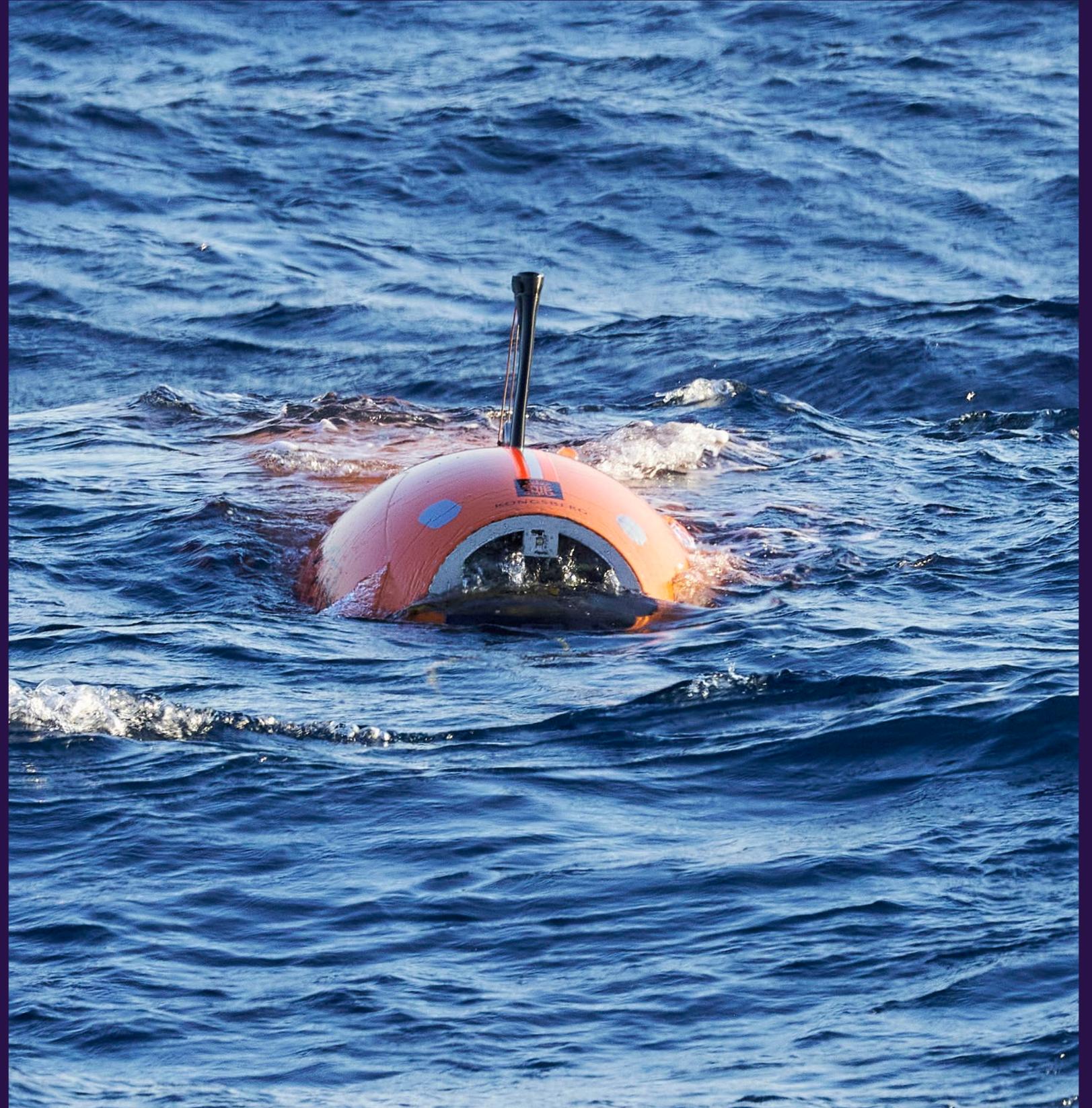




Q3 Report

2024





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CEO LETTER

CEO LETTER

I am pleased to present our third quarter results for 2024 proving continuous growth quarter over quarter and YoY increase:

Key Q3 2024 financial highlights include:

All amounts in USD million (Q3 2023 in brackets)

Revenue:	23.0 (336% increase from 5.3 in Q3 2023)
EBITDA:	5.4 (improvement of 7 from -1.6 in Q3 2023)
EBIT:	2.7 (improvement of 5.5 from -2.8 in Q3 2023)
Net profit:	0.5 (improvement of 4 from -3.5 in Q3 2023)
Remaining Backlog:	USD 23 million

(Note: Figures are in accordance with IFRS accounting principles.)

We deliver a quarter showing improvement in all key financials from our second quarter report resulting from good utilization of all vessels and assets and efficient project execution.

Argeo Venture has delivered good performance in the quarter on the TotalEnergies Venus project and completed the first AUV part of the program ahead of time. The vessel has since undergone a planned reconfiguration rigging to deliver deep-water geotechnical work as the final project delivery.

The Hugin 6000 containerized system was mobilized onto the chartered vessel Ocean Guardian for RWE Canopy project offshore California and Argeo Searcher starting up for Woodside on the Calypso project in Trinidad & Tobago meaning we had three operational vessel spreads working across two continents and serving three major clients in both the O&G and the Renewables sector. Both Ocean Guardian and Argeo Searcher operations was completed on time and on budget.

Backlog

Total firm backlog 2024 currently stands at USD 71 million, not including Suriname Multiclient project, which will be reported separately in quarters to follow. Produced revenues from this backlog YTD was USD 48 million (Q3'24 USD 23 million), remaining reported backlog currently stand at USD 23 million.

Health, Safety, Environment & Quality

YTD-2024 we have completed significant operational and organisational growth both onshore and offshore. The entire team has shown dedication and focus, reaching, and in some areas, exceeding our corporate HSEQ KPI targets. Achieving a Total Recordable Incident Frequency (TRIF) under 0.6 with zero LTIs over 775,000 exposure hours underscores our solid commitment to safety. This performance highlights our dedication to maintaining a safe working environment.

Innovation & Technology

We have continued to strengthen our intellectual property protection, and we have in total been granted seven patents. Our digital platform "Argeo SCOPE" has been significantly upgraded with new features, and it plays a key role as a global commercial business to business (B2B) digital sales and product platform to the industry. Argeo SCOPE plays a key role in our quality control and data review processes offshore and onshore.

Both vessels now have geotechnical capabilities and Argeo Venture is already in full deep-water geotechnical operation. The Hugin fleet continues to perform well with good performance numbers and production rates.

Trond E. Figenschou Crantz

Trond E. Figenschou Crantz
CEO

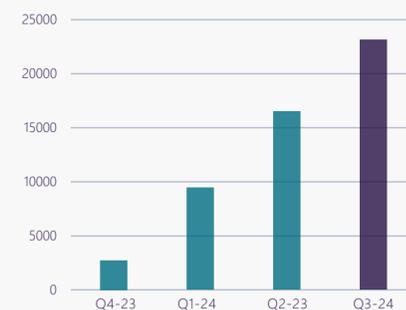


Financial Highlights

Financial highlights (Q3 2023 in brackets)

REVENUE

USD 23.0 million
(5.3 million)



REVENUE PAST YEAR

EBITDA

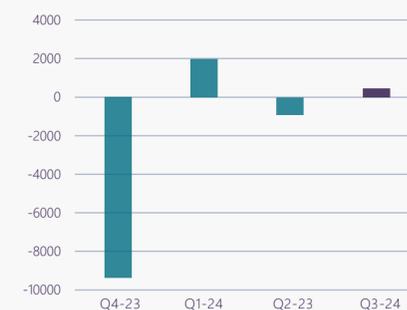
USD 5.4 million
(-1.6 million)



EBITDA PAST YEAR

NET PROFIT

USD 0.5 million
(-3.4 million)



NET PROFIT PAST YEAR

EBIT

USD 2.7 million
(-2.8 million)

REMAINING BACKLOG

USD 23 million
(45 million)



Main Events

Main events Q3 2024

- Completed RWE project
- Completed Woodside project
- Completed AUV-scope in Namibia

Subsequent events Q3 2024

- Argeo enters 8-year Multi Client agreement with National Energy Company Staatsolie in Suriname
- Argeo announces a \$13M deal in strategic equipment optimization
- Argeo Successfully Uplisted to Euronext Oslo Stock Exchange

A complete subsea service provider

from acquisition to actionable data

Argeo is a complete subsea service provider operating in three major verticals, oil & gas, marine minerals, and the renewables sector. We offer a unique package combining **robust vessels**, **superior AUV's**, **advanced sensors** and digital imaging technology and an **intuitive digital platform** that collects complex data and brings this to

life. With our own vessels and superior AUV's we are fast, flexible and in a unique position to offer full lifecycle services. Our services include survey, inspection, maintenance, and repair, increasing efficiency and reducing carbon footprint for our customers.

TURNKEY ◀
Final product

▶ ROBUST AND MODERN
Vessels

▶ SUPERIOR
AUV's

▶ UNIQUE PATENTED
Sensor systems

Bringing complex data to life

in three key verticals

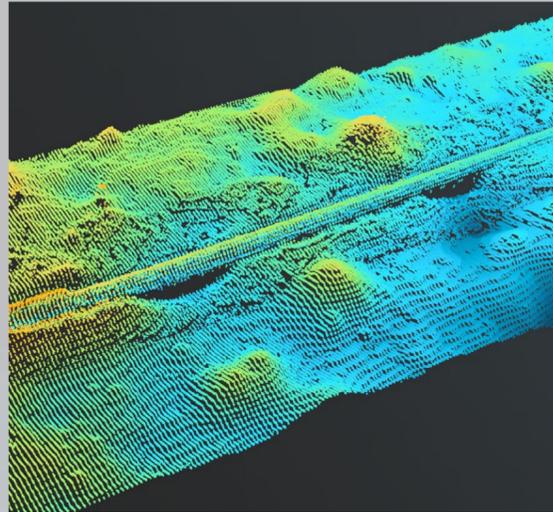
Argeo conducts ocean surveys & inspections using autonomous robotic solutions for three key markets, Oil & Gas, Marine Minerals and Renewables

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

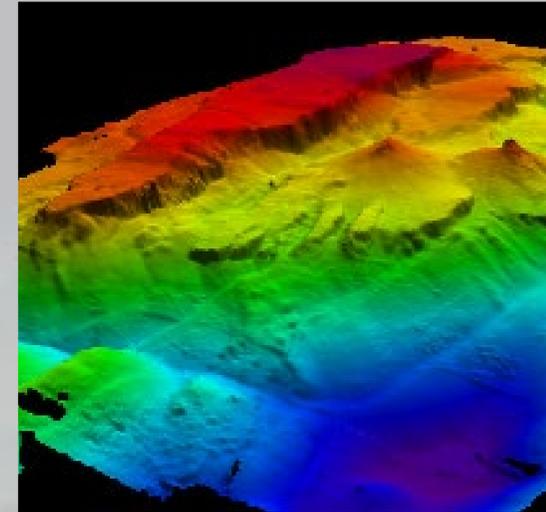
- Rapid decision ready data to clients during mission and project lifecycle
- Intuitive visualizations of complex data



Oil & Gas

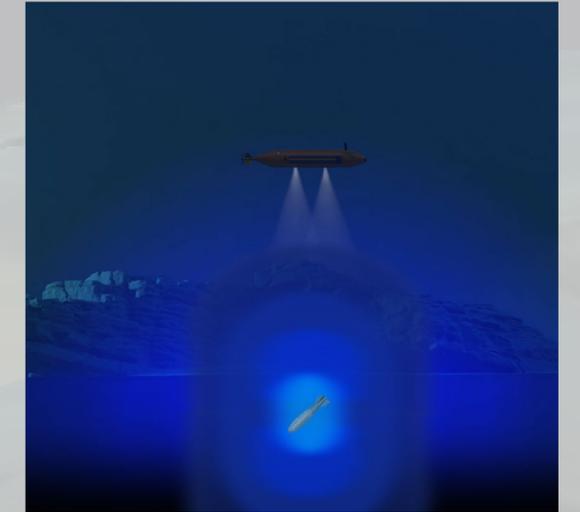
Argeo provides comprehensive services for the oil and gas industries, specializing in Inspection, Maintenance, Repair, and Survey (IRMS).

Our offerings include greenfield development, route survey connections with the installation of Floating Production Storage and Offloading units (FPSOs), and the inspection of existing pipelines, power cables, and subsea infrastructure. We conduct detailed subsea inspection programs and handle general maintenance activities. Additionally, we offer seismic support operations for Ocean Bottom Node (OBN) in collaboration with Shearwater Geo.



Marine Minerals

Argeo work with marine minerals companies and geological institutions to conduct exploration surveys for new licenses and resource estimation. They also perform environmental assessments before and after exploration and extraction activities.



Renewables

Argeo provides advanced survey and inspection services to the offshore wind industry using cutting-edge technology.

Our offerings include pre-installation and route surveys (IRMS), cable burial inspection, and underwater data collection for new areas. Argeo supports wind farm construction, infrastructure inspections, and offers multi-client services for greenfield acreage. These solutions ensure efficient and safe installation of wind turbines, promoting sustainable ocean wind energy.

Market report



Market report

Strong strategic position across key verticals and geographic regions

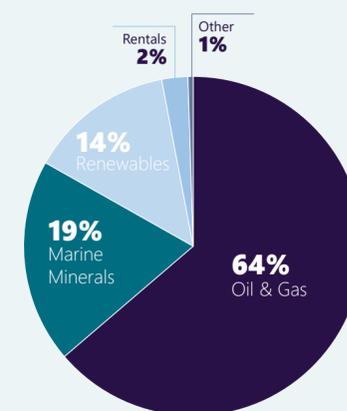
Argeo continues to reinforce its strategic position within our primary verticals, capitalizing on a flexible asset deployment strategy that maximizes vessel spread utilization and asset productivity across industries. This approach has been instrumental in driving consistent engagement with tier 1 clients and capturing valuable market share in our core sectors.

In Q3, Oil & Gas has been the dominant sector, generating 64% of our revenue and underscoring the enduring demand for our services in this area. Marine Minerals has shown steady traction, contributing 19% to our revenue as we deepen our role in this rapidly emerging market. Additionally, Renewables accounted for 14% of revenues, reflecting our growing footprint in offshore wind. The remaining 3% came from rentals and other activities, demonstrating a diversified revenue stream across verticals.

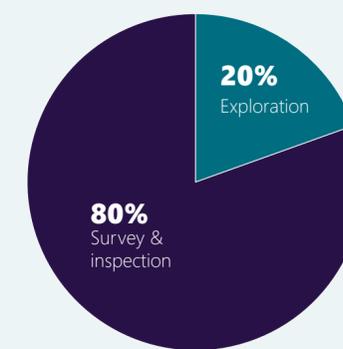
Our operations this quarter comprised 80% survey work, with the remaining 20% focused on exploration within the Marine Minerals sector. This balanced portfolio of activities highlights our capacity to meet client needs across the project lifecycle, from discovery to detailed survey and analysis.

Geographically, our revenue distribution showcases a solid footprint in key markets. EMEA led with 56% of revenues, underscoring our established position in this region. The NSA region contributed 24%, indicating expanding traction in the Americas, while APAC accounted for the remaining 19%, as we continue to grow our presence in this dynamic market.

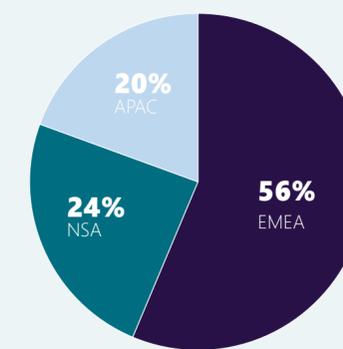
Revenue distribution per market



Revenue distribution per product



Revenue distribution per geomarket



ALL FIGURES ARE YEAR TO DATE 2024

Q3 2024 FINANCIALS



Financial statements

Revenue

Revenue for Q3 2024 was USD 23.0 million, compared to USD 5.3 million in Q3 2023. Revenue in Q3 2024 is mainly from the contracts with TotalEnergies in Namibia, RWE in California and Woodside in Trinidad and Tobago.

Cost

Cost of sales in Q3 2024 was USD 16.2 million, compared to USD 6.4 million in Q3 2023. Main reason for the increase is having three vessels in activity in Q3 2024 compared to one in the previous quarter, combined with higher operating cost in the area of operation.

Selling, general and administrative expenses increased from USD 0.5 million in Q3 2023 to USD 1.4 million in Q3 2024. The increase is reflecting a build-up of the organization to handle more activity with three vessels in operation in Q3 2024.

EBITDA

EBTIDA was USD 5.4 million in Q3 2024, compared to minus USD 1.6 million in Q3 2023.

Depreciation and amortisation

Depreciation and amortisation increased from USD 1.2 million in Q3 2023 to USD 2.7 million in Q3 2024. The increase in Q3 2024 is due to depreciation on the new assets Argeo Venture and two Hugin Superior AUV's. There is also an increase due to depreciation on the IFRS 16 Right-of-use assets bareboat charter of Argeo Searcher and office leases.

Financial items

Net financial loss in Q3 2024 was USD 2.2 million and includes currency exchange loss amounting to USD 0.5 million. Net financial loss in Q3 2023 was USD 0.6 million.

Net Profit/ Loss

Net profit for Q3 2024 was USD 0.5 million compared to a net loss of USD 3.5 million in Q3 2023.

Balance Sheet

Total non-current assets at the end of the period were USD 75.3 million. Of this, Right-of-use assets amounted to USD 27.2 million consisting of the bareboat charter Argeo Searcher, two Hugin Superior leases and office leases. Property, plant and equipment was USD 43.1 million in the end of the quarter, and is mainly one Hugin 6000 AUV, the Argus USV, the vessel Argeo Venture and lease additions to Argeo Searcher. The two SeaRaptor AUV's were sold in the quarter.

Cash and cash equivalents balance was USD 5.5 million at the end of the quarter, compared to USD 5.3 million at year end 2023.

Total liabilities at the end of the quarter were USD 54.9 million, compared to USD 36.6 million at the end of 2023. The increase is mainly due to new lease for a Hugin Superior, and a new loan for Argeo Venture.

Shares¹

In April 2024, Argeo concluded its subsequent offering of 11,000,000 new shares at NOK 2.75 per share, raising gross proceeds of NOK 30,250,000.

In June 2024, Argeo did a consolidation (reverse split) of the Company's shares in the ratio 5:1. The new share capital of the Company after the reverse share split is NOK 22,208,174.50 divided into 44,416,349 shares, each with a nominal value of NOK 0.50.

As per 30 September 2024, a total of 1 526 054 options are outstanding in connection with the Company's share option program. 29 000 have vested and has a strike price of NOK 41. 1 487 000 options have a strike of NOK 16. The remaining 10 000 options are formalised as warrants ("Tranche 1 Warrants"). Exercise price for these is NOK 4.15, and all have vested.

In connection with the private placement in April 2021, the Company's general meeting approved the issuance of 750,000 new warrants to the existing shareholders of the Company before the private placement ("Tranche 2 Warrants"). 375 000 of these warrants expired in April 2023, and 258 103 was replaced with share options granted 23 January 2024. The remaining 116 897 Tranche 2 Warrants can be exercised at NOK 0.50 given a demonstrated share market price appreciation of three times the Subscription Price within a period of 4 years. The Subscription Price in the private placement in April 2021 was NOK 41 per share.

¹Historical numbers are adjusted for the reverse share split made in June 2024

Consolidated interim statement of comprehensive income

All amounts in USD 1,000	Note	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023
Revenues	4	22,993	5,269	48,124	9,085
Total revenues		22,993	5,269	48,124	9,085
Cost of sales		16,229	6,402	31,745	11,476
Gross profit		6,764	-1,134	16,379	-2,391
Selling, general and administrative expenses		1,364	486	3,852	1,724
Depreciation and amortisation	5,6	2,664	1,200	7,045	3,135
Total operating expenses		4,028	1,686	10,896	4,859
Operating profit (loss)/EBIT		2,736	-2,820	5,482	-7,250
Share of results from joint venture		-	-21	-66	-61
Finance income		7	10	25	22
Finance expense	7	1,737	378	4,683	1,122
Net exchange gains/(losses)		-517	-256	805	940
Net financial items		-2,247	-645	-3,919	-221
Profit/(loss) before tax		489	-3,465	1,563	-7,470
Income tax expense		-	0	-2	77
Net profit/(loss) for the period		489	-3,465	1,565	-7,548
Other comprehensive income					
<i>Items which may subsequently be reclassified to profit or loss:</i>					
Exchange differences on translation of foreign operations		502	209	-1,179	-996
Other comprehensive income for the period		502	209	-1,179	-996
Total comprehensive income for the period		991	-3,256	386	-8,544
Earnings per share					
Basic EPS - profit or loss attributable to equity holders (USD)	11	0.01	-0.19	0.04	-0.37
Diluted EPS - profit or loss attributable to equity holders (USD)	11	0.01	-0.19	0.04	-0.37
Net profit/(loss) for the year attributable to:					
Equity holders of the parent company		489	-3,465	1,565	-7,548
Total comprehensive income attributable to:					
Equity holders of the parent company		991	-3,256	386	-8,544

Consolidated interim statement of financial position

All amounts in USD 1,000	Note	30/09/24	31/12/23
Intangible assets	6	4,657	3,790
Right-of-use assets		27,156	18,456
Property, plant and equipment	5	43,148	36,250
Multi-client inventory		343	699
Investment in joint venture		-	152
Total non-current assets		75,304	59,347
Trade receivables		4,095	219
Other receivables		10,307	4,071
Cash and cash equivalents		5,457	5,340
Contract assets		605	552
Other current assets		2,139	2,073
Total current assets		22,603	12,254
Total assets		97,907	71,601
All amounts in USD 1,000	Note		
Share capital	9	2,163	1,890
Share premium		68,992	62,204
Other capital reserves		2,280	1,734
Other equity		-30,432	-30,818
Total equity		43,003	35,010
Non-current interest-bearing liabilities	7	12,848	4,940
Non-current lease liabilities		17,871	13,112
Non-current provisions		1	2
Total non-current liabilities		30,720	18,053
Current interest-bearing liabilities	7	2,633	2,394
Trade payables		10,680	6,456
Current lease liabilities		7,560	4,751
Current provisions		1,163	432
Contract liabilities		-	2,225
Other current liabilities		2,148	2,280
Total current liabilities		24,185	18,537
Total liabilities		54,905	36,590
Total equity and liabilities		97,907	71,601

Oslo, 21 November 2024


Jan P. Grimnes
Chair of the Board


Nina Bjærum
Board member


Inger Berg Ørstavik
Board member


Lars Petter Utseth
Board member


Peter A. Hooper
Board member


Hugo Lima Santos
Employee representative


Liam Flood
Employee representative


Trond F. Crantz
CEO

Consolidated interim statement of changes in equity

All amounts in USD 1,000	Paid-in equity			Other equity		Total equity
	Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
Equity 01/01/2023	565	27,356	1,640	-2,191	-12,766	14,604
Net profit or loss for the period	-	-	-	-	-7,548	-7,548
Other comprehensive income	-	-	-	-996	-	-996
Total comprehensive income for the period	-	-	-	-996	-7,548	-8,544
Issue of share capital (Note 9)	203	8,251	-	-	-	8,454
Registration of shares from December 2022	213	-213	-	-	-	-
Share-based payment (Note 10)	-	-	93	-	-	93
Equity 30/09/2023	982	35,393	1,733	-3,187	-20,314	14,608

All amounts in USD 1,000	Paid-in equity			Other equity		Total equity
	Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
Equity 01/01/2024	1,890	62,204	1,734	-1,117	-29,701	35,010
Net profit or loss for the period	-	-	-	-	1,565	1,565
Other comprehensive income	-	-	-	-1,179	-	-1,179
Total comprehensive income for the period	-	-	-	-1,179	1,565	386
Issue of share capital (Note 9)	273	6,788	-	-	-	7,061
Share-based payments (Note 10)	-	-	546	-	-	546
Equity 30/09/2024	2,163	68,992	2,280	-2,296	-28,136	43,003

Consolidated interim statement of cash flows

All amounts in USD 1,000	Note	Q3 2024	Q3 2023	YTD Q3 2024
Cash flow from operating activities				
Profit/loss before tax		489	-3,465	1,563
<i>Adjustments to reconcile loss before tax to net cash flow</i>				
Net financial items		2,247	645	3,919
Depreciation, amortisation, and impairment		2,664	1,200	7,045
Share-based payment expense		246	8	546
Loss on sale of equipment		82	-	82
<i>Working capital adjustments</i>				
Changes in trade and other receivables		5,822	1,127	-7,490
Changes in contract assets and other current assets		1,209	-484	-120
Changes in trade payables		-3,267	747	4,224
Changes in provisions		295	163	730
Changes in contract liabilities and other current liabilities		-1,776	315	-2,356
Net cash flows from operating activities		8,012	257	8,143
Cash flow from investing activities				
Purchase of property, plant and equipment		-1,745	-390	-17,227
Investment in joint venture		0	-	-122
Proceeds from disposals of property, plant, and equipment		876	-	876
Investment in Multi-client		-	-	292
Development expenditures		-440	-328	-1,043
Interest received		4	3	24
Net cash flows from investing activities		-1,305	-714	-17,201
Cash flow from financing activities				
Proceeds from issuance of equity		-0	624	7,061
Repayments of long term debt		-853	-556	-2,606
Proceeds from long term debt		-	4	14,000
Payments for principal for the lease liability		-1,161	-86	-4,644
Payments for interest for the lease liability		-848	-115	-2,437
Interest paid		-808	-65	-1,843
Net cash flows from financing activities		-3,670	-194	9,530
Net change in cash and cash equivalents		3,036	-650	473
Cash and cash equivalents at beginning of the period		2,701	1,147	5,340
Net foreign exchange difference		-280	-384	-355
Cash and cash equivalents at the end of the period		5,457	114	5,457

Notes

Note 1 General information

Argeo ASA ("the Company") is open for trading on Oslo Børs, with the ticker symbol ARGEO. The Company is incorporated and domiciled in Norway with principal offices located at Nye Vakås vei 14, 1395 Hvalstad, Norway.

Argeo ASA and its subsidiaries (collectively "the Group" or "Argeo") offers services and technical solutions to the surveying and inspection industry.

The interim consolidated financial statements of the Group for the nine months ended 30 September 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 21 November 2024.

Note 2 Basis of preparation and significant accounting policies

The interim consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes.

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by The European Union ("EU"). The interim consolidated financial statements are unaudited.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Argeo's 2023 consolidated financial statements, which is available at www.argeo.no. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the Group's consolidated annual financial statements for the year ended 31 December 2023.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The interim consolidated financial statements have been prepared on a historical cost basis. All figures are presented in United States dollar ("USD") thousands (USD 1,000), except when otherwise stated.

Further, the interim consolidated financial statements are prepared on a going concern assumption.

Presentation and functional currency

Argeo ASA has Norwegian krone (NOK) as its functional currency and its subsidiaries have NOK, USD, GBP or Brazilian real (BRL) as their functional currencies. The Group presents its interim consolidated financial statements in USD to provide the primary users of the financial statements with more convenient information.

Note 3 Significant accounting judgements, estimates and assumptions

The preparation of the interim consolidated financial statements in accordance with IAS 34 and applying the chosen accounting policies requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

In preparing the interim consolidated financial statements, the significant judgments, estimates and assumptions made by management in applying the Group's accounting policies and the key source of estimation uncertainty were the same as those applied to the Group's annual financial statements for the year ended 31 December 2023.

Note 4 Revenues

Argeo has one operating segment focused on the delivery of subsea services. The operating segment is reported in a manner consistent with the internal reporting to the Board of Directors (the Group's chief operating decision-maker).

The Group's revenue from contracts with customers arise primarily from the performance of subsea services in accordance with customer specifications.

Specification of revenue from contracts with customers (USD 1,000):	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023
Revenue from contracts with customers	22,993	4,563	46,764	6,839
Rental income	-	706	1,360	2,246
Total revenues	22,993	5,269	48,124	9,085

Geographical markets (USD 1,000)	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023
Africa	9,997	-	25,674	-
Asia	1,262	-	9,355	-
Americas	11,657	-	11,657	-
Europe	77	4,563	78	6,839
Total revenue from contracts with customers	22,993	4,563	46,764	6,839

Notes

Note 5 Property, plant and equipment

USD 1,000	Vessels	AUV, USV ¹⁾	Misc. Equipment	Office equipment	Total
Acquisition cost 1 January 2023	844	20,301	558	361	22,063
Additions	20,259	298	365	143	21,064
Sale equipment	-	-	-169	-	-169
Currency translation effects	-	-	-	-	-
Acquisition cost 31 December 2023	21,102	20,598	754	504	42,959
Additions	14,877	1,461	617	272	17,227
Currency translation effects	-	66	-	-1	65
Sale equipment	-	-11,470	-	-	-11,470
Acquisition cost 30 September 2024	35,980	10,656	1,371	775	48,781
Acc.dep. & impairment 1 January 2023	-	858	210	130	1,198
Depreciation for the year	344	2,411	125	142	3,022
Impairment for the year	-	2,700	-	-	2,700
Sale equipment	-	-	-133	-	-133
Currency translation effects	-	-52	-	-26	-78
Acc.dep. & impairment 31 December 2023	344	5,917	202	246	6,709
Depreciation for the period	1,559	2,099	117	150	3,927
Sale equipment	-	-5,012	-	-	-5,012
Currency translation effects	-	10	-	-0	10
Acc.dep. & impairment 30 September 2024	1,903	3,014	320	396	5,633
Carrying amount 31 December 2023	20,759	14,681	552	259	36,250
Carrying amount 30 September 2024	34,076	7,641	1,051	379	43,148
Economic life	5-10 years	7 years	3-5 years	3 years	
Depreciation method	Linear	Linear	Linear	Linear	

Additions in Q3 2024 are mainly related to reactivation and upgrade cost for the vessel Argeo Venture.

In August 2024 the Group signed an agreement for the sale of two SeaRaptor 6000 AUVs. The total consideration comprise a cash payment of USD 3.5 million and a write off of the seller's credits related to the AUVs of USD 3.5 million (refer to note 7). The cash consideration is paid in instalments whereas 25% was paid in Q3 2024, 50% was paid in Q4 2024 and the remaining 25% is due in February 2025. The net loss from the sale of USD 82 thousand is presented on the line item Selling, general and administrative expenses in the Consolidated interim statement of comprehensive income.

No indicators for impairment of property, plant and equipment were identified for the nine months ended 30 September 2024.

¹⁾ Autonomous Underwater Vehicles (AUV) and Unmanned Surface Vessels (USV).

Note 6 Intangible assets

USD 1,000	Development	Software	Patents and licenses	Total
Acquisition cost 1 January 2023	1,675	871	203	2,748
Additions	1,509	-	14	1,523
Currency translation effects	9	-9	-	-
Acquisition cost 31 December 2023	3,192	862	217	4,271
Additions	1,043	-	-	1,043
Currency translation effects	17	-40	-	-23
Acquisition cost 30 September 2024	4,253	822	217	5,292
Acc. amortisation 1 January 2023	-	247	36	282
Amortisation charge for the year	-	130	40	170
Currency translation effects	-	28	-	28
Acc. amortisation 31 December 2023	-	405	76	481
Amortisation charge for the period	-	123	33	155
Currency translation effects	-	-2	-	-2
Acc. amortisation 30 September 2024	-	526	109	635
Carrying amount 31 December 2023	3,192	457	141	3,790
Carrying amount 30 September 2024	4,253	296	109	4,657
Economic life	5 years	5 years	5 years	
Depreciation method	Linear	Linear	Linear	

The capitalised development costs in Q3 2024 are mainly related to development of Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

No indicators for impairment of property, plant and equipment were identified for the six months ended 30 September 2024.

Notes

Note 7 Interest-bearing debt

Loans from Innovation Norway

The Group had three loans from Innovation Norway at the end of September 2024, all bearing an interest at 8.20%*.

The Group has covenants related to the Innovation Norway funding (Loan Innovation Norway – C). The covenants are measured half-yearly based on the Group's ordinary financial reporting. The Group was compliant with all covenants as of 30 September 2024.

Assets pledged as security for secured liabilities

All three loans from Innovation Norway are secured with machinery and plant in Argeo Survey AS, Argeo ASA and Argeo Robotics. Further, the loans are secured with 50% of the shares in H1000 JV AS, a parent company guarantee from Argeo ASA, and trade receivables in Argeo Survey AS.

Seller's credits

The Group has seller's credits related to purchases of AUVs.

Loan Argeo Venture

In February 2024 the Group entered into a sale-and-leaseback transaction involving the Company's vessel Argeo Venture. The transaction has been accounted for as a financing arrangement.

Non-current interest-bearing liabilities (USD 1,000)	Interest rate	Maturity	30/09/2024	31/12/2023
Seller's credit - A	12.80%	2026	-	1,971
Seller's credit - B	14.10%	2026	-	691
Seller's credit - C	14.10%	2025	-	293
Loan Innovation Norway - A	8.20%	2025	-	5
Loan Innovation Norway - B	8.20%	2026	86	177
Loan Innovation Norway - C	8.20%	2028	1,507	1,802
Loan Argeo Venture		2029	11,255	-
Non-current interest-bearing debt			12,848	4,940

Current interest-bearing liabilities (USD 1,000)	Interest rate	Maturity	30/09/2024	31/12/2023
Seller's credit - A	12.80%	2026	-	-
Seller's credit - B	14.10%	2026	-	-
Seller's credit - C	14.10%	2025	1,008	2,096
Loan Innovation Norway - A	8.20%	2025	9	16
Loan Innovation Norway - B	8.20%	2026	114	118
Loan Innovation Norway - C	8.20%	2028	317	164
Loan Argeo Venture		2029	1,185	-
Current interest-bearing debt			2,633	2,394

*Innovation Norway may adjust the interest rate with a six week notice upon changes in underlying market rates.

In August 2024 the Group signed an agreement for the sale of two SeaRaptor 6000 AUVs. As a part of the total consideration, the seller's credits related to these assets were written off (seller's credit A and B). Refer to note 5 for further information regarding the sale.

Note 8 Fair value measurement

Fair value disclosures

Management has assessed that the fair values of cash and cash equivalents, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Interest-bearing debt

For the interest-bearing liabilities, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is close to current market rates. The fair values of interest-bearing liabilities are based on discounted cash flows using the current borrowing rate.

Note 9 Share capital and shareholders information

Issued capital and reserves:

Share capital in Argeo AS	Number of shares issued and fully paid	Par value per share (NOK)	Financial position (USD 1,000)
At 1 January 2023	51,096,960	0.1	565
Share capital increase January	21,783,840	0.1	213
Share capital increase February	3,124,368	0.1	31
Share capital increase February	139,337	0.1	1
Share capital increase June	15,576,168	0.1	146
Share capital increase July	2,670,531	0.1	25
Share capital increase October	78,125,000	0.1	721
Share capital increase November	20,123,625	0.1	186
Share capital increase December	260,095	0.1	2
At 31 December 2023	192,899,924	0.1	1,890
Share capital increase March	18,181,818	0.1	172
Share capital increase April	11,000,000	0.1	101
Share capital increase June	3	0.1	0
Reverse share split (1:5) June	-177,665,396	0.5	
At 30 September 2024	44,416,349	0.5	2,163

Shareholders in Argeo AS at 30 September 2024

	Total shares	Ownership/voting rights
KISTEFOS AS	6,524,368	14.7%
SHEARWATER GEOSERVICES HOLDING AS	4,024,725	9.1%
LANGEBRU AS	2,500,000	5.6%
PRO AS	1,889,560	4.3%
SPAREBANK 1 MARKETS AS	1,558,186	3.5%
REDBACK AS	1,358,903	3.1%
ØSTERBRIS OFFSHORE AS	1,290,909	2.9%
NORDNET LIVSFORSIKRING AS	1,231,738	2.8%
ASCENT AS	1,089,316	2.5%
DNB Markets Aksjehandel/-analyse	840,000	1.9%
DNB BANK ASA	700,830	1.6%
RANUM	515,000	1.2%
Nordnet Bank AB	486,909	1.1%
TROPTIMA AS	366,194	0.8%
HUNDERI HOLDING AS	348,788	0.8%
HAUGEN	347,360	0.8%
Carun Holding AS	342,315	0.8%
LINDVARD INVEST AS	333,933	0.8%
Performa Consulting AS	326,194	0.7%
BERGSTÅ	300,000	0.7%
Other	18,041,121	40.6%
Total	44,416,349	100%

Notes

10 Share-based payment

Employees (including members of Executive management) and the Board of Directors receive remuneration in the form of share-based payment (options and warrants). As per 30 September 2024, the Group had 1,516,054 outstanding options and 10,000 outstanding warrants, with a weighted average strike price of NOK 16.48 and NOK 4.15, respectively.

On the 23rd of January 2024¹⁾ the Group granted 1,501,000 share options which will vest 1/3 each year over a total vesting period of 3 years. The last possible exercise date is 5 years from the grant date. The grant replaces 111,000 outstanding share options from the grant in December 2021 and 7,200 of the "Tranche 1" warrants, and 516,213 of the "Tranche 2" warrants.

The new awards in 2024 have been assessed to represent a replacement of the original awards from 2021. The incremental value arising from the granting of the replacement awards in 2024 is recognised over the vesting period of the replacement award.

The Group recognised USD 546 thousand of share-based payment expense in the consolidated statement of comprehensive income for the nine months ended 30 September 2024.

As at 30 September 2024, the Group has recognised a social security provision for share-based payment of USD 1 thousand.

¹⁾ Historical numbers are adjusted for the reverse share split in June 2024.

11 Earnings per share

The following table reflects the income and share data used in the basic and diluted EPS calculations:

USD	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023
Profit/(Loss) attributable to ordinary equity holders	488,863	-3,464,713	1,565,166	-7,547,849
Weighted average number of ordinary shares - for basic EPS	44,416,349	18,715,687	42,448,183	20,612,646
Weighted average number of ordinary shares adjusted for the effect of dilution*	46,059,237	19,303,240	44,005,130	21,569,548
Basic EPS - profit or loss attributable to equity holders of the Company	0.01	-0.19	0.04	-0.37
Diluted EPS - profit or loss attributable to equity holders of the Company*	0.01	-0.19	0.04	-0.37

*For Q3 2023 and YTD Q3 2023 the ordinary shares are not adjusted for the effect of dilution as the effect of including the additional shares is antidilutive.

12 Events after the reporting period

Adjusting events

There have been no adjusting events subsequent to the reporting period.

Non-adjusting events

On 24 October 2024, Argeo uplisted from Euronext Growth Oslo to Euronext Oslo Børs.

On 21 October 2024, Argeo announced a USD 13 million transaction to optimise its equipment pool and enhance operational efficiency. This includes divesting non-strategic equipment and executing a sale lease-back agreement for its upgraded Hugin 6000.

There have been no other significant non-adjusting events subsequent to the reporting period.

Alternative performance measures

Alternative performance measures

This section includes information about alternative performance measures (APMs) applied by the Group.

These alternative performance measures are presented to improve the ability of stakeholders to evaluate the Group's operating performance.

The Group applies the following APMs:

EBITDA

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) is used to provide consistent information on the Group's operating performance relative to other companies, and is frequently used by analysts, investors and other stakeholders when evaluating the financial performance of the Group. EBITDA, as defined by the Group, includes total revenue and other income and excludes depreciation, amortisation and impairment loss. A reconciliation of EBITDA is presented below.

EBITDA (USD 1,000)	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023
Total revenues and other income	22,993	5,269	48,124	9,085
Cost of sales	16,229	6,402	31,745	11,476
Selling, general and administrative expenses	1,364	486	3,852	1,724
EBITDA	5,400	-1,619	12,527	-4,115
EBITDA margin	23.5 %	-30.7 %	26.0 %	-45.3 %

Superior capacity

With the most advanced fleet available

▶ ROBUST AND MODERN Vessels



Argeo Searcher



Argeo Venture

▶ EFFICIENT USV



▶ SUPERIOR AUV's

Hugin Superior



Q1 2025
(option)

Hugin
6000/1000



Advanced Robotics

Argeo Electromagnetic sensor system

ARGEO LISTEN

- ✓ Positioning and burial depth of active power cables
- ✓ Inspection of subsea cathodic protection systems
- ✓ Marine Mineral exploration
- ✓ General site survey

ARGEO WHISPER

- ✓ Tracking/burial depth of "dead" power cables
- ✓ Tracking buried pipelines
- ✓ Detection of Unexploded Ordnance (UXO)
- ✓ Marine Minerals exploration

ARGEO DISCOVER

- ✓ Marine Minerals exploration

Turn key final product

with Argeo SCOPE digital solution



Cloud-based solution for management, analysis, and interpretation of Ocean Space data

Enables **efficient 3D visualization** of Ocean Space Data in a user-friendly **browser-based interface**, supporting a **collaborative data** sharing and a smoother interpretation workflow.

Seamless data fusion from seabed measurements such as:

- Synthetic aperture sonar (SAS)
- Sub-bottom profiler (SBP)
- Backscatter
- Bathymetry
- Subsea camera and snapshots
- Environmental data
- Laser measurements
- Geo-taggable documents
- WMS Services
- Interpreted surfaces and horizons from legacy platforms
- Electromagnetic field data

Clean and safe oceans

through responsible operations

Through our core business, we help our clients become more efficient in keeping the oceans safe and clean. Our complete set-up of vessels, robotic subsea equipment and our own developed and patented sensor systems enables us to perform inspection surveys up to eight times more efficiently than traditional methods. This technological edge not only enhances operational efficiency but also reduces environmental impact. **Therefore, HSEQ management is paramount for Argeo and being responsible is part of our core values.**

Our operations include inspection and maintenance of equipment for the Oil & Gas industry in addition to identification of outdated production equipment for removal, contributing to decommissioning (DECOM) efforts. Furthermore, Argeo's use of fuel-efficient vessels and battery-run robotic equipment underscores our commitment to sustainability, providing our company and services with a distinct green profile. Through these initiatives, Argeo continues to lead by example in promoting environmental stewardship and innovative solutions within the industry.

One of Argeo's most important value is to be responsible. This means that we must conduct business operations in a responsible and safe manner and to foster a healthy and prosperous workplace based on fairness and equality.

The UN Sustainable Development Goals were adopted by all the world's governments at the United Nations in 2015 and provide

a common and necessary roadmap. At Argeo, we celebrate these goals and believe in making a difference in the ocean space. All 17 of the UN SDGs are relevant to our business, yet we have chosen to focus on four main areas; 7: affordable and clean energy, 9: industry, innovation and infrastructure, 13: climate action and 14: life below water. We find that we can contribute more within these areas and that they are enablers to further strengthen the full set of UN goals.

Status & ambition

As of Q3 2024 we have not yet started measuring a comprehensive carbon footprint, but it is our ambition to do so going forward. As our company grows it is also our ambition to set clear goals and to integrate an environmental awareness into all levels of the company, meaning we want sustainability to permeate the business. From how we write the contracts with our customers to the waste management in every office.

	HEALTH	SAFETY	ENVIRONMENT	QUALITY
Goals	We strive to achieve zero harm to people and to achieve zero LTIR	Our focus is to prevent incidents and promote a safety culture everywhere we operate	We are committed to understand and collectively work towards reducing our environmental footprint	Our focus is to enhance quality of products and service to exceed customer satisfaction
Achievements	<ul style="list-style-type: none"> Zero fatality Zero LTIR* Zero MTC* 	<ul style="list-style-type: none"> Zero fatality Low HIPO High safety observations 90% safety interventions 	<ul style="list-style-type: none"> Zero environmental incidents Lean fuel consumption Circular economy 	<ul style="list-style-type: none"> Deliver ahead on-time High quality data Low turnaround time

* Lost Time Incident Rate (LTIR) and Medical Treatment cases (MTC) in rolling 12 months



Supporting development of renewable energy with a strong focus on offshore wind and Carbon Capture & Storage projects offshore.



Project based vessel hires allows for local charters. Survey sensor development through 3rd party partners.



Reduced carbon footprint in operation
Vital surveys of environmental impact



Argeo solutions are key to examine impact on habitat and species below water, collecting data for benthic surveys through non-physical samples.

#argeopeople

We are committed to our employees as well as our impact on the societies in which we operate. Argeo has a strong focus on ensuring equal treatment and opportunity for all staff members, promoting diversity, and maintaining an inclusive and harassment free workplace. Argeo is committed to respecting and promoting human rights of all individuals potentially affected by our operations. In Argeo, it is a continual process to improve on transparency, supply chain management and our professional conduct.



Environmental

Through our core business, we help our clients become more efficient

Status & ambition

Responsibility is a fundamental value at Argeo. We are dedicated to conducting our business with integrity, prioritizing safety and responsibility, and striving to minimize our environmental footprint. Argeo places significant emphasis on preventing negative environmental impacts from our operations.

Our company policy is to maintain safe and pollution-free practices that comply with both national and international regulations, as well as relevant standards and guidelines. Our objective is to continuously enhance our management skills in relation to environmental protection and we are committed to understand and collectively work towards reducing our environmental footprint.

Vessel emissions in Q3 2024

Argeo Searcher	Argeo Venture	Ocean Guardian
Co2 2072 Tons	Co2 1811 Tons	Co2 972 Tons
NOx 36935 Kg	NOx 24848 Kg	NOx 15162 Kg
Sox 1071 Kg	Sox 508 Kg	Sox 606 Kg

Social

We are building and sustaining a fair, responsible, and attractive workplace

The right balance of people

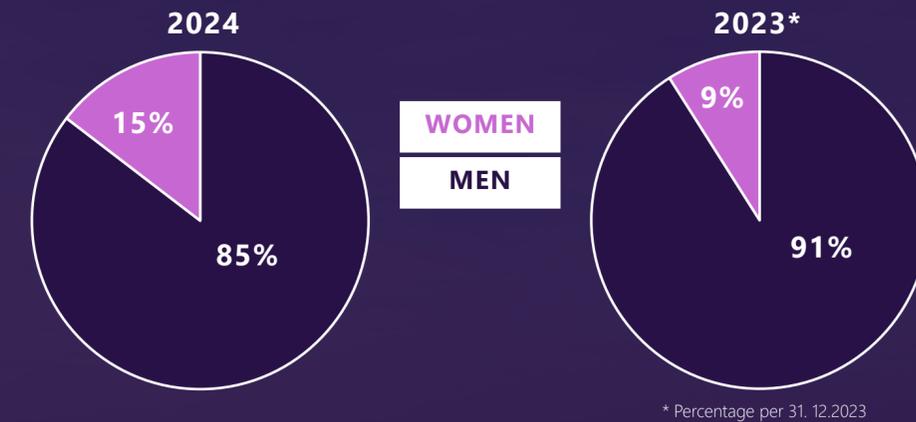
We believe maintaining a balanced and diverse workforce in terms of gender, age, and nationalities is a strategic advantage that fosters diverse perspectives and drives innovation.

This diversity enhances our ability to understand and serve a global customer base, strengthening our competitiveness and market presence. A varied team promotes an inclusive and collaborative work environment, encouraging creativity and improving overall performance.

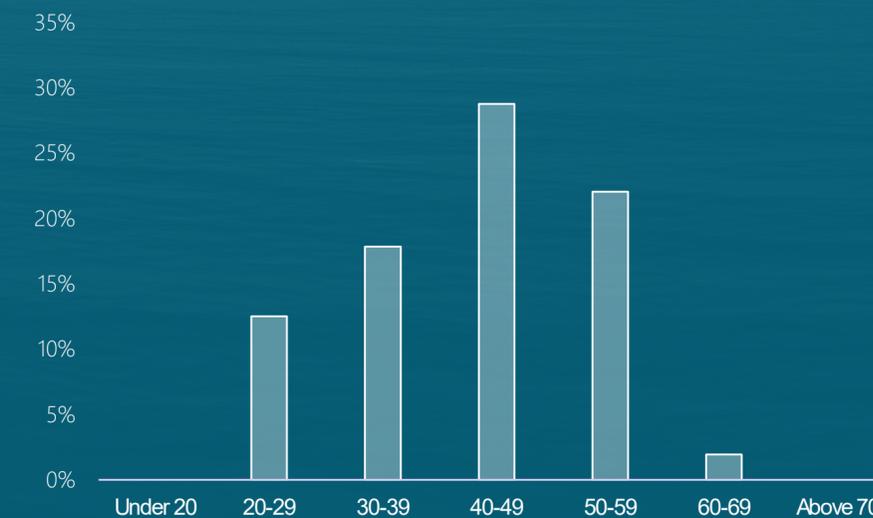
By embracing diverse experiences and viewpoints, we attract top talent, enhance employee satisfaction, and reduce turnover. This balance results in better decision-making and a more robust, adaptable organization.

End of Q3 2024 Argeo employees were from **19 nationalities**

Gender balance per date



Age distribution per date



Governance

We believe active corporate governance is vital to the development of companies and that it provides long-term benefits for all Argeo's stakeholders.

Argeo's framework for corporate governance is intended to decrease business risk, maximize value and utilize our resources in an efficient, sustainable manner, for the benefit of shareholders, employees, and society at large.

At Argeo we are all committed to

- Create a healthy and safe working place for both employees and contractors
- Create measurable goals
- Strive to achieve corporate environmental goals set forward
- Comply with relevant laws and regulations
- Promote a culture in which all employees share this commitment
- Promote responsible purchasing through our Supplier's Code of Conduct
- Develop and communicate a Company Code of Conduct
- Respecting and promote human rights of all individuals potentially affected by our operations. We respect the fundamental principles set forth in the Universal Declaration of Human Rights and related UN documents

Responsible business practices

Raising concerns & whistleblowing

All employees are encouraged to raise concerns whenever they identify activities which are not aligned with Argeo's values and behaviors. Argeo encourages employees to raise concerns in the first instance directly to line management. In circumstances where this is not possible or it may be more appropriate to do so due to the nature or seriousness of the concern, a confidential Whistleblowing portal is available.

Bribery and anti-corruption

Argeo has a zero tolerance for bribery and corrupt payments in whatever form, whether given or received, directly or indirectly, anywhere in the world. Most countries, including the USA, the UK and Norway, have strict anti-bribery and anti-corruption laws in place, which are intended to prevent companies and individuals from gaining an unfair advantage, and from undermining the rule of law. We must never offer or accept bribes or kickbacks and must not participate in or facilitate corrupt activities of any kind. We must also never engage a third party (in particular, a commercial agent or other business representative) who we believe may attempt to offer a bribe to conduct company business.

Per 2023 our suppliers are asked to fill out a "self-assessment form" and our future goal is to develop a formal Supply Chain Sustainability Code of Conduct.

Antitrust

Antitrust laws, sometimes also called competition laws, govern the way that companies behave in the marketplace. Antitrust laws encourage competition by

prohibiting unreasonable restraints on trade and anti-competitive conduct. The laws deal in general terms with the way companies deal with their competitors, clients, and suppliers. Violating antitrust laws is a serious matter and could place both the company and the individual at risk of substantial criminal penalties.

Human rights policy

An important part of Argeo's commitment to responsible business is respecting human rights in accordance with internationally recognised standards. There is both a business and a moral case for ensuring that human rights principles are upheld during our operations and throughout our value chain.

Our approach is informed by the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Code of conduct

Argeo aspires to be an honest and trustworthy company. Our reputation depends upon each of us understanding the Code of Conduct, and always demonstrating integrity and honesty. The Code of Conduct sets the standard for how we should work together to develop and deliver our services, how we protect the value of Argeo, and how we work with customers, contractors, suppliers, and others.

Argeo

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