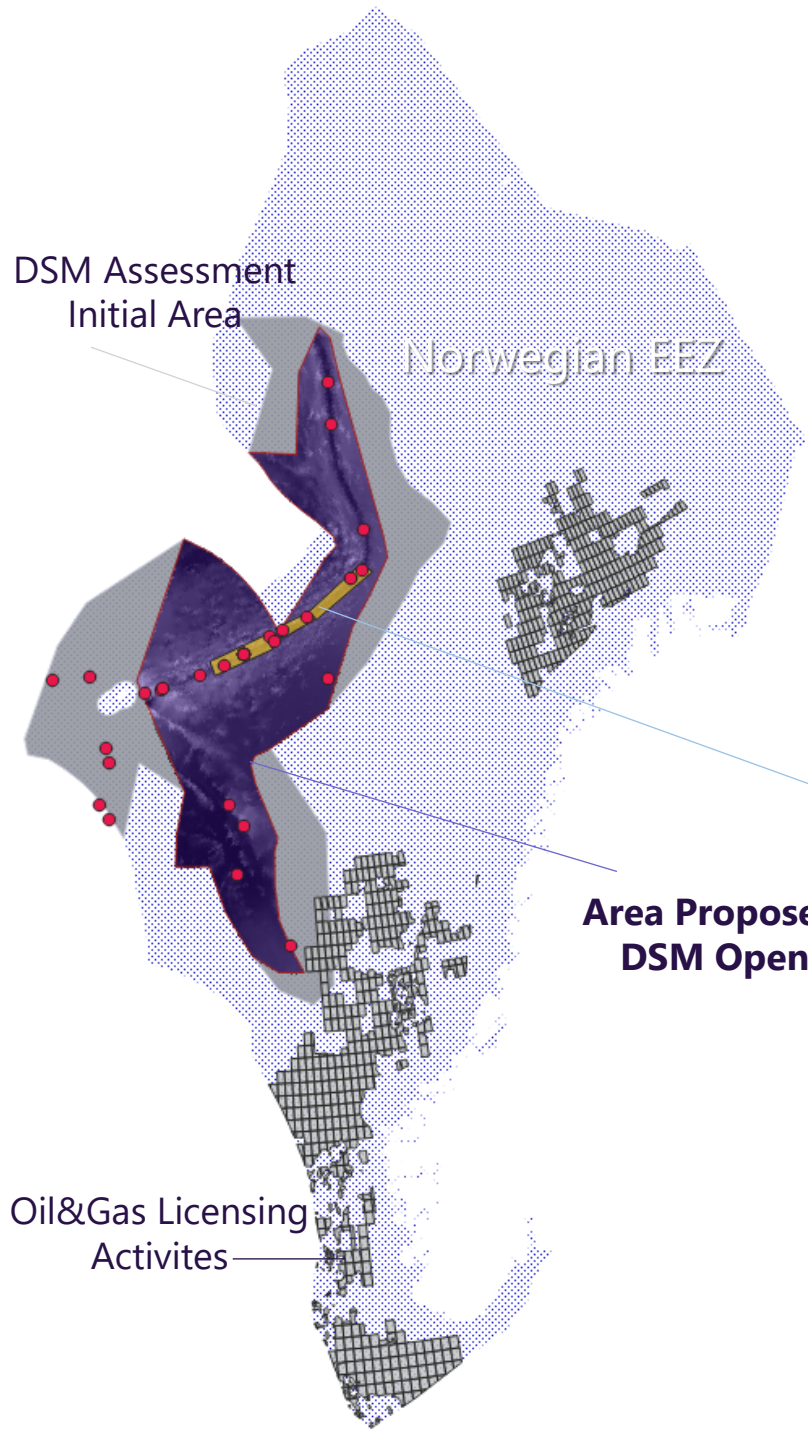
15 NEW FPSOs IN 6 FIELDS: 2022 - 2026



Source: Petrobras

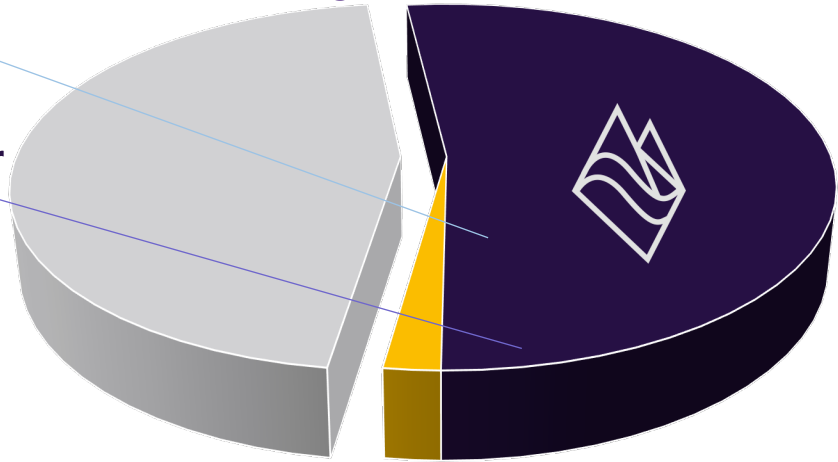
Deep Sea Minerals

Status
Norway



Total DSM Investigation Area: 592 500 km²

Area Proposed for
DSM Opening



Area considered in 2023: 320 000 km²

■ Removed from the Proposal

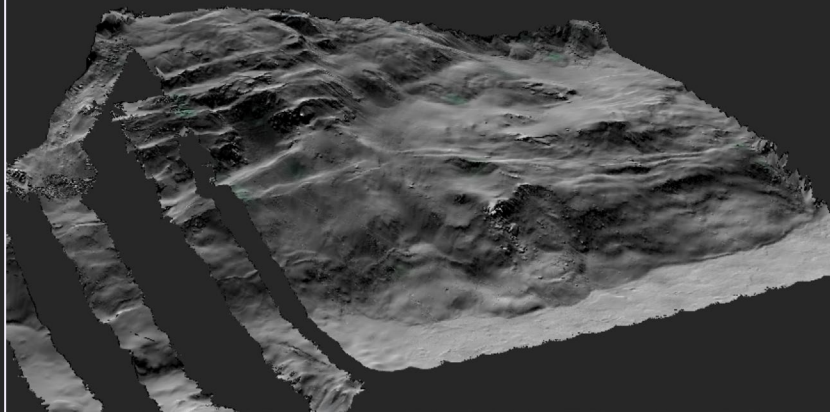
■ Proposed for DSM opening

Argeo SCOPE

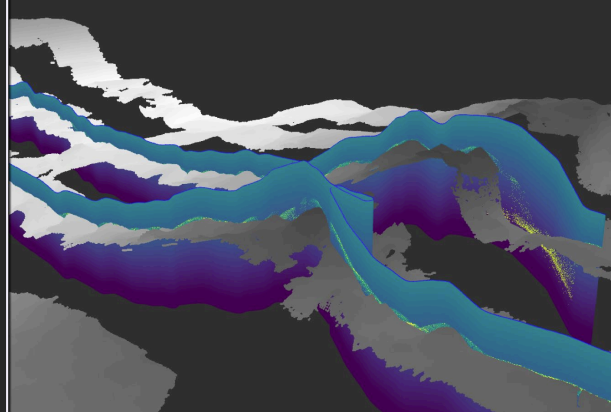
– NPD dataset sneak peek



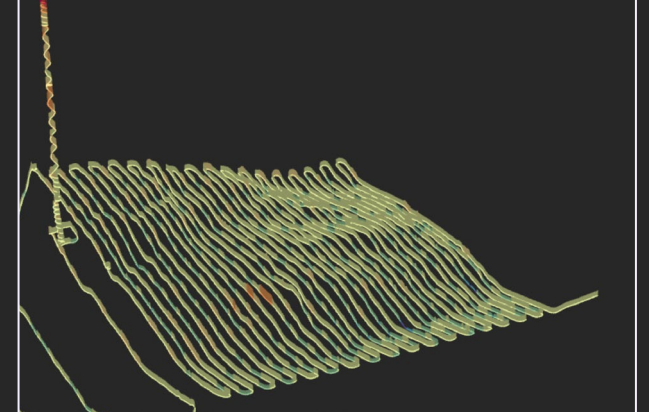
Side-Scan / SAS data draped over bathymetry



SBP / Seismic data



Physical Oceanography Data





Data Management – Argeo SCOPE

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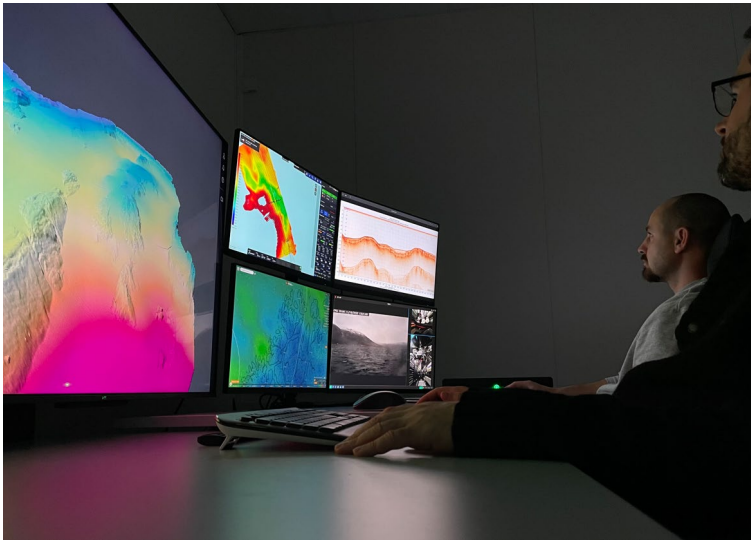
Mission Controlled Operation for USV & eROV

ARGEo MISSION CONTROL CENTRE

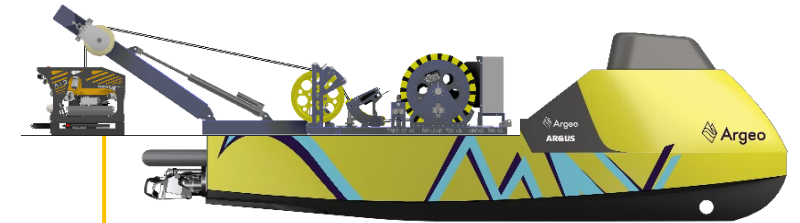
Both client base (on-prem) and containerized operation centres will be made available, supported by Argeo's global Mission Control Centre

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

Supervised operations



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



Unique in-house patented Electro Magnetic sensor technology



"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

Argeo SCOPE

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



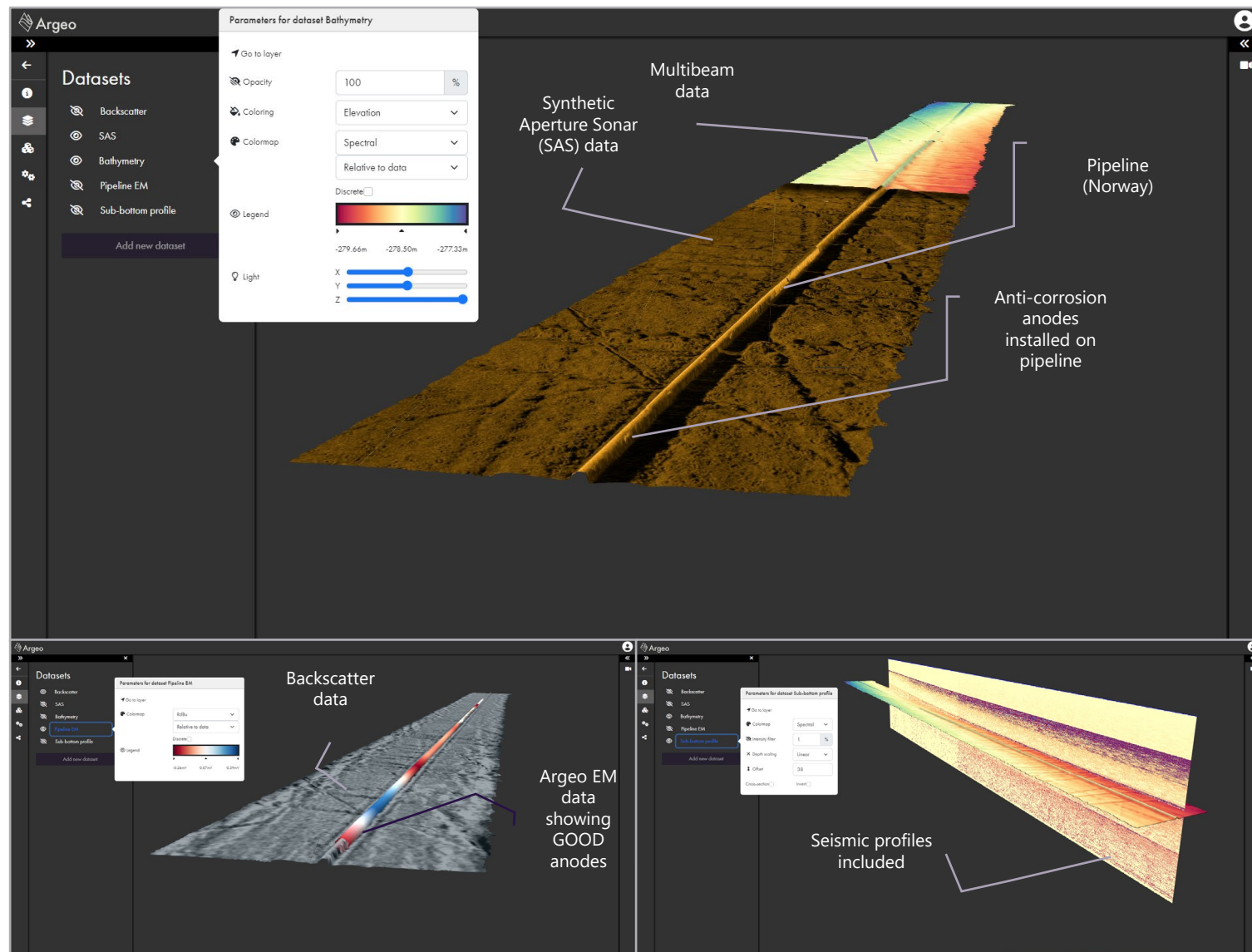
Prediction of subsea movements and remaining lifetime of assets based upon trends in data measured over time

Argeo SCOPE

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

Seamless data fusion from seabed measurements such as:

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



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Income Statement

| Amounts in NOK 1 000 | Q3-2022 | Q3-2021 | YTD 2022 | YTD 2021 | 2021 |
|--------------------------------------|----------------|---------------|----------------|----------------|----------------|
| Operating revenue | 6 535 | 3 406 | 22 743 | 15 411 | 15 842 |
| Operating cost | 5 427 | 4 411 | 23 239 | 11 518 | 17 439 |
| Employee expenses | 15 612 | 5 230 | 44 166 | 11 012 | 22 662 |
| Other operating expenses | 3 426 | 2 543 | 12 948 | 6 732 | 8 755 |
| Capitalisation of cost | -2 940 | -1 445 | -17 876 | -2 284 | -6 367 |
| EBITDA | -14 990 | -7 333 | -39 734 | -11 567 | -26 647 |
| Depreciation | 3 888 | 304 | 7 068 | 911 | 1 276 |
| EBIT | -18 877 | -7 637 | -46 803 | -12 478 | -27 924 |
| Net financial items | -9 608 | -510 | -13 206 | -488 | -38 |
| Profit/(loss) before tax | -28 486 | -8 147 | -60 009 | -12 966 | -27 962 |
| Income tax (expense) | 6 209 | 1 756 | 13 123 | 2 806 | 9 848 |
| Profit/ (loss) for the period | -22 276 | -6 391 | -46 886 | -10 160 | -18 113 |

- Revenue in Q3 2022 is from the AUV deep water work with Bravo in July and from our new Hugin 6000 in September.

- Total expenses in Q3 2022 NOK 24.5 million, down from NOK 33.0 million in Q2 2022.

Decrease is mainly due to having a vessel on charter in Q2.

- Net financial items includes NOK 10 million unrealized exchange loss on the seller's credit nominated in USD

Balance Sheet

| Amounts in NOK 1 000 | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--------------------------------------|----------------|----------------|----------------|
| ASSETS | | | |
| Intangible assets | 22 208 | 5 783 | 7 647 |
| Deferred tax asset | 23 382 | 3 117 | 10 259 |
| Multi-client library | 4 000 | 0 | 0 |
| Property, plant and equipment | 222 315 | 68 346 | 3 965 |
| Shares in associated companies | 5 091 | 5 754 | 5 479 |
| Total non-current assets | 276 997 | 83 000 | 27 350 |
| Trade receivables | 757 | 7 726 | 6 164 |
| Other current assets | 4 540 | 1 877 | 67 964 |
| Cash and cash equivalents | 42 458 | 78 955 | 65 862 |
| Total current assets | 47 755 | 88 558 | 139 990 |
| Total assets | 324 752 | 171 558 | 167 340 |
| EQUITY AND LIABILITIES | | | |
| Equity | 171 523 | 156 004 | 148 051 |
| Long term debt | 121 822 | 6 273 | 5 933 |
| Total non-current liabilities | 121 822 | 6 273 | 5 933 |
| Trade payables | 13 694 | 5 598 | 6 288 |
| Other current liabilities | 17 713 | 3 682 | 7 068 |
| Total current liabilities | 31 407 | 9 280 | 13 356 |
| Total liabilities | 153 229 | 15 554 | 19 289 |
| Total equity and liabilities | 324 752 | 171 558 | 167 340 |

- Intangible assets includes capitalized cost to Argeo Scope and the other development projects.
- PPE includes two SeaRaptor's, one Hugin 6000 and Argus USV.
- Long term debt is mainly seller's credit on 3 AUV's.

Cash flow statement

| Amounts in NOK 1 000 | Q3-2022 | Q3-2021 | YTD 2022 | YTD 2021 | 2021 |
|--|-----------------|----------------|-----------------|----------------|----------------|
| Cash flow from operating activities | | | | | |
| Profit/(loss) before tax | -28 147 | -8 147 | -60 009 | -12 966 | -27 962 |
| Depreciation | 3 888 | 304 | 7 068 | 911 | 1 276 |
| Financial income | -55 | 0 | -58 | 0 | -89 |
| Financial expense | 8 853 | 66 | 12 877 | 204 | 433 |
| Gain/loss equity investments | 293 | 149 | 387 | 195 | 471 |
| Change in current assets | 67 294 | 4 672 | 68 831 | -3 294 | -69 420 |
| Change current liabilities | 12 807 | -3 383 | 18 051 | -7 386 | -1 810 |
| Net cash from operating activities | 64 932 | -6 339 | 47 148 | -22 336 | -97 101 |
| Cash flow from investing activities | | | | | |
| Investment in property, plant and equipment | -162 506 | -37 555 | -224 505 | -68 458 | -3 687 |
| Investment in intangibles | -2 634 | -1 445 | -15 474 | -2 284 | -4 903 |
| Investment in Multi-client | 0 | 0 | -4 000 | 0 | 0 |
| Net investment in associated companies | 0 | 0 | 0 | -5 871 | -5 871 |
| Sale AUV to associated company | 0 | 0 | 0 | 10 838 | 10 838 |
| Net cash from investing activities | -165 140 | -39 000 | -243 980 | -65 776 | -3 624 |
| Cash flow from financing activities | | | | | |
| Net proceeds from new equity | 0 | 0 | 70 358 | 159 911 | 159 911 |
| Proceeds from new debt | 92 354 | 0 | 122 743 | 0 | 0 |
| Repayment of interest-bearing debt | -16 557 | -340 | -20 478 | -420 | -760 |
| Financial income | 55 | 0 | 58 | 0 | 89 |
| Financial expense | -147 | -66 | -443 | -204 | -433 |
| Net cash flow from financial activities | 75 706 | -406 | 172 238 | 159 287 | 158 807 |
| Net change in cash and cash equivalents | -24 502 | -45 745 | -24 594 | 71 175 | 58 082 |
| Cash and cash equivalents beginning of period | 65 958 | 124 699 | 65 862 | 7 780 | 7 780 |
| Net currency exchange differences | 1 002 | 0 | 1 190 | 0 | 0 |
| Cash and cash equivalents end of the period | 42 458 | 78 955 | 42 458 | 78 955 | 65 862 |

- Positive change in current assets in Q3 22 mainly due to pre-payments in Q2 22 on equipment which was delivered in Q3 2022.
- Investment in PPE NOK 162.5 million in Q2 2022 is mainly for SeaRaptor Bravo, Hugin 6000 and Argus USV.
- Investment in intangibles NOK 2.6 million in Q3 2022.
- New debt is seller's credit on the two AUV's delivered in Q3 2022
- Repaid NOK 16.5 million seller's credit and other debt in Q3 2022.

Summary

Fleet growth, and new assets has been brought into **commercial operations**.

Qualified in the most important geomarkets and **well positioned** for several large contracts.

Strong market outlook in O&G and renewables

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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Oil & Gas market strong and large tenders could convert to sizable contracts the short term

Offshore Wind activity steadily growing with special focus on EAME market

Deep-sea mineral (DSM) market is showing very positive dynamics with increased demand

Norwegian government passed an important milestone in the process of a potential "Opening of areas for mineral activities"

Total area considered for DSM activities is 592 500 sq.km, of this, roughly 320 000 sq.km (55%) is considered for opening

We are estimating a business potential exceeding 2 billion USD (survey data acquisition, sampling, and analysis) over the next 5-10 years

► **Thank you**