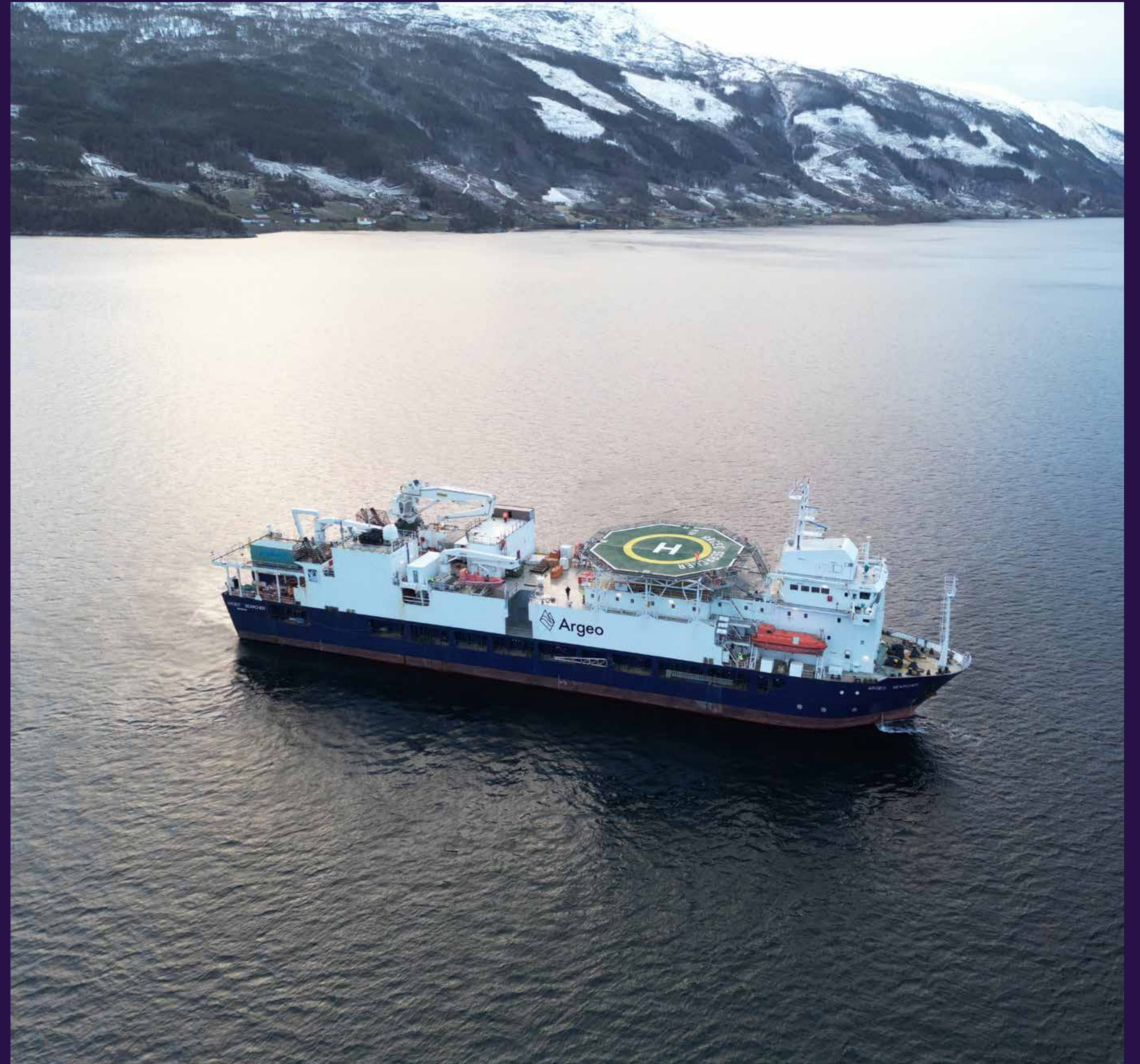




Q1 Report

2024





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CEO LETTER

CEO LETTER

I am very pleased to present our first quarter results for 2024, which demonstrate a clear strategic direction and significant progress.

Key financial highlights include:

All amounts in USD 1.000

Revenue:	9 467, up from 2 438 and increase of 288%
EBITDA:	2 909, up from -921 and increase of 416%
EBIT:	1 108, up from -1 722 and increase of 164%
Net profit:	1 987, up from -1 445 and increase of 238%
Backlog:	54 000 USD (Backlog from the start of the quarter was 64 million)

Argeo Searcher achieved 100% utilization this quarter, completing the Shell Nigeria project and mobilizing for the NCPOR project immediately afterward. This growth and the improved financial performance underscore the success of Argeo's strategic changes initiated in 2022. The Argeo Searcher was efficiently upgraded before starting the Shell project in West Africa. The project was completed with very good results, thanks to our new Hugin Superior and the innovative Argeo LISTEN sensor systems, which inspected subsea infrastructure with 10 times the efficiency of traditional methods.

Following the Nigeria project, the Argeo Searcher proceeded to the Indian Ocean for the NCPOR Marine Mineral exploration project. Here, the Argeo LISTEN system again demonstrated its unique value, delivering good results in mineral resource detection and estimation.

Additionally, prior to this quarter, Argeo acquired and upgraded the Argeo Venture, transforming it from a seismic vessel to a subsea and

survey vessel in approximately four months. The Argeo Venture secured a \$39 million contract with TotalEnergies in Namibia. However, it did not contribute to this quarter's utilization rates, as it commenced the TotalEnergies contract after the quarter ended. We have produced USD 10 million (9 467 revenue) out of the total backlog of USD 64 million, and the remaining (not completed) backlog now totals USD 54 million after adding the Woodside project recently announced. Available utilization for 2024 is ~ three months (Q4) for Argeo Searcher and a potential 3rd spread (charter vessel + Hugin 6000) project. The tender conversion rate in the quarter was 100% and more tenders are likely to convert to backlog going forward forging a very good year for Argeo.

Looking ahead, we expect revenues and EBITDA for the remaining quarters of 2024 to be stronger, with two spreads operational from Q2-2024 onward.

On the technical side, we achieved several new milestones with the full integration of the new Hugin Superior fleet. This ensures a reliable acquisition platform that meets our customers' expectations. Additionally, our turnkey data delivery platform enables us to provide near-on-demand product delivery, significantly enhancing customer satisfaction.

These achievements reflect our strategic focus and operational excellence, positioning us for sustained growth and value creation for our investors.

Market

There is significant growth in the traditional offshore segment for O&G but increasingly supported by activities in the marine minerals market. We are witnessing continued strengthening in the O&G deep water market, with rising rates across all sectors, bolstered by our company's ability to provide turnkey solutions. Our in-house technology has proven to be a gamechanger across all three verticals. A con-

tinued focus on the deep to ultra-deep-water market is expected, with more acreage and projects being sanctioned, along with new greenfield projects anticipated for deep-water development. Lately we see an uptick in tenders in the global Offshore Wind (OWS) segment, in particular the floating OWS which requires Argeo's turnkey solutions.

Innovation & Technology

Our proprietary and unique electromagnetic sensing system, Argeo LISTEN, integrated with the Hugin Superior, has proven to be a significant success this quarter. It has established itself as a highly sought-after sensor system. With its innovative design and configuration, Argeo LISTEN enables Autonomous Underwater Vehicles (AUVs) to perform high-performance inspections of subsea pipeline cathodic protection systems with unparalleled sensitivity. This advancement allows for much faster and more efficient pipeline inspections compared to current methods using Remotely Operated Vehicles (ROVs). Additionally, Argeo LISTEN excels in detecting marine mineral deposits, showcasing its exceptional sensitivity and accuracy.

Our digital platform, Argeo SCOPE, remains an integral part of our data delivery solutions. It has been further developed to facilitate onboard review of all acquired data using advanced 3D visualization on a collaborative and intuitive platform. This platform enhances the efficiency of inspection data assessment, allowing users to focus on the critical areas of infrastructure that require attention.

Trond E. Figenschou Crantz

Trond E. Figenschou Crantz
CEO



Financial Highlights



USD 9 467

Revenue Q1 2024

+288% YoY

A good first quarter with revenues up from 2 438 in Q1 2023 with only one spread operational in the quarter

USD 2 909

EBITDA Q1 2024

+416% YoY

EBITDA up from -921 in Q1 2023

USD 1 108

EBIT Q1 2024

+164% YoY

EIBIT up from -1 722 in Q1 2023

USD 1 987

Net Profit Q1 2024

+238% YoY

Up from -1 445 in Q1 2023

USD 54 000

Backlog Q1 2024

+1588% Since 2022

We have produced USD 10 million (9 467 revenue) out of the total backlog of USD 64 million. Remaining backlog (not completed) at the end of Q1 now totals USD 54 million



Main Events

Main events Q1 2024

- Argeo Searcher completed Shell Bonga asset inspection program
- Argeo signed NCPOR USD 14 million contract
- Argeo Searcher started NCPOR marine minerals (MM) program
- Argeo awarded TotalEnergies Namibia USD 39 million contract
- Argeo Venture completed reactivation and upgrade program
- Argeo secured another Hugin Superior AUV for Argeo Venture

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

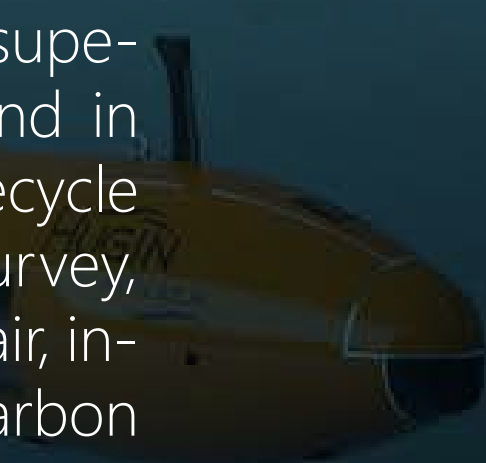
life. With our own vessels and superior AUV's we are fast, flexible and in a unique position to offer full lifecycle services. Our services include survey, inspection, maintenance, and repair, increasing efficiency and reducing carbon footprint for our customers.

TURNKEY ◀
Final product

▶ ROBUST AND MODERN
Vessels

▶ SUPERIOR
AUV's

▶ UNIQUE PATENTED
Sensor systems



Bringing complex data to life

in three key verticals

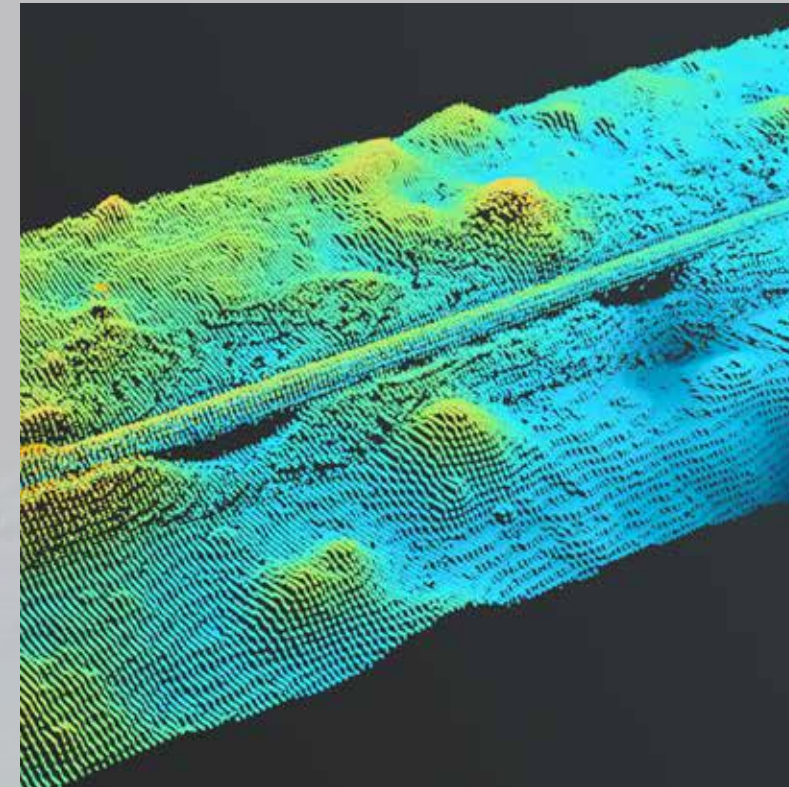
Argeo conducts ocean surveys & inspections using autonomous robotic solutions for three key markets, Oil & Gas, Marine Minerals and Renewables

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

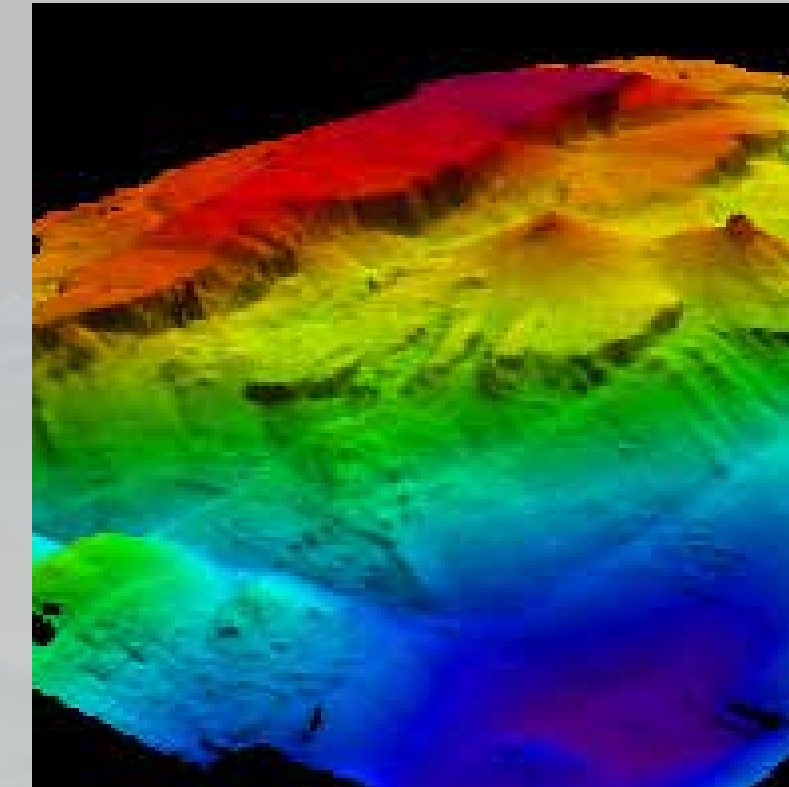
- Rapid decision ready data to clients during mission and project lifecycle
- Intuitive visualizations of complex data



Oil & Gas

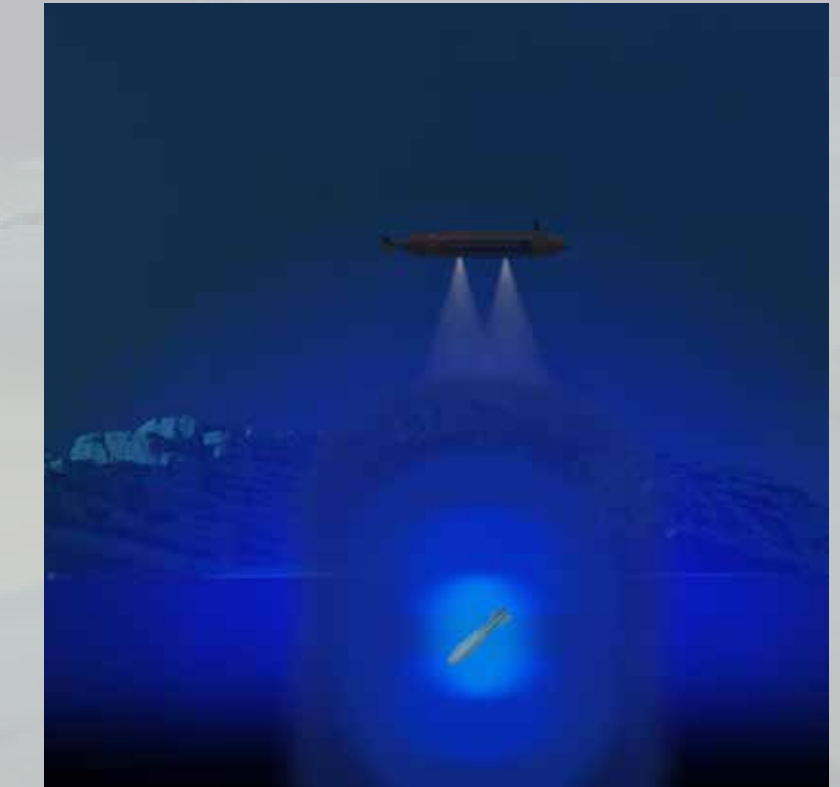
Argeo provides comprehensive services for the oil and gas industries, specializing in Inspection, Maintenance, Repair, and Survey (IRMS).

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 sub-sea infrastructure. We conduct detailed sub-sea 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.



Operational report

Operational report

Argeo Searcher completed a significant upgrade in Norway before departing for its project in Nigeria. The vessel is now fully setup for any subsea scope work. Argeo Searcher arrived in Nigeria late December and completed the Bonga field project 20th of January 2024. A new 5-year bareboat was entered into effective January 1, 2024, with an option buyout clause of USD 8 million.

For Argeo Venture a reactivation and conversion program was completed after the quarter ended, early April 2024 when the vessel sailed to Namibia for a 9 months contract with Total.

In January 2024 Argeo signed an agreement with Kongsberg Maritime for the purchase of a Hugin Superior AUV (Autonomous Underwater Vehicle) which was delivered in March 2024 and integrated onboard Argeo Venture for the TotalEnergies work in Namibia. This delivery was part of the comprehensive fleet expansion initiative launched in Q2 2023, for the lease of three new Kongsberg Hugin AUV's. The first Hugin Superior was delivered in November 2023, and is currently being used onboard Argeo Searcher.

Argeo Robotics has now been granted five patents from the Norwegian Industrial Patent office (Patentstyret) for subsea electromagnetic remote-sensing systems. The Argeo Robotics team has submitted another four patent applications for AUV related technology which consists of both sensor hardware and sensor applications.

Argeo Robotics has developed Argeo Listen, a unique electromagnetic sensor technology, enabling the use of AUVs for cathodic protection inspection of subsea infrastructure and has also become a key tool in marine mineral exploration. This technology has been a requirement for all marine min-

eral exploration and pipeline inspection projects performed by Argeo and has become a strong differentiator and competitive advantage for the company.

Argeo has also developed Argeo Whisper, a unique electromagnetic source system, that can be used for mandatory surveys to detect unexploded ordnances (UXO) and metal debris. It can also be used to determine the position and burial depth of power cables with an accuracy that can significantly reduce cable installation and maintenance costs for offshore wind power cables.

Argeo SCOPE, our proprietary digital platform for subsea data, incorporates all types of data from our projects, and enables fast, efficient, and informed decision for subsea field developments, inspections and required maintenance for Offshore Wind, Marine Mineral Exploration and Oil&Gas.

The Argeo organization has grown from 55 end of year 2023 to 70 employees during the quarter.

Q1 2024 FINANCIALS



Financial statements

Revenue

Revenue for Q1 2024 was USD 9.5 million, compared to USD 2.4 million in Q1 2023. Revenue in Q1 2024 is from the contract with Shell Nigerian Exploration and Product Company and local content partner GOSL, from the deep-water mineral survey with India's National Centre for Polar and Ocean Research (NCPOR) in the Indian Ocean, and from the Hugin 6000 AUV which has been on a long-term contract since September 2022.

Cost of sales

Cost of sales in Q1 2024 was USD 5.3 million, compared to USD 2.7 million in Q1 2023. Argeo Searcher came on charter in Q1 2023 and did not have a full quarter with activity at that time, being the main reason for the increase from Q1 2023 to Q1 2024.

Selling, general and administrative expenses increased from USD 0.7 million in Q1 2023 to USD 1.2 million in Q1 2024. The increase is reflecting a build-up of the organization to handle more activity with Argeo Venture coming into operation in 2024.

EBITDA

EBITDA was USD 2.9 million in Q1 2024, compared to minus USD 0.9 million in Q1 2023.

Depreciation

Depreciation increased from USD 0.8 million in Q1 2023 to USD 1.8 million in Q1 2024. The increase in Q1 2024 is mainly due to a full quarter with depreciation on Argeo Searcher and the stacked Searaptor AUV's, as well as depreciation on the new Hugin Superior AUV delivered in November 2023. 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 gain in Q1 2024 was USD 0.9 million and includes an unrealised currency exchange gain amounting to USD 2.0 million. Net financial gain in Q1 2023 was USD 0.4 million.

Net Profit/ Loss

Net profit for Q1 2024 was USD 2.0 million compared to a net loss of USD 1.4 million in Q1 2023.

Balance Sheet

Total non-current assets at the end of the period were USD 80.6 million. Of this, Right-of-use assets amounted to USD 29.4 million consisting of the bareboat charter Argeo Searcher, two Hugin Superior leases and office leases. Property, plant and equipment was USD 46.9 million in the end of the quarter, and is mainly two Searaptor AUV's, one Hugin 6000 AUV, the Argus USV, the vessel Argeo Venture and lease additions to Argeo Searcher.

Cash and cash equivalents was USD 0.9 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 54.5 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.

Shares

In March 2024, Argeo completed a private placement of 18 181 818 new shares at NOK 2.75 per share, raising gross proceeds of approximately NOK 50 million. The new share capital of the Company after the registration of the shares was NOK 21 108 174.20, divided into 211 081 742 shares, each with a nominal value of NOK 0.10.

On 23 January 2024 the Group granted 7 505 000 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. This grant replaces 555 000 of the outstanding share options from the grant in December 2021 and 36 000 of the "Tranche 1" warrants, and 2 581 063 of the "Tranche 2" warrants.

As per 31 March 2024, a total of 7 700 000 options are outstanding in connection with the Company's share option program. 145 000 have vested and has a strike price of NOK 8.20. 7 505 000 options have a strike of NOK 3.20. The remaining 50 000 options are formalised as warrants ("Tranche 1 Warrants"). Exercise price for these is NOK 0.83, and all have vested.

In connection with the private placement in April 2021, the Company's general meeting approved the issuance of 3,750,000 new warrants to the existing shareholders of the Company before the private placement ("Tranche 2 Warrants"). 1 875 000 of these warrants expired in April 2023, and 1 290 532 was replaced with share options granted 23 January 2024. The remaining 584 469 Tranche 2 Warrants can be exercised at NOK 0.10 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 8.20 per share.

Recent events

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. The new share capital of the Company after the registration of the shares is NOK 22,208,174.20, divided into 222,081,742 shares, each with a nominal value of NOK 0.10

Consolidated statement of comprehensive income

All amounts in USD 1,000	Note	Q1 2024	Q1 2023
Revenues	4	9,467	2,438
Total revenues and other income		9,467	2,438
Cost of sales		5,328	2,691
Gross profit		4,139	-253
Selling, general and administrative expenses		1,230	668
Depreciation and amortisation	5, 6	1,801	801
Total operating expenses		3,031	1,469
Operating profit (loss)/EBIT		1,108	-1,722
Share of results from joint venture		-18	-18
Finance income		2,373	1,279
Finance expense		1,477	887
Net financial items		878	374
Profit (loss) before tax		1,986	-1,348
Income tax expense		-2	97
Net profit (loss) for the period		1,987	-1,445
Other comprehensive income			
<i>Items which may subsequently be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		-2,368	-872
Other comprehensive income for the period		-2,368	-872
Total comprehensive income for the period		-381	-2,317
Earnings per share			
Basic EPS - profit or loss attributable to equity holders (USD)	11	0.01	-0.02
Diluted EPS - profit or loss attributable to equity holders (USD)	11	0.01	-0.02
Net profit/loss for the year attributable to:			
Equity holders of the parent company		1,987	-1,445
Total comprehensive income attributable to:			
Equity holders of the parent company		-381	-2,317

Consolidated statement of financial position

All amounts in USD 1,000	Note	31/3/2024	31/12/2023
Intangible assets	6	3,858	3,790
Right-of-use assets		29,365	18,456
Property, plant and equipment	5	46,873	36,250
Multi-client inventory		349	699
Investment in joint venture		134	152
Total non-current assets		80,579	59,347
Trade receivables		4,210	219
Other receivables		6,065	4,071
Cash and cash equivalents		920	5,340
Contract assets		1,370	552
Other current assets		691	2,073
Total current assets		13,256	12,254
Total assets		93,835	71,601
All amounts in USD 1,000			
Note			
Share capital	9	2,062	1,890
Share premium		66,531	62,204
Other capital reserves		1,896	1,734
Other equity	-	31,199	30,818
Total equity		39,290	35,010
Non-current interest-bearing liabilities	7	12,131	4,940
Non-current lease liabilities		19,938	13,112
Non-current provisions		1	2
Total non-current liabilities		32,071	18,053
Current interest-bearing liabilities	7	4,429	2,394
Trade payables		8,737	6,456
Current lease liabilities		7,444	4,751
Current provisions		626	432
Contract liabilities		-	2,225
Other current liabilities		1,237	2,280
Total current liabilities		22,473	18,537
Total liabilities		54,544	36,590
Total equity and liabilities		93,835	71,601

Consolidated statement of changes in equity

All amounts in USD 1,000	Note	Paid-in equity			Other equity		Total equity
		Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
Equity 1 January 2023		565	27,356	1,640	-2,191	-12,766	14,604
Net profit or loss for the period		-	-	-	-	-16,935	-16,935
Other comprehensive income		-	-	-	1,074	-	1,074
Total comprehensive income for the period		-	-	-	1,074	-16,935	-15,861
Issue of share capital (Note 6.6)		1,112	35,062	-	-	-	36,174
Registration of shares from December 2022		213	-213	-	-	-	-
Transaction costs		-	-	-	-	-	-
Share-based payments (Note 6.8)		-	-	93	-	-	93
Equity 31 December 2023		1,890	62,204	1,734	-1,117	-29,701	35,010
Net profit or loss for the year		-	-	-	-	1,987	1,987
Other comprehensive income		-	-	-	-2,368	-	-2,368
Total comprehensive income for the period		-	-	-	-2,368	1,987	-381
Issue of share capital (Note 6.6)		172	4,552	-	-	-	4,723
Transaction costs		-	-225	-	-	-	-225
Share-based payments (Note 6.8)		-	-	163	-	-	163
Equity as at 31 March 2024		2,062	66,531	1,896	-3,485	-27,714	39,290

Consolidated statement of cash flows

All amounts in USD 1,000	Note	Q1 2024	Q1 2023
Cash flow from operating activities			
Profit/loss before tax		1,986	-1,348
<i>Adjustments to reconcile loss before tax to net cash flow</i>			
Net financial items		-878	-374
Depreciation, amortisation, and impairment		1,801	801
Share-based payment expense		152	11
<i>Working capital adjustments</i>			
Changes in trade and other receivables		-5,985	4,291
Changes in contract assets and other current assets		563	578
Changes in trade payables		2,281	55
Changes in provisions		193	152
Changes in contract liabilities and other current liabilities		-3,267	-3,953
Net cash flows from operating activities		-3,154	-944
Cash flow from investing activities			
Purchase of property, plant and equipment		-11,322	-1,165
Investment in Multi-client		350	-
Development expenditures		-168	-462
Interest received		6	3
Net cash flows from investing activities		-11,135	-1,624
Cash flow from financing activities			
Proceeds from issuance of equity		4,498	4,109
Repayments of long term debt		-1,093	-3,259
Proceeds from long term debt		10,000	927
Payments for principal for the lease liability		-2,342	-69
Payments for interest for the lease liability		-704	-114
Interest paid		-688	-17
Net cash flows from financing activities		9,671	1,577
Net change in cash and cash equivalents		-4,618	-991
Cash and cash equivalents at beginning of the year		5,340	2,163
Net foreign exchange difference		198	8
Cash and cash equivalents at 31 March		920	1,181

Notes

Note 1 General information

Argeo AS ("the Company") is listed on Euronext Growth Market, 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 AS 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 period ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 23 May 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 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. 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 AS has Norwegian krone (NOK) as its functional currency and its subsidiaries have NOK, USD 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 IFRS 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.

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 AS 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):	Q1 2024	Q1 2023
Revenue from contracts with customers	8,268	1,604
Rental income	1,199	833
Total revenues	9,467	2,438

Geographical markets (USD 1,000)	Q1 2024	Q1 2023
Africa	5,374	-
Asia	2,728	-
Europe	165	1,604
Total revenue from contracts with customers	8,268	1,604

Notes

Note 5 Property, plant and equipment

USD 1,000	Vessels	AUV, USV	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
Acquisition cost 31 December 2023	21,102	20,598	754	504	42,959
Additions	10,785	160	374	50	11,369
Currency translation effects	-	56	-	-2	55
Acquisition cost 31 March 2024	31,887	20,814	1,128	553	54,382
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	226	512	15	41	794
Currency translation effects	-	7	-	-0	7
Acc.dep. & impairment 31 March 2024	569	6,436	217	286	7,509
Carrying amount 31.12.2023	20,759	14,681	552	259	36,250
Carrying amount 31.03.2024	31,318	14,378	911	266	46,873
Economic life	5-10 years	7 years	3-5 years	3 years	
Depreciation method	Linear	Linear	Linear	Linear	

Additions in Q1 2024 are mainly related to reactivation and upgrade cost for Argeo Venture.

No indicators for impairment of property, plant and equipment were identified in Q1 2024.

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	168	-	-	168
Currency translation effects	-35	-17	-	-53
Acquisition cost 31 March 2024	3,325	844	217	4,387
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	-	41	11	52
Currency translation effects	-	-5	-	-5
Acc. amortisation 31 March 2024	-	442	87	528
Carrying amount 31.12.2023	3,192	457	141	3,790
Carrying amount 31.03.2024	3,325	403	130	3,858
Economic life	5 years	5 years	5 years	
Depreciation method	Linear	Linear	Linear	

The capitalised development costs in Q1 2024 are mainly related to development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

No indicators for impairment of intangible assets were identified in the current or prior periods.

Notes

Note 7 Interest-bearing debt

Loans from Innovation Norway

The Group had three loans from Innovation Norway at the end of March 2024 with floating rate, all currently bearing 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.

Assets pledged as security for secured liabilities

All three loans from Innovation Norway are secured with machinery and plant in Argeo Survey AS. One of the loans are also secured with the shares owned by Argeo Survey AS in its 50 % ownership in H1000 JV AS and by a parent company guarantee from Argeo AS.

Seller's credits

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

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	31/3/2024	31/12/2023
Seller's credit - A	12.80%	2026	1,713	1,971
Seller's credit - B	14.10%	2026	600	691
Seller's credit - C	14.10%	2025	-	293
Loan Innovation Norway - A	8.20%	2025	1	5
Loan Innovation Norway - B	8.20%	2026	139	177
Loan Innovation Norway - C	8.20%	2028	1,620	1,802
Loan Argeo Venture		2029	8,059	-
Non-current interest-bearing debt			12,131	4,940

Current interest-bearing liabilities (USD 1,000)	Interest rate	Maturity	31/3/2024	31/12/2023
Seller's credit - A	12.80%	2026	322	-
Seller's credit - B	14.10%	2026	116	-
Seller's credit - C	14.10%	2025	1,944	2,096
Loan Innovation Norway - A	8.20%	2025	15	16
Loan Innovation Norway - B	8.20%	2026	111	118
Loan Innovation Norway - C	8.20%	2028	231	164
Loan Argeo Venture		2029	1,690	-
Current interest-bearing debt			4,429	2,394

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

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 and the current risk free interest rates.

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. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Notes

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 November	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
At 31 March 2024	211,081,742	0.1	2,062

Shareholders in Argeo AS at 31 March 2024	Total shares	Ownership/voting rights
KISTEFOS AS	32,621,837	15.5 %
SHEARWATER GEOSERVICES HOLDING AS	20,123,625	9.5 %
LANGEBRU AS	14,000,000	6.6 %
PRO AS	9,447,799	4.5 %
SPAREBANK 1 MARKETS AS	7,683,454	3.6 %
REDBACK AS	6,794,512	3.2 %
ØSTERBRIS OFFSHORE AS	6,454,545	3.1 %
ASCENT AS	4,646,572	2.2 %
DNB BANK ASA	4,521,823	2.1 %
NORDNET LIVSFORSIKRING AS	4,334,337	2.1 %
MP PENSJON PK	4,034,455	1.9 %
DNB Markets Aksjehandel/-analyse	3,313,386	1.6 %
Nordnet Bank AB	2,425,931	1.1 %
STAVANGER KOMMUNE	2,099,370	1.0 %
TROPTIMA AS	1,830,968	0.9 %
RANUM	1,790,000	0.8 %
Performa Consulting AS	1,630,968	0.8 %
RAVI INVESTERING AS	1,500,000	0.7 %
HANDÅ	1,500,000	0.7 %
HAUGEN	1,442,000	0.7 %
Other	78,886,160	37.4 %
Total	211,081,742	100%

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 at 31 March 2024, the Group had 7,700,000 outstanding options and 584,469 outstanding warrants, with a weighted average strike price of NOK 4.21 and NOK 0.10, respectively.

23 January 2024 the Group granted 7,505,000 share options which will vest 1/3 each year over a total vesting period of 3 years. The last possible exercise date 5 years from the grant date.

This grant replaces 555,000 outstanding share options from the grant in December 2021 and 36,000 of the “Tranche 1” warrants, and 1,290,532 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.

During Q1 2024, 7,505,000 share options were granted under the Group's share option plan from 2024. The fair value of the options granted during the three months ended 31 March 2024 was estimated on the grant date using the following assumptions:

	Q1 2024
Weighted average fair values at the measurement date (NOK)	1.94
Dividend yield (%)	0.00%
Expected volatility (%)	64.01%
Risk-free interest rate (%)	3.54%
Expected life of share options (years)	3.00
Weighted average share price (NOK)	3.94
Weighted average exercise price (NOK)	3.20
Model used	BSM

The Group recognised USD 151 thousand of share-based payment expense in the statement of comprehensive income in Q1 2024 (Q1 2023: USD 10 thousand).

As at 31 March 2024, the Group has recognised a social security provision for share-based payment of USD 184 thousand (31.12.2023: USD 142 thousand).

Notes

11 Earnings per share

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

USD	Q1 2024	Q1 2023
Loss attributable to ordinary equity holders - for basic EPS	1,987,419	-1,444,880
Loss attributable to ordinary equity holders adjusted for the effect of dilution*	1,987,419	-1,444,880
Weighted average number of ordinary shares - for basic EPS	195,324,166	74,259,923
Weighted average number of ordinary shares adjusted for the effect of dilution	202,296,338	79,392,942
Basic EPS - profit or loss attributable to equity holders of the Company	0.01 -	0.02
Diluted EPS - profit or loss attributable to equity holders of the Company*	0.01 -	0.02

*The ordinary shares are not adjusted for the effect of dilution as the effect of including the additional shares is antidilutive.

Note 12 Events after the reporting period

Adjusting events

There have been no significant adjusting events subsequent to the reporting date.

Non-adjusting events

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. The new share capital of the Company after the registration of the shares is NOK 22,208,174.20, divided into 222,081,742 shares, each with a nominal value of NOK 0.10.

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

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)	Q1 2024	Q1 2023
Total revenues and other income	9,467	2,438
Cost of sales	5,328	2,691
Selling, general and administrative expenses	1,230	668
EBITDA	2,909	-921
EBITDA margin	31%	-38%

Superior capacity

With the most advanced fleet available

▶ ROBUST AND MODERN Vessels



Argeo Searcher



Argeo Venture

▶ SUPERIOR AUV's

Hugin Superior



Q1 2025

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.

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 values 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 2023 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.



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



Sourcing of local and 3rd party resources
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 key to examine impact on habitat and species below water. Argeo can collect 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 2023

Argeo Searcher	Co2 5338 Tons
	NOx 95559 Kg
	Sox 1243 Kg

Social

Building and sustaining a fair, responsible, and attractive workplace

The right balance of people

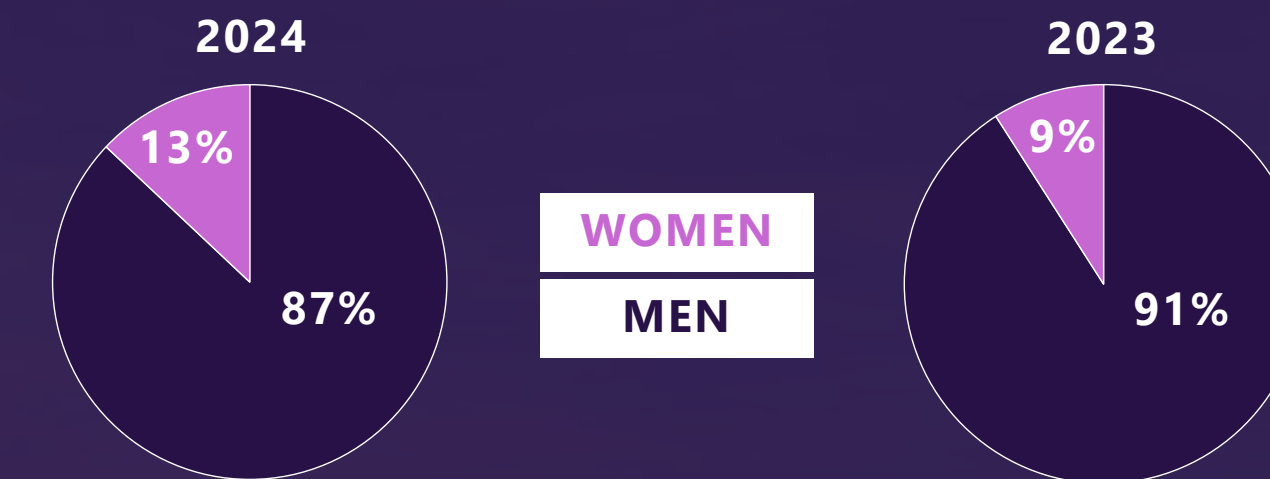
We believe maintaining a balanced and diverse workforce in terms of gender, age, and nationalities is a strategic advantage that fosters diverse perspectives and drives innovation.

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.

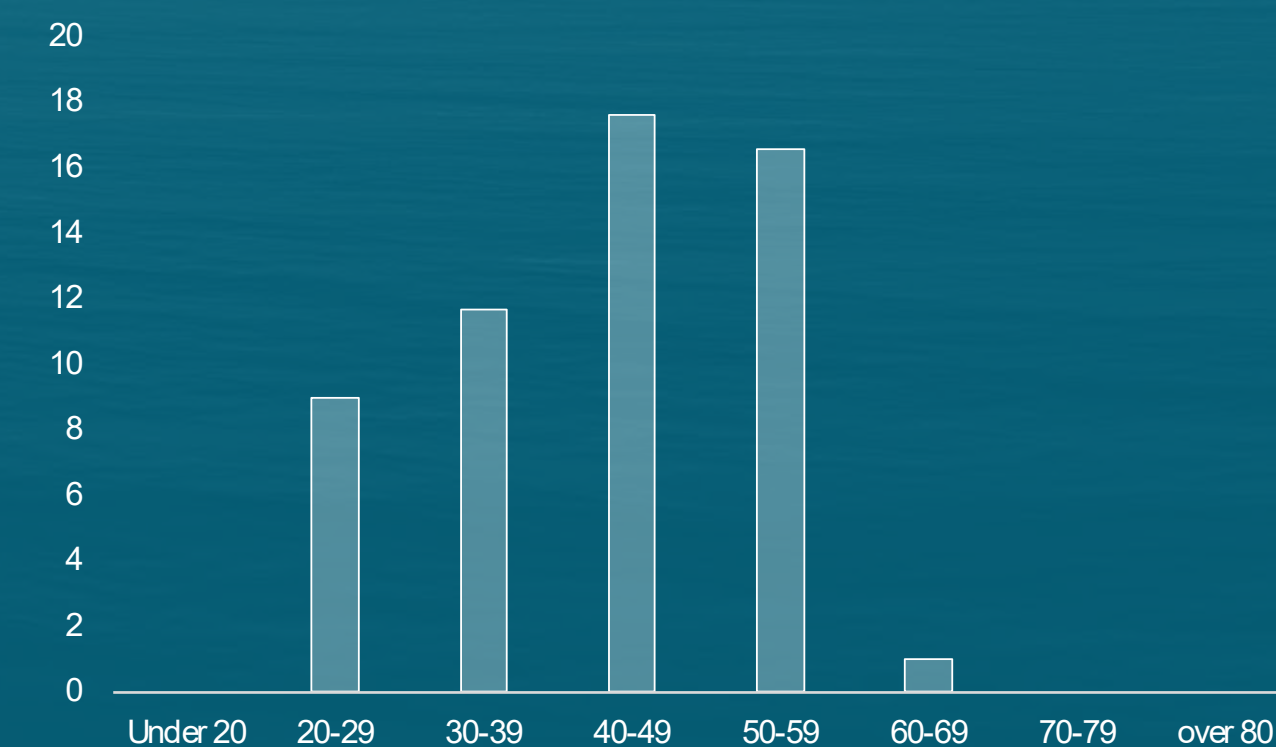
By embracing diverse experiences and viewpoints, we attract top talent, enhance employee satisfaction, and reduce turnover. This balance results in better decision-making and a more robust, adaptable organization.

In 2023 Argeo employees were from **10 different nationalities**

Gender balance



Age distribution



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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