



Fast expanding
offshore service provider
with growth
in three major markets

9 October 2023

Company update

Trond F. Crantz, CEO Argeo

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

Today's presenters



Trond Figenschou Crantz

Chief Executive Officer

Group CEO since 2017

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



Odd Erik Rudshaug

Chief Financial Officer

Group CFO since 2020

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

Argeo background

- Argeo was founded (in its current form) in 2020 and listed on Euronext Growth in 2021
- Currently listed on the Euronext Growth
- The company considers uplisting to Oslo Børs H1-2024
- Major shareholders¹:
Kistefos: 21.3%
Shearwater: 17.6%

¹) After issuance of 20 123 625 shares to Shearwater

Argeo in brief

Argeo is an Offshore Service company with a mission to transform the ocean surveying and inspection industry by utilizing autonomous surface and underwater robotics solutions.

Services



SURVEY



INSPECTION



MAINTENANCE
& REPAIR



MULTI CLIENT
/ DAAS

Markets



OIL & GAS



RENEWABLES

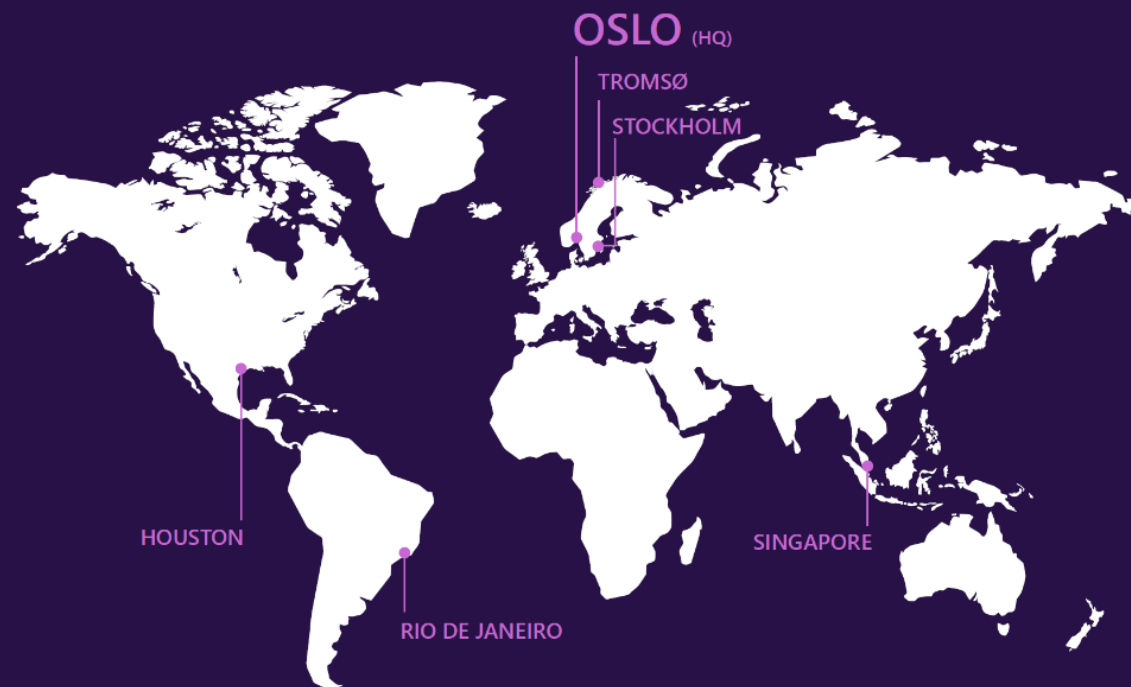


OCEAN BOTTOM
NODE (OBN)



MARINE
MINERALS

► Close to our customers



LISTED
ON Euronext Growth



Argeo

Argeo conducts ocean surveys & inspections using autonomous robotic solutions

Argeo uses autonomous and underwater robotics solutions, including Autonomous Underwater Vessels (AUVs) and Work-Class ROVs, to conduct ocean surveys & inspections

CLIENTS INCLUDE:



Oil & Gas companies

Inspection, Maintenance, Repair and Survey (IRMS)

Greenfield development, route survey connection with installation of FPSOs, inspection of existing pipelines, power cables and subsea infrastructure. Subsea inspection programs and general maintenance activities. Seismic support operation for Ocean Bottom Node (OBN) in cooperation with Shearwater Geo.



Offshore wind companies (OWS)

Pre-installation and route Survey (IRMS), cable burial inspection and verification

Survey of new areas prior to installation and inspection relating to building of offshore wind farms in connection with installation of offshore wind parks, installation of power cables and fibre cables and inspections of infrastructure. Multi-Client (MC) for greenfield acreage prior to concession rounds



Marine minerals companies / Geological institutions

Exploration surveys related to new licenses and Resource estimation. Environmental assessments prior and after exploration and extraction activities

Some of our clients include:



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

ROBUST STRATEGY

with growth in three major markets



Oil & Gas



Marine Minerals



Renewables



SURVEY



INSPECTION



MAINTENANCE
& REPAIR



OCEAN BOTTOM
NODE (OBN)



MULTI CLIENT
/ DAAS

Groundbreaking agreement with Shearwater

Argeo entered into agreements with Shearwater where:

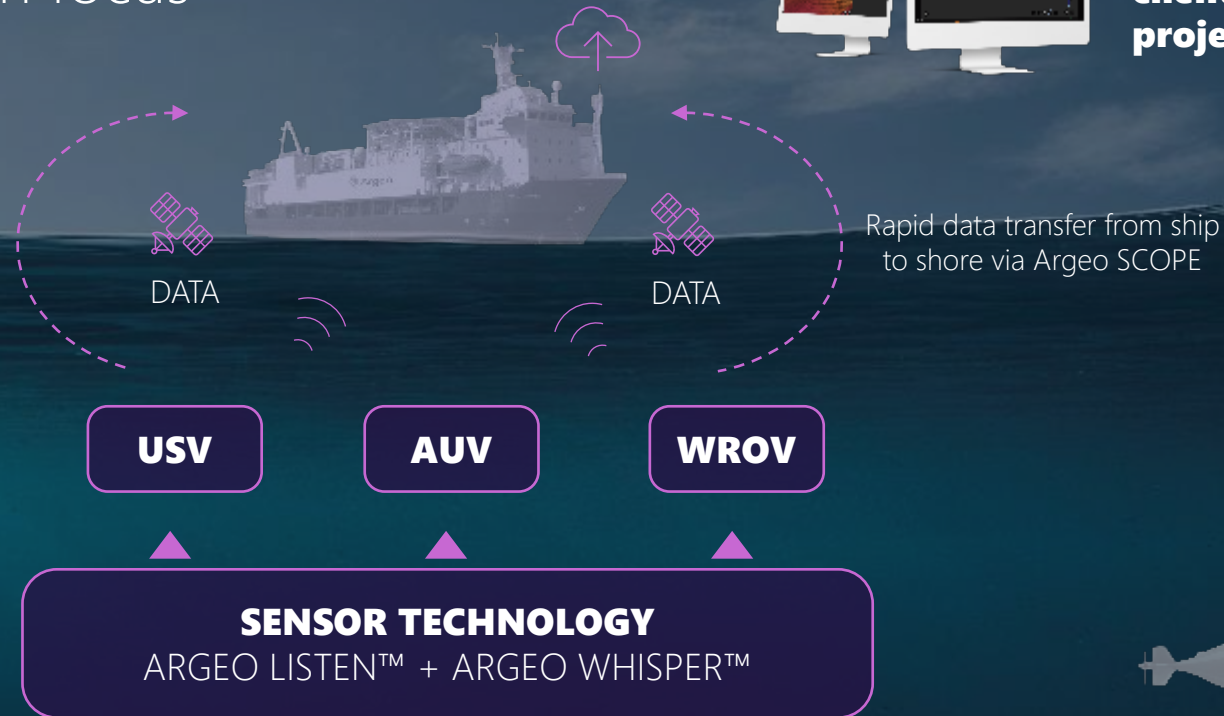
- **MOA to purchase the vessel SW Bell for USD 6m + 20.13 million Argeo shares**
To be converted from a Towed-Streamer Seismic vessel to a full subsea Inspection, Maintenance and Repair (IMR) vessel for AUV and ROV work. Indicative Ship Broker valuation of converted vessel of minimum USD 30 million
- **Argeo and Shearwater create a strategic transformative alliance for shared subsea activities**
Expanding Argeo's global presence in the offshore energy sector, unlocking openings for new opportunities with shared clients and projects for both Argeo and Shearwater
- **Together, Argeo and Shearwater will provide a more comprehensive service portfolio**
- bolstered by a global market presence in all geographical regions
- **The parties enter into a capacity agreement (CA)**
Enabling Shearwater to hire vessel capacity from Argeo for Shearwater's ocean bottom node (OBN) operations
- **The transaction is endorsed by the Board of Directors of both companies**
- **Shearwater will appoint one board member on the board of Argeo**

Complete service solution

Technology supported growth focus

Argeo use novel technology protected by strong IP to provide its customers with a unique service solution in all market verticals. Sentral to the complete subsea solution is:

- Cost efficient subsea vessels
- Embedded robotics tools (AUV/ROV/USV)
- Integrated patented sensor technology
- Ship-to-Shore digital data management platform Argeo SCOPE™



DIGITAL PLATFORM

ARGEO SCOPE™

Decision ready data to clients during mission and project lifecycle

All assets are to have
Argeo sensor technology embedded

STRONG POSITION

WITH A COMPETITIVE EDGE

ARGEO LISTEN

For Oil & Gas: Inspection of subsea pipelines and other infrastructures by controlling that the cathodic protection system works according to expectation or not.

For OWS: Positioning and detection of active buried power cables

For Marine Minerals: Detect deposits of minerals on the seafloor by measuring the weak electromagnetic field created by the minerals and the surroundings.

ARGEO WHISPER

For Oil & Gas:
Detection, tracking and positioning of pipelines on or below the seafloor.

Decommissioning:
Detect metal objects on the seafloor for removal.

For OWF and electrification of Offshore O&G:
Positioning and tracking of inactive/broken power cables.

ARGEO DISCOVER

For Marine Minerals:
Estimation of Marine mineral deposit volumes.

PATENT PROTECTED

- An active Electromagnetic method for tracking buried pipelines
- An active electromagnetic method for detection of buried objects

PATENT PROTECTED

- An active Electromagnetic method for tracking buried pipelines
- An active electromagnetic method for detection of buried objects

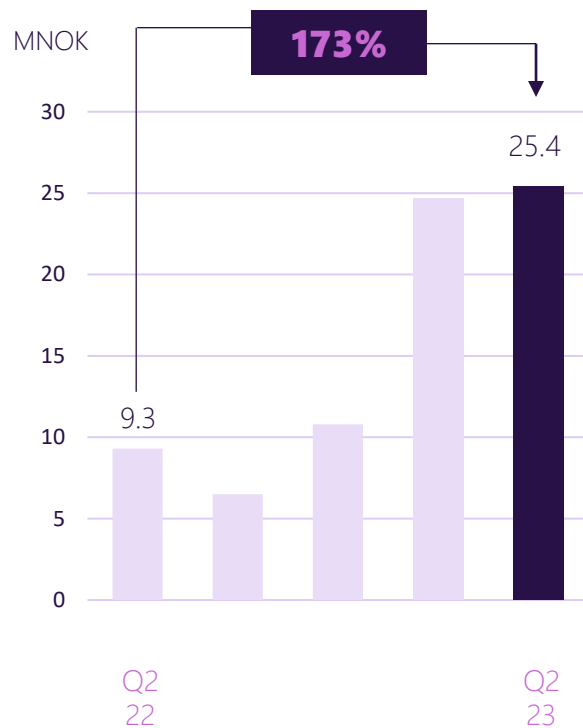
Recent highlights

- **Update on backlog – in reference to earlier press releases now totals NOK 250 million with extended scope of work in final approval process. This will keep both vessels fully utilized into early Q2-2024.**
 - In principle agreement with Supermajor O&G company on a 3-month subsea Inspection program with commencement in Q4. Argeo Searcher will be used for the project which also has possibilities for extension.
 - Greenfield exploration project with commencement late Q4 2023 and duration of 4-month. Argeo's newly acquired vessel from Shearwater will be used for the project. Final award announcement expected in November.
- **Submitted tenders of NOK 600 million and further tenders in progress of NOK 1200 million reaching into 2028 not including above backlog**
 - Strong tender activity in all verticals with deep-water markets in West-Africa and Brazil leading the bulk of activities for 2024 and beyond. Scaling up activities for marine minerals exploration will be significant over the next years with large projects in both the Pacific, Atlantic and Indian Oceans being sanctioned.
- **Secured new financing: NOK 131 million loan and credit facility from Norwegian bank**
- **Secured fully financed purchase agreement of 3 new Hugin AUVs from Kongsberg with delivery 2023, 2024 and 2025 of NOK 275 million with lease term of 4-years**
- **Secured financial agreement with shipowner to upgrade Argeo Searcher to full subsea capability of up to NOK 40 million**

Strong revenue growth and record backlog

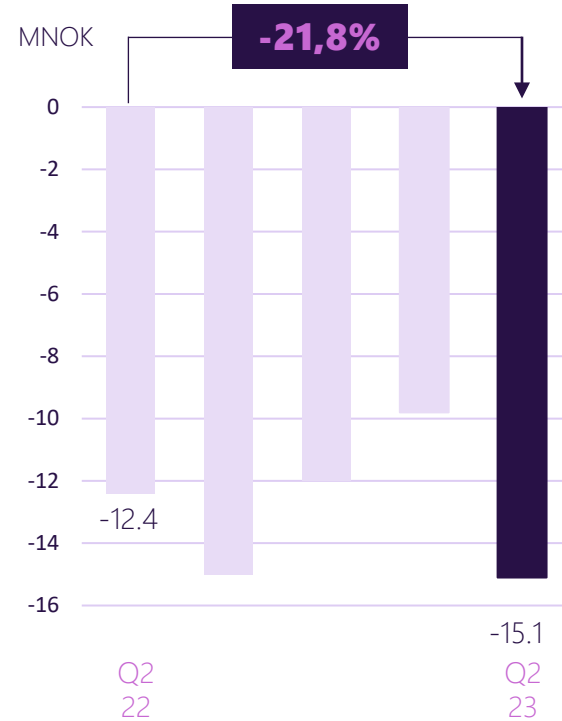
REVENUES

25.4



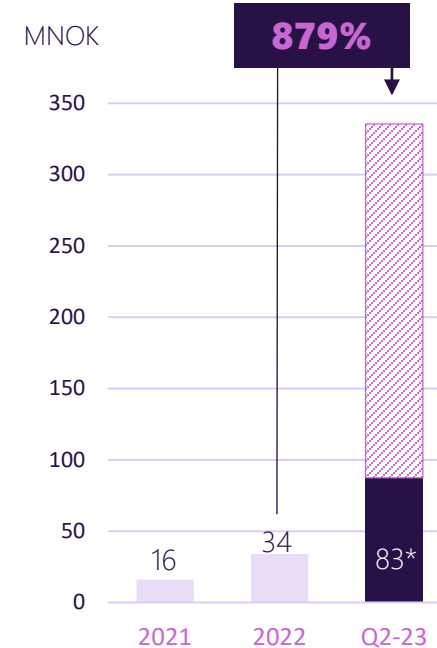
EBITDA

-15.1



BACKLOG

333

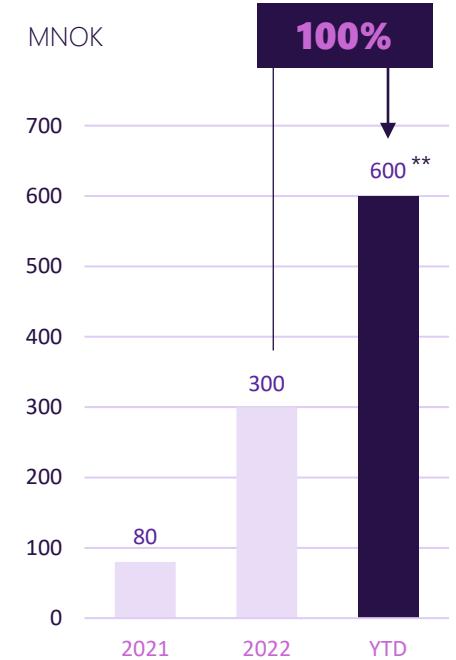


* Backlog figure from 01.07.2023

■ NOK 250 million added to backlog after 01.07.2023

SUBMITTED TENDERS

600



** Since Q2, NOK 250 million of Submitted tenders of total 850 has been converted to contracts per 01.07.2023. Submitted Tenders is therefor reduced to NOK 600 million

Numbers are in MNOK

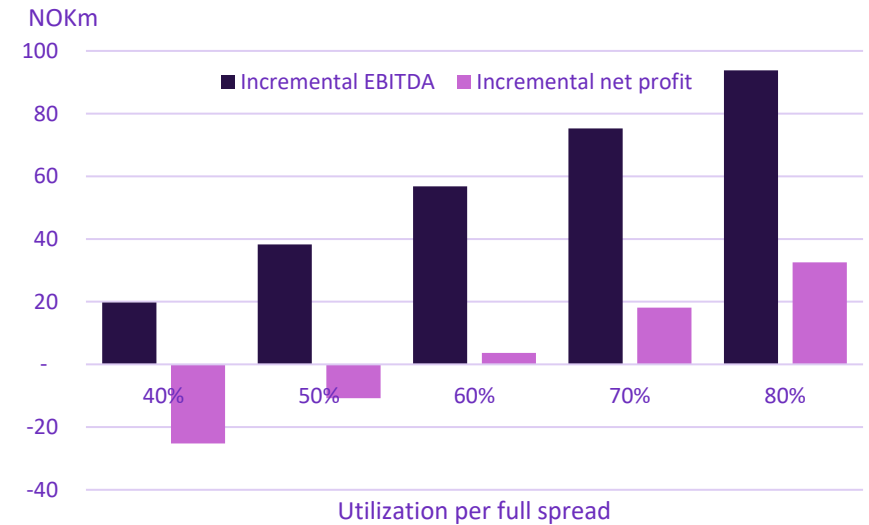
Scale is key to profitability

- Currently one full spread operational, one more from Q4-23
- Capex requirement of NOK 250-300 million per full spread
- **Target of 80% utilization implies annual EBITDA per full spread of close to NOK 100 million per year***
- EV/EBITDA less than 3x at 80% utilization
- Implies unit-level net profit contribution of more than NOK 30 million (before SG&A and fixed costs)*

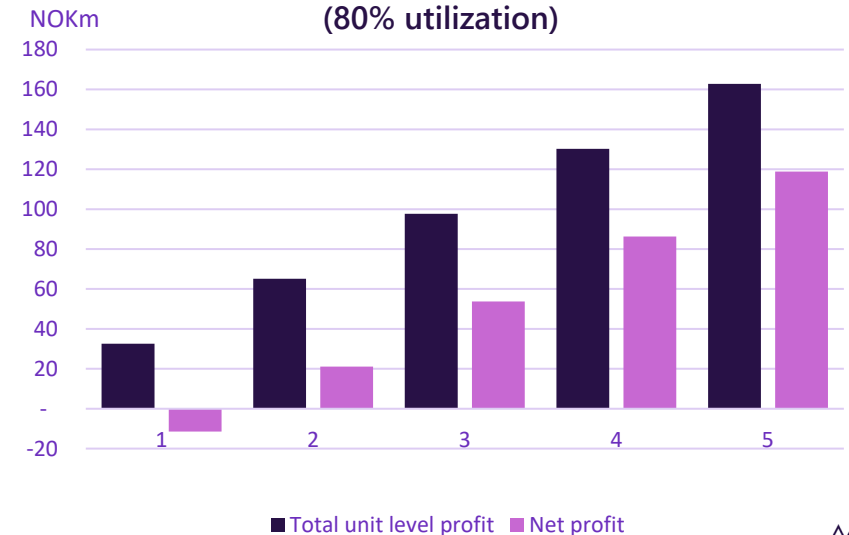
* Key assumptions:

- NOK 270 million capex
- Financed 50% by debt
- Depreciated over 7 years
- 22% tax
- Current S, G&A cost budget of NOK ~32 million is expected to increase with 20% for additional unit

Illustrative unit economics



Illustrative economies of scale (80% utilization)



Expansion for continuous growth



Illustrative expansion of vessel spreads



AUV & ROV SURVEY & INSPECTION
VESSEL

Argeo Searcher is an effective multipurpose RSV vessel equipped with AUV/ROV with an excellent performance and track record for several O&G clients worldwide since built/upgraded in 2001/2006



► RSV Argeo Searcher

Argео Searcher is a versatile and fuel-economic Multipurpose Inspection, Maintenance and Repair (IMR), Greenfield survey vessel and Mineral Exploration vessel, rigged to meet our customer's needs. Argeo Searcher boasts outstanding survey capacity and productivity with Hugin Superior Autonomous Underwater Vehicles (AUVs) and a Work ROV system. Along with our seamlessly integrated electromagnetic sensor systems Argeo LISTEN and Argeo WHISPER our customers can achieve unprecedented deep-water data acquisition and interpretation capabilities.

Vessel info

- Length 108,6m x breath 18m
- Class: BV, AUT-UMS, HEL, DYNAPOS-AM/AT-R
- Long endurance diesel electric propulsion
- OSM Management
- Capacity for 65 persons onboard
- FRC: Norsafe with diesel waterjet propulsion
- Helideck for Super Puma 9.3t



AUV & ROV SURVEY & INSPECTION
VESSEL

Argeo TBN is a
multipurpose subsea IMR
vessel equipped for ultra
deep-water and ocean
bottom node operations



► Argeo (to be named)

Argeo TBN is a versatile and fuel-economic multipurpose subsea IMR vessel equipped for ultra deep-water and ocean bottom node operations, rigged to meet our customer's needs. The vessel boasts outstanding survey capacity and productivity with Hugin Superior Autonomous Underwater Vehicles (AUVs) and dual Work ROV systems. Along with our seamlessly integrated electromagnetic sensor systems Argeo LISTEN and Argeo WHISPER our customers can achieve unprecedented deep-water data acquisition and interpretation capabilities.

Vessel info

- Length 88,8m x breadth 19m
- Class: DNV HEL, DYNAPOS
- Long endurance diesel electric propulsion
- OSM Management
- Capacity for 69 persons onboard
- FRC: Norsafe with diesel waterjet propulsion
- Helideck for SIKORSKY S61-N

SUPERIOR CAPACITY

ARGEО ROBOTICS FLEET



SUPERIOR CAPACITY

WITH UNPARALLELED SENSOR TECHNOLOGY

SEARAPTOR AUV



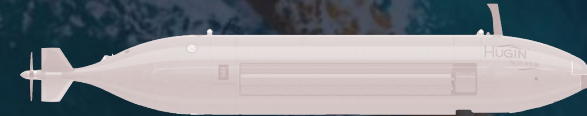
- Up to 40 hours battery capacity
- 6000m depth rating
- Wide range of available sensor integrations
- Visual, bathymetric and sonar survey data
- Navigation sensors and acoustic aiding
- Argeo LISTEN™ and Argeo WHISPER™

HUGIN AUV



- Up to 60 hours battery capacity
- Depth rated to 6,000m
- Wide range of available sensor integrations
- Visual, bathymetric and sonar survey data
- Navigation sensors and acoustic aiding
- Argeo LISTEN™ and Argeo WHISPER™

HUGIN SUPERIOR AUV



- Up to 80 hours battery capacity
- Depth rated to 6,000m
- Wide range of available sensor integrations
- Visual, bathymetric and sonar survey data
- Navigation sensors and acoustic aiding
- Argeo LISTEN™ and Argeo WHISPER™

FLEET EXPANSION

- New Hugin Superior costs USD [8.6] million
- Collects data over large areas of 1.5- 4.5 km2 per hour in water depths up to 6000m
- Autonomous - Deployed from ship and collected after completed operations
- Clients are E&P companies, State/Private Marine Minerals companies and Offshore Wind com

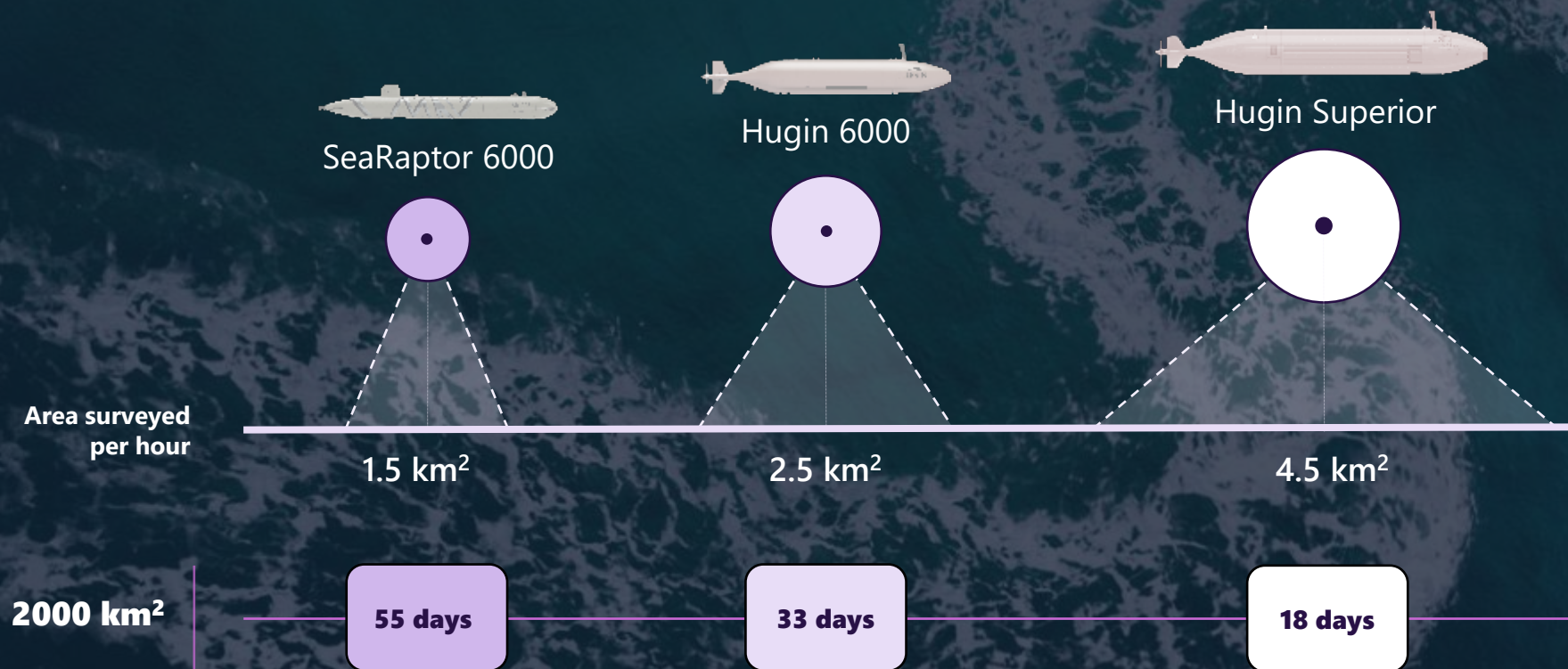
Delivery schedule

- 1st Hugin Superior Q4 2023
- 2nd Hugin Superior Q1 2024
- Hugin 6000 Q1 2025

3x AUVs fully financed

- Fully financed purchase agreement
- Lease term of 4 years
- Total financing deal of USD 25 m for AUVs

INCREASED PRODUCTIVITY



Hugin Superior has superior technology

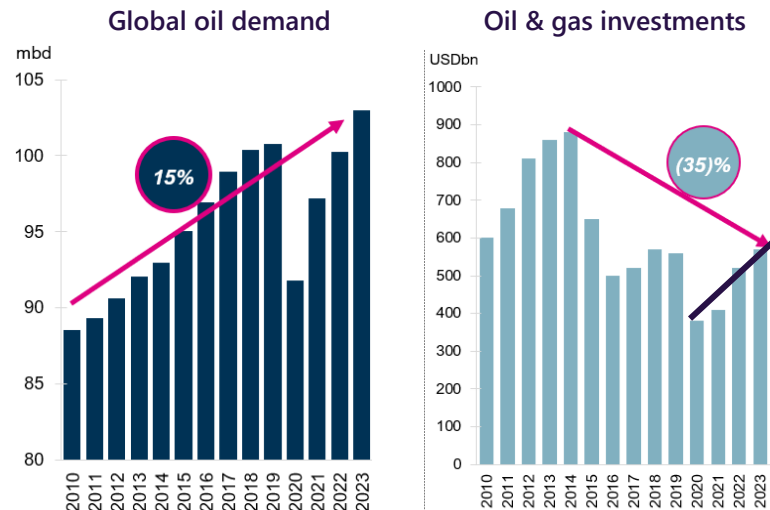
- Doubling production over previous systems (SeaRaptor)
- Will be fitted with Argeo sensor systems
- Increased battery capacity (80hrs)
- Continuous production per dive equals collection of high-resolution data over an area equal to 15,000 football fields

Agenda

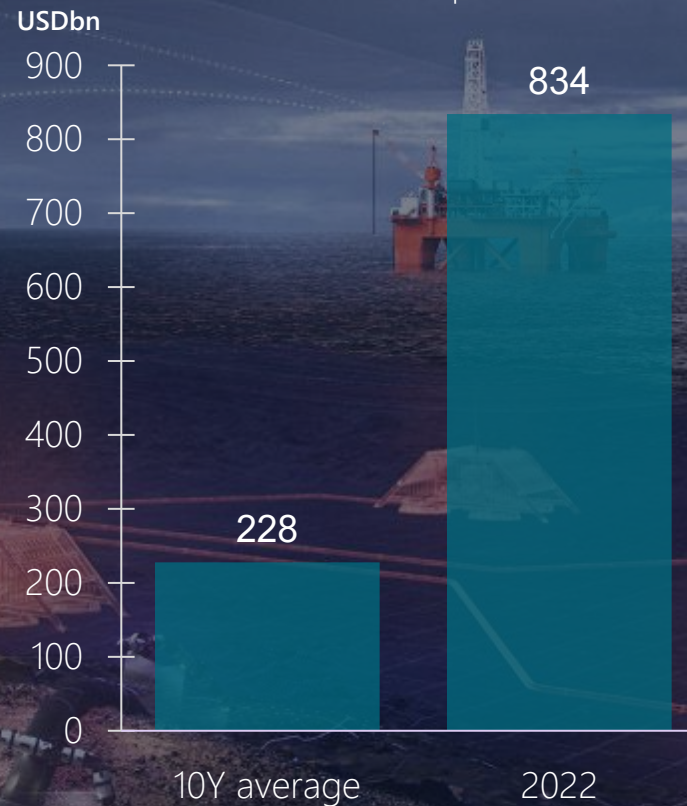
Market focus

Oil & Gas: Record high demand

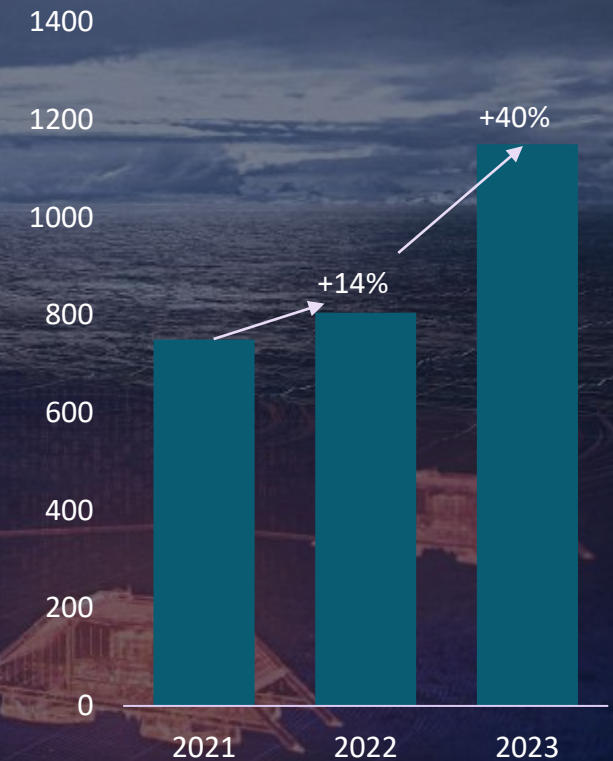
Record high demand – low investments



Strong near-term cash flow for oil companies



Growth in OBN market OBN mid-deepwater market



Offshore wind: Strong growth predicted

Offshore wind in numbers

~55 GW

Fully commissioned capacity

~200 TWh

Annual production

~97%

Located in Europe & China

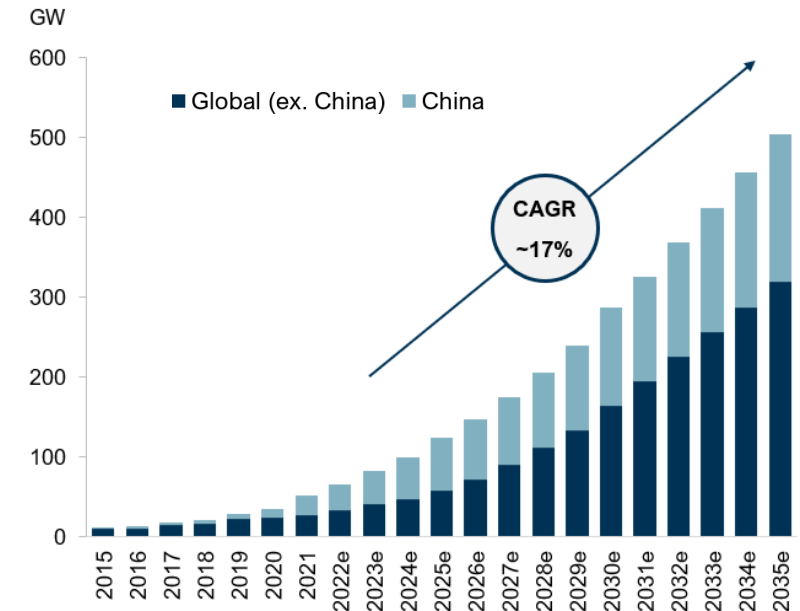
~17%

Annual capacity growth*

(*): Global incl. China 2022E-2035E

Source: Pareto Securities Equity Research, BNEF H1'22 Offshore wind market outlook

Globally installed offshore wind capacity



Energy transition: Increased need for marine minerals

Critical mineral demand per application: 2022-2035 (CAGR)

BATTERIES

+ 18.0 %

WIND POWER

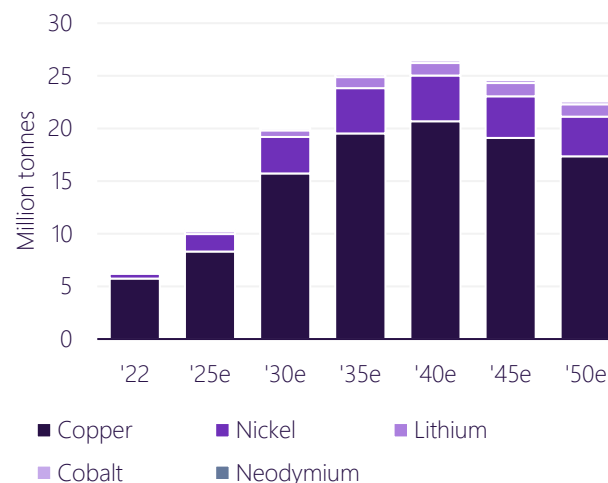
+ 9.4 %

SOLAR POWER

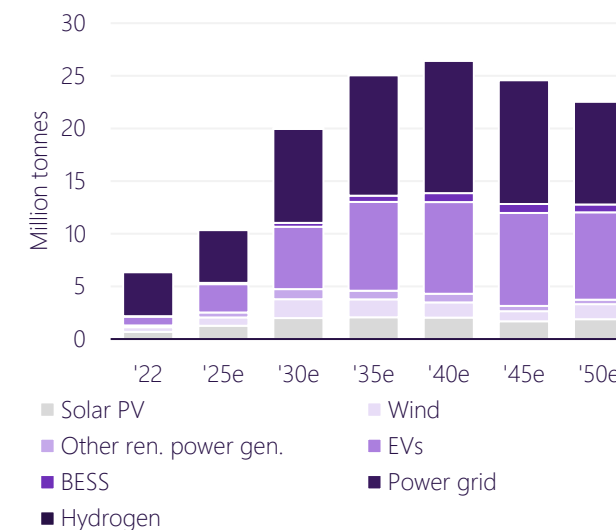
+ 8.0 %

Key metals demand for clean technologies

A vast amount of minerals are needed to enable the energy transition

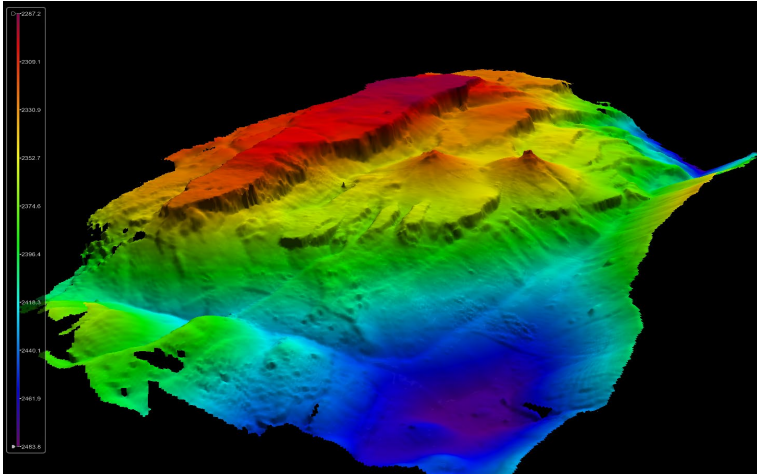


...and from clean technologies driven by the boom in renewable energy investments



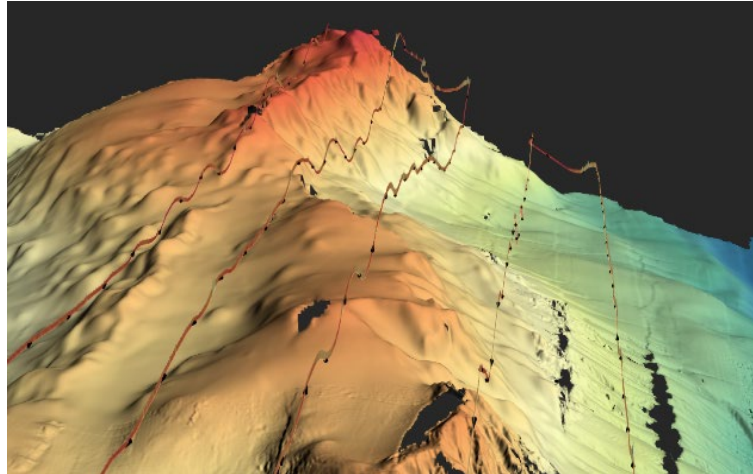
Source: IEA Critical Minerals Market Review 2023 – Net Zero Scenario

Projects in the marine mineral market



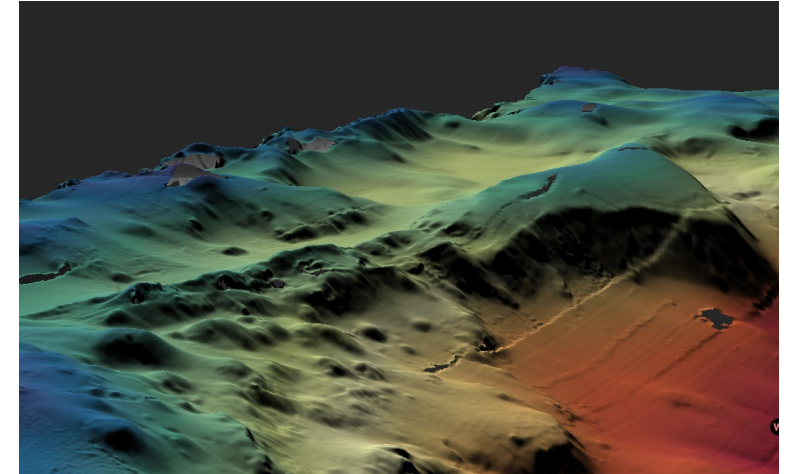
Norwegian Petroleum Directorate

- Mineral reserve identification
- Environmental impact assessment
- Dual AUV set-up
- State-of-the-art Argeo Sensor system
- Delivered actionable data in Argeo SCOPE



Multi Client mineral campaign

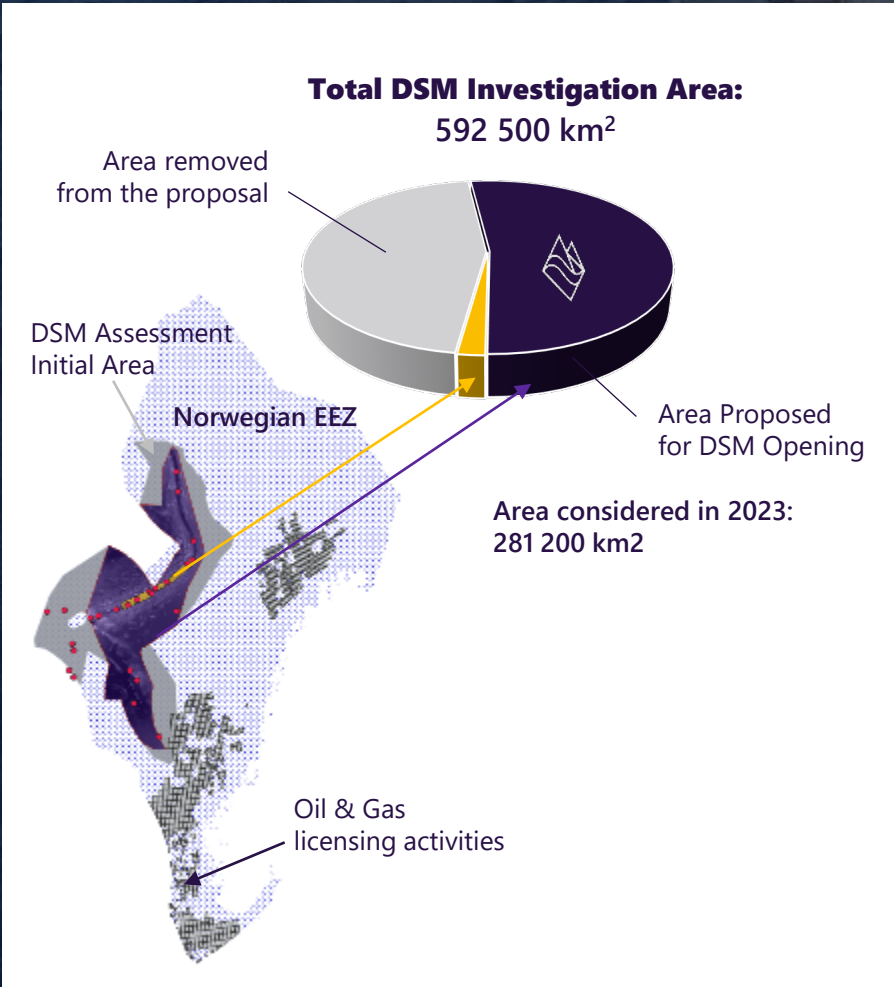
- First ever MC for marine minerals
- Market backing in place
- Data acquired showing promising results
- State-of-the-art Argeo Sensor system
- Delivered actionable data in Argeo SCOPE



Polish Geological Institute (PGI)

- The quality of data acquired are a major step forward in fulfilling Poland's international obligations, contributing to a better understanding of the deep-sea environment.
- Argeo's unique SCOPE digital data access and management platform, a full flow of information was achieved between the vessel and the PGI-NRI research team in Poland.

Norwegian continental shelf in numbers



Argeo Norway marine minerals business case – regional investigation prior to exploration

Yearly operational time (weather conditions)	4.5 months	13.500 L.km	2.700 km ²	USD 10.3m
To cover expl. area w/1 spread	104 years	1.4m L.km	281.000 km ²	USD 1b
Additional expl. area released			320.000 km ²	USD 1.2b
Total applicable market size				USD 2-3b

Agenda

Summary

Summary

- **Strong backlog and pipeline** in O&G and Greenfield exploration survey now totals NOK 250 million
- **Submitted tenders** exceeding NOK 600 million and further tenders of NOK 1200 millions in progress reaching into 2028
- **Secured new financing:** NOK 131 million loan and credit facility from Norwegian bank
- **Secured fully financed purchase agreement of 3 new Hugin AUVs** from Kongsberg 2023-2025 of NOK 270 million
- **Secured financial agreement with shipowner to upgrade Argeo Searcher** to full subsea capability up to NOK 40 million
- **Preparing for reactivation of the new vessel (SW Bell)** for upcoming work in Q4 2023