

PROSPECTUS



ARGEO ASA

(A public limited liability company incorporated under the laws of Norway)

Listing of 9,875,000 new shares on Oslo Børs issued in connection with tranche 2 of a Private Placement completed on 12 February 2025.

This Prospectus (the "**Prospectus**") has been prepared by Argeo ASA (the "**Company**" or "**Argeo**"), a public limited liability company incorporated under the laws of Norway (together with its consolidated subsidiaries, the "**Group**"), solely for use in connection with the listing of the Company's 9,875,000 new shares issued in connection with tranche 2 (the "**Tranche 2 Shares**") issued in a private placement comprising a total of 18,750,000 new shares (the "**Private Placement**"), each with a par value of NOK 0.50 on Euronext Oslo Børs, a stock exchange operated by Oslo Børs ASA ("**Oslo Børs**" or the "**Oslo Stock Exchange**"). The shares issued in the Private Placement were issued in two tranches and to two separate ISINs, whereof 8,875,000 shares were issued on the ordinary ISIN of the Company as immediately tradable and listed shares on the Oslo Stock Exchange, in accordance with an exemption from prospectus requirements for admission to trading of new shares (the "**Tranche 1 Shares**"), and the remaining 9,875,000 shares were issued on a separate ISIN, and such shares will only become tradable and listed on the Oslo Stock Exchange following approval and publication of this Prospectus (the Tranche 2 Shares, and together with the Tranche 1 Shares, the "**New Shares**"). The Tranche 2 Shares of the Private Placement were issued by Company's extraordinary general meeting (the "**EGM**") held on 6 March 2025. The Tranche 2 Shares were settled with existing and unencumbered shares in the Company already listed on the Oslo Stock Exchange, pursuant to a customary share lending agreement (the "**Share Lending Agreement**") between Kistefos AS as existing shareholder (the "**Lender**"), Pareto Securities AS and SpareBank 1 Markets AS (collectively, the "**Managers**") and the Company, in order to facilitate a delivery-versus payment settlement 10 March 2025.

The Company is not taking any action to permit a public offering of the New Shares in any jurisdiction outside Norway. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (as amended) (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States and are being offered and sold: (i) in the United States only to persons pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act; and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S under the U.S. Securities Act ("**Regulation S**"). See Section 14 "**Transfer Restrictions**".

Investing in the Company involves a high degree of risk. Prospective investors should read the entire Prospectus and, in particular, consider Section 2 "**Risk Factors**" when considering an investment in the Company.



Pareto Securities AS



SpareBank 1 Markets AS

The date of this Prospectus is 2 April 2025

IMPORTANT NOTICE

This Prospectus has been prepared by the Company in connection with the listing of the Tranche 2 Shares.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language. This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment by investors between the time of approval of this Prospectus by the Norwegian FSA and the listing of the Company's shares (the "**Shares**") on Oslo Børs, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

No person is authorized to give information or to make any representation concerning the Group or in connection with the listing of the Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Company or by any of the affiliates, representatives, advisors of the foregoing.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company requires persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 14 "*Transfer restrictions*". Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its content is prohibited.

All Sections of the Prospectus should be read in context with the information included in Section 4 "*General Information*". Investing in the Shares involves certain risks. See section 2 "*Risk Factors*". For definitions of certain other terms used throughout this Prospectus, see Section 18 "*Definitions and glossary*".

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the Company's senior executive management team are not residents of the United States of America (the "**U.S.**" or "**United States**"), and a substantial portion of the Company's assets are located outside the United States. As a result, it may be very difficult for investors in the United States to effect service of process on the Company, the Board Members and members of management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

DATA PROTECTION

As data controllers, each of the Managers processes personal data to deliver the products and services that are agreed between the parties and for other purposes, such as to comply with laws and other regulations, including the General Data Protection Regulation (EU) 2016/679 (the "**GDPR**") and the Norwegian Data Protection Act of 15 June 2018 No.38. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. For detailed information on the each Manager's processing of personal data, please review such Manager's privacy policy, which is available on its website or by contacting the relevant Manager. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the relevant Manager's privacy policy to the individuals whose personal data it discloses to the Managers.

TABLE OF CONTENTS

| | | |
|----|--|----|
| 1 | SUMMARY | 1 |
| 2 | RISK FACTORS..... | 6 |
| 3 | RESPONSIBILITY FOR THE PROSPECTUS..... | 15 |
| 4 | GENERAL INFORMATION..... | 16 |
| 5 | THE COMPLETED PRIVATE PLACEMENT | 20 |
| 6 | DIVIDEND AND DIVIDEND POLICY | 22 |
| 7 | INDUSTRY AND MARKET OVERVIEW | 24 |
| 8 | BUSINESS OF THE GROUP | 30 |
| 9 | CAPITALISATION AND INDEBTEDNESS..... | 41 |
| 10 | SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION..... | 44 |
| 11 | OPERATING AND FINANCIAL REVIEW | 48 |
| 12 | BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE | 63 |
| 13 | CORPORATE INFORMATION AND DESCRIPTION OF THE SHARES | 71 |
| 14 | TRANSFER RESTRICTIONS | 78 |
| 15 | CERTAIN ASPECTS OF SECURITIES TRADING IN NORWAY | 80 |
| 16 | NORWEGIAN TAXATION | 85 |
| 17 | ADDITIONAL INFORMATION | 88 |
| 18 | DEFINITIONS AND GLOSSARY | 89 |

APPENDICES

| | |
|-------------------|-------------------------|
| APPENDIX A | Articles of Association |
|-------------------|-------------------------|

1 SUMMARY

INTRODUCTION

| | |
|----------------------------------|---|
| <i>Warning</i> | This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. |
| <i>Securities</i> | The Company has one class of shares in issue. The Shares are registered in book-entry form with the VPS and have ISIN NO0013257410. |
| <i>Issuer</i> | The Company's registration number in the Norwegian Register of Business Enterprises is 913 743 075 and its Legal Entity Identifier (LEI) is 894500SHXBC6FQ4L8U37. The Company's registered office is located at Nye Vakås vei 14, Hvalstad, Norway. The Company's website can be found at www.argeo.no/ and its telephone number is (+47) 66 85 90 99. |
| <i>Competent authority</i> | The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and telephone number (+47) 22 93 98 00 has reviewed and, on 2 April 2025, approved this Prospectus. |

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

| | |
|------------------------------------|--|
| <i>Corporate information</i> | The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company was incorporated in Norway on 28 May 2014 as a private limited liability company and transformed to a public limited liability company following an extraordinary general meeting held on 8 October 2024, its registration number in the Norwegian Register of Business Enterprises is 913 743 075 and its Legal Entity Identifier ("LEI") is 894500SHXBC6FQ4L8U37. |
| <i>Principal activities</i> | Argeo provides survey, inspection and light intervention subsea services to industries installing, constructing, or maintaining infrastructure or equipment in the oceans. Argeo provides these services primarily by acquiring data using advanced autonomous underwater vehicles ("AUVs"), unmanned surface vehicles ("USVs") and robotics systems for then to apply advanced integrated processing and interpretation creating a high-resolution digital representation of the seafloor and the sub-seafloor. The digital representation is based upon geophysical, hydrographic, and geological sensor data to be used by the customers in business segments such as renewables, oil and gas, and offshore installations. The Group also provides exploration services using the same robots, but with specialized sensors to characterize the deep ocean space seafloor for high value deep sea minerals used in the electronics and renewables industry. |

Major shareholders Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. The following table sets forth shareholders owning 5% or more of the shares in the Company as of 26 March 2025.

Table 1 – Overview of major shareholders

| # | Shareholder | No. of Shares | Percentage |
|---|----------------------------|---------------------------|-----------------------|
| 1 | KISTEFOS AS ⁽¹⁾ | 12,657,720 ⁽¹⁾ | 20.04% ⁽¹⁾ |

⁽¹⁾ Out of the 12,657,720 shares owned by Kistefos AS, 2,376,690 shares are under forward contracts with DNB Markets, a part of DNB Bank ASA, and SpareBank 1 Markets AS.

⁽²⁾

Key managing directors The Company's executive management consists of three individuals. The names of the members of the management and their respective positions are presented in the below table.

Table 2 – Overview of the executive management

| Name | Current position within the Company |
|-------------------|-------------------------------------|
| Trond F. Crantz | Chief Executive Officer (CEO) |
| Odd Erik Rudshaug | Chief Financial Officer (CFO) |
| Thorbjørn Rekdal | Chief Technology Officer (CTO) |

Independent auditor The Company's independent auditor is KPMG AS, with company registration number 935 174 627 and registered business address at Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS was elected in an extraordinary general meeting 8 October 2024, and replaced RSM Norge AS.

What is the key financial information regarding the issuer?

In 2024, the Company decided to convert its financial reporting from Norwegian Generally Accepted Accounting Principles ("NGAAP") to International Financial Reporting Standards, as adopted by the EU ("IFRS"). As such, the Company has prepared audited annual consolidated financial statements as of and for the years ended 31 December 2023, 2022 and 2021 in accordance with IFRS (the "Annual Financial Statements"). Moreover, the Company has prepared unaudited consolidated financial statements for the twelve-month period ended 31 December 2024 (the "Interim Financial Statements", and together with the Annual Financial Statements, the "Financial Statements") in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the EU ("IAS 34")

The table below sets out key financial information extracted from the Company's consolidated statements of income as of and for the years ended 31 December 2023, 2022 and 2021 (prepared in accordance with IFRS) and as of and for the period ended 31 December 2024 (prepared in accordance with IAS 34).

| Table 3 – Key Financials – Comprehensive income Statement | Three-month period ended 31 December | | Twelve-month period ended 31 December | Year ended 31 December | | |
|---|--------------------------------------|-----------------------------|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IAS 34 Unaudited | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| (Amounts in USD thousands) | | | | | | |
| Total revenues and other income | 5,384 | 1,041 | 53,508 | 10,126 | 3,485 | 1,842 |
| Gross profit | -4,142 | -2,024 | 12,237 | -4,415 | -2,181 | -1,305 |
| Total operating expenses | 3,795 | 4,389 | 14,691 | 9,248 | 4,401 | 1,973 |
| Operating profit (loss)/EBIT | -7,937 | -6,413 | 2,455 | 13,663 | -6,582 | -3,279 |
| Net financial items | -442 | -2,972 | -4,361 | -3,193 | -1,234 | -25 |
| Profit (loss) before tax | -8,379 | -9,385 | -6,816 | 16,856 | -7,816 | -3,304 |
| Net profit (loss) for the period | -8,504 | -9,387 | -6,939 | 16,935 | -8,926 | -2,156 |

The table below sets out key financial information extracted from the Company's consolidated balance sheet as of and for the years ended 31 December 2023, 2022 and 2021 (prepared in accordance with IFRS) and as of and for the period ended 31 December 2024 (prepared in accordance with IAS 34).

| Table 4 – Key Financials – Financial Position | As at | | | |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| | 31 December | | | |
| (Amounts in USD thousands) | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| Total non-current assets | 78,032 | 59,347 | 24,347 | 3,789 |
| Total current assets | 20,981 | 12,254 | 8,458 | 15,947 |
| Total assets | 99,013 | 71,601 | 32,805 | 19,735 |
| Total equity | 32,923 | 35,010 | 14,604 | 16,694 |
| Total non-current liabilities | 35,373 | 18,053 | 4,766 | 1,004 |
| Total current liabilities | 30,716 | 18,537 | 13,435 | 2,038 |
| Total liabilities | 66,089 | 36,590 | 18,201 | 3,041 |
| Total equity and liabilities | 99,013 | 71,601 | 32,805 | 19,735 |

The table below sets out key financial information extracted from the Company's consolidated statement of cash flow as of and for the years ended 31 December 2023, 2022 and 2021 (prepared in accordance with IFRS) and as of and for the period ended 31 December 2024 (prepared in accordance with IAS 34).

| Table 5 – Key Financials – Cash flow | Twelve-month period ended | | Year ended | |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| | 31 December | | 31 December | |
| (Amounts in USD thousands) | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| Net cash flows from operating activities | 4,483 | -4,229 | 4,243 | -11,139 |
| Net cash flows from investing activities | -21,431 | -22,828 | -26,635 | -399 |
| Net cash from financing activities | 12,019 | 30,264 | 18,148 | 18,377 |
| Net change in cash and cash equivalents | -4,930 | 3,207 | -4,243 | 6,839 |
| Cash and cash equivalents at end of period | 827 | 5,340 | 2,163 | 7,468 |

What are the key risks that are specific to the issuer?

Material risk factors.....

- The Group's business revolves around its agreements and relationship with its contracting parties and commercial partners.
- The Group faces risks related to product and service quality, and failure to meet customer demands and expectations in product and service delivery could significantly impact the Group's business, results of operations, financial condition, cash flows, and/or prospects.
- The Group may risk not being awarded projects in the future or on terms that are not favourable to the Group.
- The Group is exposed to risks related to its agreements and relationships with subcontractors and other parties.
- The Group's vessel operations involve significant fuel purchases and exposure to fuel price fluctuations, with recent increases in fuel costs impacting expenses and potentially reducing profit margins due to the Group's lack of hedging against this risk.
- The Group is exposed to risks associated with international operations.
- The Group is subject to risks relating to changes in laws, regulations and is dependent on permits and approvals to operate.
- In order to execute the Group's growth strategy, the Group may require additional capital in the future, which may not be available on favourable terms or at all.
- Future debt levels could limit the Group's flexibility to obtain additional financing and pursue other business opportunities.
- The Group is exposed to credit and liquidity risks.
- The Group's ability to service its debt obligations under the sale-and-leaseback agreement for its vessel Argeo Venture (as defined below) depends on future financial and operating performance, impacted by economic conditions and other factors beyond its control.
- The Group is exposed to risks related to technology and know-how and the Group may not be able to launch competitive and technologically advanced products and services.

- The Group's operations are exposed to risks from harsh weather conditions, which can cause operational delays, equipment damage, increased safety measures, and compromised data quality. These factors can lead to increased costs, project delays, and reduced profitability, adversely affecting the Group's financial performance and position.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

| | |
|--|---|
| <i>Type, class and ISIN.....</i> | All of the Shares are ordinary shares in the Company and have been created under the Norwegian Public Limited Liability Companies Act. The Shares are registered in book-entry form with the VPS and have ISIN NO NO0013257410. Upon approval and publication of this Prospectus, the Tranche 2 Shares will be registered in book-entry form with the VPS under the same ISIN number as the Company's current issued and outstanding Shares. |
| <i>Currency, par value and number of securities.....</i> | The Shares will be traded in NOK on Oslo Børs. As of the date of this Prospectus, the Company's share capital is NOK 31,588,174.50 divided on 63,176,349 Shares, each with a nominal value of NOK 0.50. |
| <i>Rights attached to the securities.....</i> | The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the Company, including the rights to dividends. Each of the Shares carries one vote. |
| <i>Transfer restrictions.....</i> | The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Shares. Share transfers are not subject to approval by the Board of Directors. |
| <i>Dividend and dividend policy...</i> | The Company is focusing on the development of its products and services and has no current plans to pay dividend. The Company is however committed to creating long-term value for its shareholders and intends to distribute the majority of its future earnings as cash dividends, in addition to financing future growth with any remaining future earnings. The Company's dividend policy states that any proposal to authorize the Board to approve distribution of dividends will be explained. Additionally, general authorizations for the Board to increase the share capital or to buy the Company's own shares will normally be restricted to defined purposes and will, in general, be limited in time to the date of the next annual general meeting of the Company. |

Where will the securities be traded?

The Shares are listed and tradable on the Oslo Stock Exchange under the ticker code "ARGEO" with ISIN NO0013257410. The Tranche 2 Shares are expected to become listed on the Oslo Stock Exchange on or about 28 April 2025, under the same ticker code ("ARGEO"), subject to the approval of the Prospectus by the NFSA. Such approval was granted on 2 April 2025. The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

What are the key risks that are specific to the securities?

| | |
|-----------------------------------|--|
| <i>Material risk factors.....</i> | <ul style="list-style-type: none"> • Future issuance of Shares or other securities, including warrants and options, in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares. • The Company may be unwilling or unable to pay dividends or make distributions. • The price of the Shares may fluctuate significantly, which could cause investors to lose a significant part of their investment. |
|-----------------------------------|--|

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

| | |
|---------------------------------------|---|
| <i>Listing of the New Shares.....</i> | The Company has completed a Private Placement of 18,750,000 New Shares on 12 February 2025. This Prospectus relates, among other things, to the listing on Oslo Stock Exchange of 9,875,000 Tranche 2 Shares issued in connection with such Private Placement. Through the Private Placement, the Company raised gross proceeds of approximately NOK 150 million. |
|---------------------------------------|---|

Dilution The issuance of the New Shares resulted in an immediate dilution for the existing shareholders not participating in the Private Placement of approximately 29.7%.

Why is this prospectus being produced?

Reasons for the offer/admission to trading..... This Prospectus is being produced to enable listing of the Tranche 2 Shares on Oslo Stock Exchange.

Estimated expenses and net proceeds..... The total costs pertaining to the Private Placement are expected to be approximately NOK 8,000,000, implying net proceeds from the Private Placement of approximately NOK 142,000,000.

Material conflicts of interest in the Private Placement..... Two existing shareholders in the Company provided the Managers with a share loan in accordance with a share lending agreement to facilitate delivery of listed shares to the investors in the Private Placement on a payment versus delivery basis as further set out in Section 5.1.1.

Other than that, the Company is not aware of any interest of any natural or legal persons involved in the Private Placement that is material to the listing of the Tranche 2 Shares.

2 RISK FACTORS

An investment in the Company and the Shares involves inherent risk. Investors should carefully consider the risk factors, and all information contained in this Prospectus, including the financial statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the material known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 "Risk factors" are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative affect for the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision.

If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares.

2.1 Risks related to the business of the Group and the industry in which it operates

2.1.1 *The Group's business revolves around its agreements and relationship with its contracting parties and commercial partners*

The Group's business revolves around its agreements and relationships with customers and other third parties, all of which in aggregate are vital in order to maintain, expand and scale its operations and business. The Group has entered into several contracts that are considered critical to its business and operations, as well as its ability to grow, including contracts relevant for the current backlog, as further set out in Section 8.8 "Patents, contracts, licenses, etc." and Section 8.4.5 "Backlog and backlog phasing". As outlined in Section 8.8, the agreements considered to be of such importance are:

- The Company has signed a USD 39 million contract with international energy company TotalEnergies for work in offshore Africa that will occupy Argeo Venture until end of March 2025.
- The Company has signed a NOK 154 million contract with India's national Centre for Polar and Ocean Research (NCPOR) regarding a near-seabed exploration survey and data analysis project, whereof approx. 80% has been successfully completed, and whereof the remaining approx. 20% has been left outstanding as an optionality to be discussed between the parties and which, if to be completed, in all likelihood will commence and be completed in 2025.
- The Company signed a letter of intent for an agreement for the purchase of two Hugin Superior AUVs and one Hugin 6000 or another Hugin Superior AUV, of which the first two were delivered on 9 November 2023 and in March 2024, respectively, and the last one is optional for Q1 2025.

The Company has signed a 5-year bareboat contract for vessel Argeo Searcher, with an option to purchase the vessel. On 1 November 2023, the Company entered into an addendum to the bareboat contract, which involves a new contract period of 5-year from and including 1 January 2024.

The Group is particularly prone to the inherent risks of commercial contracting as the number of projects being planned, reversed and/or put out for tender by clients from time to time fluctuate significantly all depending on global macroeconomics, herewith e.g. free trade between nations (affecting upstream production), oil, gas and energy prices, geographical restrictions due to international turmoil, shifts in political landscapes as regards appetite for clean energy initiatives, etc. Should any of the above-mentioned contracts, or any other important contract to be entered into, be terminated, not renewed, or not successfully completed for any reason, it could negatively impact the Group's backlog. A reduction in the backlog would result in a loss of anticipated future revenues, which could have significant consequences for the Group's financial condition, results of operations, and cash flow. Such disruptions could also lead to increased operational costs, as the Group may need to secure alternative partners or renegotiate terms, causing delays and additional expenses. Furthermore, the loss or disruption of these contracts could damage the Group's reputation, making it more difficult to secure new contracts or maintain existing customer relationships. These factors could impair the Group's ability to achieve its strategic objectives, weaken its competitive position in the market, and negatively affect its business, results of operations, cash flow, and prospects.

2.1.2 *The Group is exposed to risks relating to the quality of products and services*

The Group is reliant on its ability to develop and deliver products and services of a certain quality. The Group's business model centers around active participation in projects that require advanced technologies, such as underwater inspections using Autonomous Underwater Vehicles ("AUVs") and Unmanned Surface Vehicles ("USVs"). Customer expectations may vary from the specific projects and offerings provided. Any performance deviations during critical operations, such as inaccurate data collection or imaging errors during underwater inspections with AUVs, could lead to customer dissatisfaction and potential contractual disputes. The Group is particularly prone to the risks attaching to customer dissatisfaction or disputes relating to quality of products or services delivered as the quality determination is not an exact science but may vary from project to project all depending on initial client specifications, technical complicated exceptions and clarifications being made both before and during operations to such specifications, and different interpretation models being used in the final assessment. If the quality of the services offered by the Group deteriorates, including timing of delivery and availability of services, whether due to misperformance by the Group or a third party e.g. in relation to interpretation or storage of collected data, the Group's reputation and business results could be damaged. Failure to meet customer demands and expectations, including but not limited to, precision, reliability, and accuracy in product and service delivery could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.3 *The Group may not be awarded projects tendered or bid for on terms that are not favourable to the Group or at all*

The Group's business model is partly based on participation in various projects with short to medium duration, with start-up of a project often taking place shortly after the award date. Unlike companies that have greater clarity on contracts due to longer projects, the Group faces particular exposure to the risk of not consistently securing new projects because of its limited contract visibility. Currently, several projects, including those in Nigeria, Trinidad, USA and Brazil, as well as potential opportunities in Surinam, Namibia, Guyana and South-Africa, are still in some form of negotiation or formal tendering and planning phase, and thus have not yet been formally awarded or concluded. Even if the Group believes it is developing and offering bids on competitive terms, or negotiations are progressing in a positive way, there remains a risk that these projects may not be awarded to or concluded with the Group, meaning that such potential projects risk not being materialized into profitable and revenue generating contracts. This uncertainty arises from the competitive nature of the bidding and/or negotiation process, where other bidders may present more attractive proposals or changes in project requirements may favour competitors. As a result, the Group could miss out on key business opportunities, which could adversely affect its revenue and growth potential. In the hypothetical scenario that the Group should struggle or fail to be awarded favourable projects for a prolonged period of time, the Group may have to accept terms that are not favourable and/or in line with the Group's strategy. If projects are not awarded to the Group or are granted under unfavourable terms, this could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows, and overall prospects.

2.1.4 *The Group is exposed to risks relating to harsh weather conditions*

The Group's offshore operations, especially in the North Sea during winter season, are significantly exposed to risks posed by harsh weather conditions, such as high winds, rough seas, and storms, which can adversely affect the Group's ability to conduct its operations efficiently and safely. Harsh weather can lead to operational delays and interruptions, posing health and safety risks to those involved in the Group's operations and potentially leading to injuries and accidents. The Group could also potentially be held liable for injuries and accidents involving its own employees or the employees of its contractors during operations in harsh weather conditions. Furthermore, such conditions may necessitate the suspension or postponement of the deployment and retrieval of AUVs and vessels to ensure the safety of personnel and equipment, which in turn can result in operational inefficiencies, increased costs and potential project delays. In addition, the Group's equipment, including AUVs and vessels, is vulnerable to damage from extreme weather. Prolonged exposure to harsh environmental conditions can lead to costly repairs or replacements and downtime that can affect project timelines and profitability. Furthermore, adverse weather conditions can increase the risk of accidents and injuries to the Group's personnel during offshore operations, requiring additional safety measures and resources. The quality and accuracy of the data collected by the Group's AUVs and sensor technology may be compromised by turbulent water conditions and limited visibility caused by severe weather. This can affect the integrity of the information provided to clients, potentially impacting the Group's reputation. Cost overruns, missed project deadlines, and reduced profitability caused by operational delays, equipment damage, increased safety measures, and compromised data quality may have an adverse effect on the Group's financial performance and position.

2.1.5 *The Group is exposed to fluctuations in oil and gas prices and fuel price fluctuations*

Given that a significant portion of the Group's business involves inspection, maintenance, and survey services in the oil and gas industry, the Group is also exposed to fluctuations in oil and gas prices. Additionally, the operation of vessels requires substantial fuel expenditures, making the Group vulnerable to fluctuations in fuel prices. For instance, the increased fuel prices seen in e.g. 2023 led to increased fuel expenses for the Group. Typically, only a portion of the variation of the fuel prices can normally be contractually charged to or negotiated with the client. Since the Group does not currently hedge against such exposure, sudden and/or significant changes in fuel prices could significantly affect fuel and other costs for the Group. Consequently, additional costs relating to fuel prices may lead to reduced profit margins for the Group.

2.1.6 *Risks related to the dependence on exploration and energy market conditions*

The Group depends on ongoing levels of capital spending, particularly for purchasing its products and services in the offshore installations, renewables, and marine markets ("**DSM**"). A significant portion of the Group's current and expected revenues, based on its existing backlog, is derived from the oil and gas sector, specifically the exploration, development, and production ("**E&P**") market. Both markets are heavily influenced by the overall conditions of the global energy markets.

Factors beyond the Group's control, such as global economic conditions, energy prices, and geopolitical events, can significantly impact demand for the services and technologies offered by the Group. For instance, the global E&P and energy markets can experience significant price volatility due to factors like changes in global oil and gas prices, supply and demand imbalances, and geopolitical tensions. This volatility can affect the Group's customers' exploration budgets and, consequently, their demand for the Group's services and technologies. Furthermore, the Group's reliance on energy prices could also impact its future ability to pay dividends. Furthermore, global economic conditions, such as economic downturns, recessions or financial crises, or the overall cyclic nature of the seismic and node industry, could lead to reduced capital spending by the Group's customers and a reduced demand for the Group's services, which in turn may have an adverse impact on the Group's performance, prospects, business and financial condition.

2.1.7 *The Group is exposed to risks relating to subcontractors and other partners*

The Group is dependent on the performance by its subcontractors and other partners of their contractual obligations in terms of quality and delivery time and compliance with guidelines and industry standards. The Group engages and collaborates on numerous projects with partners in different operating jurisdictions, such as India, Namibia and USA. There is a risk that such partners may not fulfil their commitments on time, within budgeted costs, or at the expected quality level. The Group is also dependent on timely and high-quality deliveries from its subcontractors. An illustrative example of this can be seen in its geophysical survey projects, where the Group relies on subcontractors to provide specialized services such as seismic data acquisition or processing. Delays or inaccuracies from subcontractors can disrupt project schedules and impact survey quality.

If the Group fails in its assessment and evaluation of such parties and it proves that they are, to a significant extent, unable to maintain the quality level which the Group expects, they do not have well-functioning environmental and safety work, or that there are no collective bargaining agreements in place between such parties and their employees, this could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects. If the Group is forced to replace or commence cooperation with a new supplier, this could also lead to significant costs and work in evaluating and approving a new party, and that it may be difficult for the Group to purchase corresponding products or services within reasonable time or at acceptable costs. If these risks materialize, it could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.8 *Risk associated with the integration of Argeo Venture*

As announced by the Company on 27 September 2023, the Company entered into a strategic alliance with Shearwater with an aim to transform subsea and ocean bottom seismic markets (the "**Strategic Alliance**"), including purchase of the seismic vessel Argeo Venture (formerly, SW Bell) ("**Argeo Venture**"). As part of the transaction, the Company also entered into a memorandum of agreement with Shearwater Geoservices Holding AS ("**Shearwater**", which term shall include any of its subsidiaries) for the purchase of Argeo Venture. Following Shearwater's block sale of shares in the Company as announced on 28 November 2024, it is at the date of the Prospectus unlikely that the Strategic Alliance and partnership with Shearwater will be further explored and formalised in an agreement.

The purchase of Argeo Venture from Shearwater is subject to a number of risks, such as the integration of the vessel into the Group's operations. The process may be more complex and time-consuming than anticipated, and the integration of Argeo Venture will require technical adjustments and modifications. Technical risks will always be present, and the technical operation of a vessel, including Argeo Venture, has a significant impact on the vessels' economic life. There can be no guarantee that the parties tasked with operating the Argeo Venture or overseeing such operation perform their duties according to operating agreements or satisfaction. Failure to adequately maintain the technical operation of a vessel may adversely impact the operating expenses of the Group.

2.1.9 *The Group may be unable to attract and retain key management personnel and other employees*

As follows from the Group's business plan set out in Section 8.3 "*Strategy and objectives*", the Group intends to scale and expand its business. To accomplish this, the Group will need to expand their workforce. Furthermore, the Group's success is currently, and will in the future, to a significant extent be dependent upon the abilities and efforts of the Company's small executive management team, including the founders of the Company the CEO, CFO and CTO, and its ability to retain key members of its management, including recruiting in accordance with its business plan, retaining and developing skilled personnel for its business.

The demand for personnel with the capabilities and experience required within the offshore supply-and service industry is high, and success in attracting and retaining such employees, including the initial founders, could prove to be difficult in a competitive landscape for the best people. There is intense competition for skilled personnel and there are, and may continue to be, shortages

in the availability of appropriately skilled people at all levels. Shortages of qualified personnel with industry experience in executive management (e.g. within the realm of strategy, operations, commercials and tendering), the Group's inability to obtain and retain qualified personnel or any unsuccessful employments as part of the Group's expansion and scaling (e.g. within ship management and crewing, maritime and subsea operations, and within engineering, procurement and development), could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.10 *The Group may not have sufficient insurance coverage*

Although the Group has insurance coverage regarded as market standard, concerning protection and indemnity ("P&I") insurance for its vessels, its assets (e.g. its underwater vehicles) and certain general liability insurances, the Group may not be able to maintain sufficient insurance to cover all other risks related to its operations. For instance, the vessels have insurance coverage amounting to USD 1 billion for oil spills and USD 3 billion for personal injury under the P&I insurance. However, if damages exceed these limits, the Group may be exposed to significant financial liability beyond the coverage provided. The Group's business is subject to a number of risks and hazards, including, but not limited to damages to property and equipment, labour disputes and changes in the regulatory environment. Such occurrences could result in monetary losses and possible legal liability. Although the Group seeks to maintain insurance or contractual coverage to protect against certain risks to the extent as it considers reasonable, its insurance may not cover all the potential risks associated with the Group's operations. The materialization of risks that the Group does not have sufficient insurance coverage for could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.11 *Risks related to technology and know-how*

Technology and know-how is an important aspect of the Group's daily business which it is in possession of through agreements with various business partners (see Section 8.8 "*Patents, contracts, licenses, etc.*"). The importance of third-party suppliers for technical production equipment to the Group, as well as the need for effective maintenance routines for its production facilities, makes it vulnerable to various risks. Specifically, the Group faces risks related to errors in technology, such as software malfunctions or equipment breakdowns. Additionally, the potential loss of critical know-how, whether due to personnel turnover, inadequate knowledge transfer, or failures in documentation, can severely impact operational effectiveness. Moreover, supply chain risks, such as delays, equipment failures, or supplier insolvencies, pose significant challenges. If the Group is unable to effectively leverage its know-how to navigate these issues, it could lead to production delays, increased operational costs, and potential quality control problems for the Group. Such errors and failures could also compromise the Group's ability to meet customer demands and expectations, resulting in lost revenue and reputational damage.

The Group has applied for patent approvals and secured patents for technology it has invented, representing significant resources in its product and service portfolio. However, such investments in technology and know-how may not translate into profitable business outcomes, or the Group may be too slow or less successful than its industry peers. There is also a risk that the Company's applications to patent its technology may not be approved. The Group may further not be successful in developing a portfolio of technologically advanced products, services and solutions within the expected timeframe or at all, or at a cost point and/or with functionality and features that will allow such new developments by the Group to be competitive when compared to similar products, services and solutions available in the market. Even if the Group succeeds in developing innovative technologies, its competitors may be able to commercialize similar technologies faster or more successfully than the Group.

Moreover, the extent of the Group's intellectual property rights may vary in different countries, and filing, prosecuting, maintaining and defending the Group's intellectual property rights, throughout the world could be highly expensive. Consequently, the Group may be unable to prevent third parties from using its inventions in certain countries, especially in jurisdictions that have no or little protection of intellectual property rights, or in jurisdictions where enforcement may be difficult. Competitors could potentially also use the Group's technology in jurisdictions where the Group has not obtained intellectual property rights protection. In particular, proceedings to enforce the Group's intellectual property rights could result in substantial costs and divert the Group's efforts and attention from other aspects of its business.

There is also a risk that third parties may claim that the Group does not have rights or exclusive rights to the intellectual property it currently uses or will use in the future (including the patent which the Company is in the process of applying for). The Group may as a consequence of this be a party to litigation to determine the scope and validity of its intellectual property, which, if resolved adversely to the Group, could invalidate or render unenforceable its intellectual property or generally preclude the Group from using such intellectual property, or the Group could be forced to pay substantial royalties. A successful claim of infringement against the Group, or its failure or inability to develop non-infringing technology or license the infringed technology could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.12 *The Group may not be able to respond to rapid technological changes or develop new services in a competitive market within its key segments*

The geophysics and technology market within the oil and gas, renewable energy and marine minerals segments is competitive and characterized by rapid technological change and frequent new product and service introductions. The Group's future profitability depends heavily on its ability to enhance and improve its products and services and introduce new products and services.

For example, the Group may lease out ships and equipment within a highly competitive sector for ocean bottom node ("OBN") seismic services. This sector is characterized by intense competition, with several established companies and new entrants vying for market share. Competitors may include larger, well-funded companies with substantial resources, as well as smaller niche players. The competitive landscape may result in pricing pressures, reducing the Group's ability to maintain or increase service rates. Rapid advancements in technology and methodologies for OBN seismic data acquisition and processing may result in new competitors entering the market or existing competitors gaining a technological edge.

There is a risk that the Group will not be able to keep pace with technological advancements of the aforementioned markets it operates in, including with respect to any attempts on enhancing its products and services to the extent such will be compelling to customers or gaining market acceptance in a timely and cost-effective manner. Any delays or competitors' introduction of competitive products, services and/or technologies could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.13 *The Group is exposed to risks relating to volatile, negative, or uncertain economic or political conditions, including the ongoing war in Ukraine and Israel/Gaza*

Global macroeconomic conditions affect the Group's customers' businesses, which may have a consequential effect on their spending and demand for the Group's products and services. Economic volatility and uncertainty are particularly challenging because many of the projects the Group undertakes for customers require investments by them, which customers are less willing to make in uncertain economic conditions. The current ongoing military war in Ukraine and instability in the Middle East, including the Israel-Gaza war, are highly unpredictable events, and have led to, and may continue to lead to, significant market and other disruptions, such as economic conditions, financial markets, supply chain interruptions, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage. For instance, the war in Ukraine has led to disruptions in energy supplies and increased geopolitical risks, affecting industries reliant on energy and critical infrastructure. Such volatile, negative or uncertain economic conditions in the Group's customers' markets, have undermined, and could in the future undermine, business confidence and cause the Group's customers to reduce or defer their spending on new initiatives and technologies, or may result in customers reducing, delaying or eliminating spending under existing contracts with the Group or putting pressure on the Group's pricing.

In addition, international, national, or local political volatility could in the future negatively impact, the Group and its employees. Volatile, negative, or uncertain economic or political conditions may adversely impact the Group's customers or the Group's employees and could therefore have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.14 *The Group is exposed to risk related to cyber-threats*

As a technology group that uses highly specialized unmanned AUVs and USVs, as well as land-based surveying products and solutions, the Group and its customers are subject to cyber-attacks from cybercriminals. Rapid changes in attack vectors makes it difficult to stop attacks and adapt to new threats and the increased social hacking creates a cyber-threat risk for the Group. The Group must comply with severe contractual security obligations, including maintaining network and system security, providing security patching, antivirus and malware detection and prevention services and intrusion detection and prevention as well as ensuring the credentials of those employees who work with the Group's customers. The Group uses information technology systems and networks to store data about customers and employees. Information technology security breaches could lead to shutdowns or disruptions of the Group's systems and potential unauthorised disclosure of confidential information or data, including personal data. The Group may be required to expend significant capital or other resources to protect against the threat of security breaches or to alleviate problems caused by such breaches. The theft or unauthorized use of confidential or proprietary information, including privacy-related obligations and third-party data, poses serious risks. If there is a security breach that leads to the unauthorized release or misuse of personally identifiable information or customer data, it could negatively impact the Group's competitive position and reputation. This may result in reduced acceptance of the Group's products, services, and solutions in the market. If the Group is unable to effectively protect information about customers and employees or its products and services from cyber-threats or, this could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.2 Risks related to laws and regulations

2.2.1 *The Group is exposed to risk associated with international operations, including compliance with international laws and regulations*

As outlined in Section 8.4 "*Business operations and principal activities*", the Group operates internationally and has established several subsidiaries in foreign jurisdictions, such as Brazil, Singapore, United Kingdom and USA. Additionally, as described in Section 11 "*Operating and financial review*", the majority of the Group's revenues is expected to originate from jurisdictions outside of Norway. Given the Group's international presence, its operations are exposed to inherent risks associated with international business, such as compliance with the laws and regulations of various jurisdictions, sanctions laws and regulations, overlapping differing tax structures, challenges related to managing an organization spread across multiple countries, unexpected changes in regulatory requirements, compliance with various local laws and regulations, and longer accounts receivable payment cycles in certain countries. The risks are expected to be more inherent with respect to e.g. Brazil, being a high-risk jurisdiction with more volatility in terms of legal and regulatory frameworks.

In particular, the Group's international operations are subject to international anti-corruption laws and regulations, including in the EU. These anti-corruption laws and regulations are comprehensive and, in some cases in differing ways, cover many forms of public and private corruption. As part of its business, the Group may deal with both governments and state-owned business enterprises, the employees of which are considered foreign officials and other relevant anti-bribery laws and regulations. Economic sanctions programs restrict the Group's business dealing with certain sanctioned countries, such as Nigeria, Brazil, Trinidad and India, and new sanctions programs may be imposed, or existing sanctions programs revised in unpredictable ways, depending on circumstances outside of the Group's control, any of which may have an adverse effect on the Group's business operations.

The Group is also exposed to the risk of violating anti-corruption laws and sanctions regulations applicable in those countries in which it operates. This could inter alia include legal entities within the Group being located in certain countries with significantly lower score than the Scandinavian countries in the Corruption Perceptions Index ("**CPI**"). For instance, the Company's subsidiary Argeo Do Brazil LTDA is situated in Brazil, a country recognised for its serious corruption issues according to the CPI. Furthermore, in 2023, the Group secured a contract for deep-water inspection services in the Bonga field in Nigeria, a country with one of the lowest CPI scores. Moreover, the Group had customers in Brazil and various different countries during 2023, 2024 and year-to-date in 2025, again some of which has a significantly lower score than the Scandinavian countries in the Corruption Perceptions Index, where the perceived risk of corrupt practices is higher. It is the Company's view that the geographical presence of the Group's operations and customers, together with the Group's continued expansion of its business operations and development of relationships with third parties worldwide, increases the risk of the Group being linked with violation of anti-corruption laws, sanctions regulations or similar laws. Violations of anti-corruption laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licenses, as well as criminal fines and imprisonment. As such, any corrupt practices of third parties, the Group, anyone working for the Group or being affiliated with it, or allegations of such practices directed towards the aforementioned persons, could have a significant negative impact on the Group's reputation. This loss of confidence can negatively impact its ability to win future business and consequently, negatively impact business results, leading to decreased sales and loss of market share. In recent years, enforcement of these laws, including for anti-corruption and anti-money laundering and regulations has become more stringent, resulting in several landmark fines and severe reputational damage.

Given the Group's geographical presence in a number of various jurisdiction and the meaningful volume of customers that contract with the Group, including in jurisdictions with increased risk of corrupt practices, the risk of not complying with laws and regulations in the jurisdictions in which the Group operates is perceived as being of material and specific importance for the Group, especially with respect to anti-corruption laws and regulations. The increasing enforcement and prosecution by authorities in these regions further heightens the risk of non-compliance. Failure to comply with these laws could result in public scrutiny, legal prosecution, penalties, fines, suspension of business licenses, loss of key contracts, restricted market access, exclusion from public tenders, reputational damage, and other sanctions, which in turn could severely impact the Group's business, prospects, operational results, cash flows, financial position, and overall market competitiveness.

2.2.2 *The Group is exposed to risks relating to failure to comply with applicable tax legislation*

The Group is subject to prevailing tax legislation, treaties and regulations in every jurisdiction in which it is operating, such as Nigeria, Trinidad, Namibia, Suriname and USA, and the interpretation and enforcement thereof. The Group's income tax expenses are based upon its interpretation of the tax laws in effect at the time that the expense is incurred. If the Group's interpretation of the tax laws is at variance with the interpretation of the same tax laws by tax authorities, this could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects. As noted earlier, some of these regions have more unstable and unpredictable legal and regulatory systems, leading to a higher risk of non-compliance.

If any tax authority successfully challenges the Group's operational structure, intercompany pricing policies, the taxable presence of its subsidiaries in certain countries, or if taxing authorities do not agree with the Group's and/or any subsidiaries' assessment of the effects of applicable laws, treaties and regulations, or the Group loses a material tax dispute in any country, or any tax

challenge of the Group's tax payments is successful, the Group's effective tax rate on its earnings could increase substantially, which could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.2.3 *The Group may be exposed to product liability and warranty claims*

The Group's sale of services and/or products poses the potential and inherent risk for warranty claims and, albeit to a lesser extent, product liability. In addition, the Group also relies on its customers and other third parties to use its products according to the products design. Although the Group seeks to reduce inherent exposure to product liability and warranty claims by including liability limitation language in its contracts, including specific language by disclaiming the giving of any warranty or guarantee, expressed or implied, with respect to its products, the Group may nonetheless be subject to liability and claims as part of its business which also consist of large projects with significant contract values. Moreover, the Company believes that the Group's insurance coverage for product liability is adequate and consistent with industry standard, there is a risk that the amount of such insurance will not be sufficient to satisfy claims made against the Group in the future. This risk increases if the Group faces unusually large or unexpected warranty claims, a high volume of claims within a short period, or if coverage is limited, such as in cases of gross negligence or misconduct, product liability or warranty claims could result in significant litigation costs, and a successful claim brought against the Group in excess of available insurance coverage, or any claim that results in significantly adverse publicity, could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.2.4 *The Group is subject to risks relating to changes in laws, regulations and is dependent on permits and approvals to operate*

The Group is subject to a variety of national and international laws and regulations in relation to its offshore operations, including with respect to its AUVs and USV. Any breach of laws can be costly and expose the Group to liability and could limit its options. Furthermore, the Group is required to obtain certain permits and approvals from governmental authorities in connection with development projects. The Group's dependency on such permits and approvals represents considerable risks and if the Group does not obtain the necessary permits and approvals that it requires to operate its business, it may have a material adverse effect on the Group's business, operations and financial results. The regulatory framework governing offshore activities, especially in deeper waters, is still evolving. Many areas are either not clearly regulated or lack specific regulation. In several regions, the regulatory and fiscal frameworks remain in development. Failure to obtain the necessary permits and approvals could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.3 Financial risks

2.3.1 *In order to execute the Group's growth strategy, the Group may require additional capital in the future, which may not be available*

The Group is dependent on securing adequate financing for its operations and business. Although the Group aims to spend cash at hand from its revenue generation, this may from time to time not be sufficient to finance its operations and expansion. The Company has raised equity capital several times since its initial listing on Euronext Growth Oslo, including on 12 February 2025, 19 March 2024, 19 October 2023, 29 June 2023, 8 April 2022, 20 December 2022 and 20 April 2021, illustrating that its business is capital sensitive and that the Company is still in a scale-up phase with an operating loss for the past three years. To the extent the Group does not generate sufficient cash from operations, the Group may need to raise additional funds through debt or additional equity financings to execute the Group's growth strategy and to fund capital expenditures going forward. Adequate sources of capital funding may not be available when needed or may not be available on favourable terms. The Group's ability to obtain such additional capital or financing will depend in part upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms. If funding is insufficient at any time in the future, the Group may be unable to fund acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.3.2 *The Group is exposed to credit and liquidity risks*

The Group's current and potential customers and other counterparties may be unable or unwilling to fulfil their financial obligations to the Group. The reason may be a financial situation where the counterparty cannot pay the agreed fees or other amounts owed to the Group as they fall due or otherwise abstain from fulfilling their obligations. The credit risk is assumed to be higher for certain "high-risk" jurisdictions such as Nigeria, Brazil, Trinidad and India, where the Company operates. To mitigate this risk, the Group may conduct credit reviews of new customer and, to some extent, also of existing customers. However, should the Group's customers be unable or unwilling to pay agreed fees, this could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.3.3 *The Group is exposed to foreign currency exchange risk*

Currency exposure is the result of purchases of goods and services in other currencies than the Group's functional currency (transaction exposure) and of the conversion of the balance sheets and income statements in foreign currencies into USD (translation exposure).

The Group's products and services are offered globally, and the Company's operating expenses is mainly nominated in the currencies NOK, USD, EUR and GBP. As a result, the Group is exposed to the risks that the foreign currencies may appreciate or depreciate relative to these currencies, which could have a material adverse effect on the Group's results of operations, financial position and/or cash flows.

Furthermore, the Group prepares its financial statements in USD. Because the Group reports financial results in USD, the Group faces a currency risk to the extent that assets, liabilities, revenues and expenses can be denominated in currencies other than USD. In order to prepare the Group's financial statements, the Group translates the values of these assets, liabilities, revenues and expenses into USD at the applicable exchange rates. Future variations in the exchange rate could therefore have an impact on the Group's reported financial results.

Currency risks may also arise when Group companies enter into transactions that are denominated in currencies other than their functional currency. The Group itself is also invoiced in other currencies than its functional currency, thus resulting in currency exposure from both a customer and supplier position. Such translation exposure does not give rise to an immediate cash effect. Additionally, changes in exchange rates can affect the Group's customers and suppliers, and for instance result in a reduction of customers' willingness to pay or increase suppliers' costs, and as such indirectly affect the Group's profitability.

2.3.4 *Future debt levels could limit the Group's flexibility to obtain additional financing and pursue other business opportunities*

The Group may incur additional indebtedness in the future, including as an alternative to equity financing, which is increasingly likely as the Group currently is generating more revenue through its contracts from a historical perspective. This level of debt could have important consequences for the Group, including the following:

- the Group's ability to obtain additional financing for working capital, capital expenditures, acquisitions or other purposes may be impaired, or such financing may be unavailable on favourable terms;
- the Group's costs of borrowing could increase as it becomes more leveraged;
- the Group may need to use a substantial portion of its cash from operations to make principal and interest payments on its debt, reducing the funds that would otherwise be available for operations, future business opportunities and dividends to its shareholders;
- the Group's debt level could make it more vulnerable than its competitors with less debt to competitive pressures, a downturn in its business or the economy generally; and
- the Group's debt level may limit its flexibility in responding to changing business and economic conditions.

Currently, the Group has one loan from Innovation Norway, which is secured by certain machinery and plant assets, trade receivables and a parent guarantee from the Company (see Section 11.7.7 "*Financing arrangements*" for further information). The loan carries a floating interest rate of 8.20%, with the possibility of rate adjustments by Innovation Norway with six weeks' notice, introducing additional variability and risk to the Group's financial obligations. The Group's ability to service the loan, and any future debt, will depend upon, among other things, its future financial and operating performance, which will be affected by prevailing economic conditions as well as financial, business, regulatory and other factors, some of which are beyond its control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take action such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. The Group may not be able to affect any of these remedies on satisfactory terms, or at all.

2.3.5 *Risks relating to sale-and-leaseback structure*

The Group has entered into a sale-and-leaseback agreement regarding its vessel Argeo Venture, and one for its Hugin 6000 AUV. The Company's ability to service its debt obligations for these depends on, inter alia, its future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond its control. If the Company's operating results are not sufficient to service its current or future indebtedness, the Company will be forced to take actions such as reducing distributions, reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt, or seeking additional equity capital or bankruptcy protection. In addition, should the Company for any reason be unable to refinance the current sale-and-leaseback financing on satisfactory terms at maturity (including in the case of the underlying put options from the owners are utilized), this may materially adversely affect the Company's business, financial conditions and/or assets.

2.4 Risk factors related to the Shares

2.4.1 *Future issuances of Shares or other securities, including through exercise of warrants and options, in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares*

As described in Section 2.3.1 *"In order to execute the Group's growth strategy, the Group may require additional capital in the future, which may not be available"*, the Company's business is likely to require additional capital in the future and, depending on the structure of any such future issuance of new shares, certain existing Shareholders may not always have the ability, or be given the opportunity, to participate in such equity offering. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk of any future offerings reducing the market price of the Shares and/or diluting their shareholdings in the Company.

It is possible that the Company may decide to offer new Shares or other securities to finance new capital-intensive investments in the future, in connection with unanticipated liabilities or expenses, or for any other purposes such as implementation of incentive schemes. The Company has outstanding warrants and options which, if exercised in full and simultaneously, will have a significant dilutive effect on the Company's shareholders.

As further described in Section 12.6 *"Financial instruments, including as part of incentive programs"*, the Company has financial instruments outstanding in the form of options and warrants, i.e. the 2021 Options (as defined below), 2024 Options (as defined below) and Tranche 2 Warrants (as defined below), which, if and when exercised, will have a dilutive effect on the Company's shareholders. In the hypothetical scenario that all financial instruments are exercised simultaneously, this would have a dilutive effect of approx. 2.6% on the Company's shareholders, based on the current number of outstanding shares in the Company. Any such offering or issuance of equity linked securities could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering or issuance of shares by the Company could have a material adverse effect on the market price of the Shares.

2.4.2 *The Company may be unwilling or unable to pay dividends or make distributions*

The Company has not paid any dividends and there is a risk that it will not pay dividends in the immediate or foreseeable future. The future payment of dividends on Shares will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Board of Directors may consider appropriate in the circumstances. The Company may choose not, or may be unable, to pay dividends or make distributions in future years. Furthermore, the amount of dividends paid by the Company, if any, for a given financial period, will depend on, among other things, the Company's future operating results, cash flows, financial condition and capital requirements, the ability of the Company's subsidiary to pay dividends to the Company, credit terms, general economic conditions, legal restrictions and other factors that the Company may deem to be significant from time to time.

2.4.3 *Volatility of the share price*

The trading price of the Shares could fluctuate significantly, and given the relatively small market cap of the Group as compared to other publicly listed companies within the subsea and offshore service sphere, which in technical terms implies a higher *beta risk* from an investor and financing perspective, where transactions involving a relatively small trading volume may result in unreasonable large share price reactions, the Shares are more prone to fluctuations and downward sentiment trends in the equity markets than the shares of larger and more developed companies. In recent years, the securities markets in Norway and elsewhere in Europe, have generally experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The trading price of the Shares may for instance fluctuate in response to quarterly variations in operating results, adverse business developments, interest rate, changes in financial estimates by securities analysts, matters announced in respect of major customers or competitors, or changes to the regulatory environment in which the Company operates. The market price of the Shares could also decline due to sales of large numbers of shares in the market or the perception that such sales could occur. Such sales could also make it more difficult for the Company to offer equity securities in the future at a time and at a price that are deemed appropriate.

It is likely that the quoted market price for the Shares will be subject to market trends generally, notwithstanding the financial and operational performance of the Company. Any adverse development in the trading price of the Shares could lead to financial losses for the Company's shareholders and could materially affect the Company's financial position and results.

3 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared by Argeo ASA, with business address Nye Vakås vei 14, 1395 Hvalstad, Asker, Norway, solely in connection with the listing of the Tranche 2 Shares described herein.

The Board of Directors of Argeo ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and makes no omission likely to affect its import.

2 April 2025

The Board of Directors of Argeo ASA

Jan Pihl Grimnes
Chair

Nina Bjærum
Board member

Inger Berg Ørstavik
Board member

Lars Petter Ottem Utseth
Board member

Liam James Flood
Board member,
employee representative

Hugo Alexandre Lima Santos
Board member,
employee representative

4 GENERAL INFORMATION

4.1 Other important information

This Prospectus has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA, and the listing of the Tranche 2 Shares on Oslo Børs, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

The Company has furnished the information in this Prospectus. The Managers makes no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future. The Managers disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

None of the Company or the Managers, or any of their respective affiliates, representatives, advisers or selling agents, is making any representation, express or implies, to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk factors*".

4.2 Presentation of financial and other information

4.2.1 Financial information

In 2024, the Company decided to convert its financial reporting from Norwegian Generally Accepted Accounting Principles ("**NGAAP**") to International Financial Reporting Standards, as adopted by the EU ("**IFRS**"). Accordingly, the Company has prepared audited annual consolidated financial statements for the financial years 31 December 2023, 2022 and 2021 in accordance with IFRS (the "**Annual Financial Statements**"). Furthermore, the Company has prepared unaudited consolidated financial statements for the twelve-month period ended 31 December 2024 (the "**Interim Financial Statements**", and together with the Annual Financial Statements, the "**Financial Statements**") in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the EU ("**IAS 34**").

The Annual Financial Statements, which are incorporated by reference into this Prospectus, were audited by RSM Norge AS ("**RSM**"). The Interim Financial Statements, which are also incorporated by reference into this Prospectus, have not been audited.

The auditor's report does not contain any modifications of emphasis on matters.

Other than set out above, RSM has not audited, reviewed or produced any report or any other information provided in this Prospectus.

4.2.2 Presentation currency, functional currency and foreign currency

In this Prospectus, all references to "**NOK**" are the lawful currency of Norway, all references to "**USD**" are to the lawful currency of the United States of America, all references to "**BRL**" are to the lawful currency of Brazil, all references to "**GBP**" are to the lawful currency of the United Kingdom, and all references to "**EUR**" are to euro, the single currency of member states of the EU participating in the European Monetary Union having adopted the euro as its lawful currency.

Argeo ASA has US dollar (USD) as its functional currency and its subsidiaries have NOK, USD, GBP or Brazilian real (BRL) as their functional currencies. From 1 January 2023 the functional currency of Argeo Survey AS is assessed to be USD based on an assessment of the currency of the primary economic environment in which it operates (NOK prior to 2023). For presentation purposes, items in the statement of financial position are translated from functional currency to presentation currency (USD) by using exchange rates at the reporting date. Items within the statement of comprehensive income are translated from functional currency to presentation currency by applying yearly average exchange rates. The resulting translation differences are recognised in other comprehensive income.

4.2.3 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.2.4 Alternative performance measures

In order to enhance investors' understanding of the Group's performance, the Group presents certain measures and ratios in this Prospectus that might be considered as alternative performance measures ("**APM**") as defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in IFRS. The Group uses APMs to measure operating performance and is of the view that the APMs provide investors relevant and specific operating figures which may enhance their understanding of the Group's performance.

The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider such measures to be alternatives to: (a) revenue or profit/loss for the period, as a measure of the Group's operating performance, or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are measures meant to be predictive of the Group's future results. The Group believes that the APMs presented herein are commonly reported by companies in the markets in which it operates and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortisation and impairment, which can vary significantly depending upon measures, business practice or external and non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods. Since companies may present APMs differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The following terms are used by the Group in the definition of APMs in this Prospectus:

Operating profit before depreciation (EBITDA): The Group's 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. For a reconciliation of EBITDA, see Section 11.9 "*Alternative performance measures on reconciled basis*".

4.2.5 Third-party information¹

In this Prospectus, the Group has used industry and market data from independent industry publications and market research as set out in footnotes to Section 7 "*Industry and Market Overview*" and Section 8 "*Business of the Group*" and other publicly available information. These include, but are not limited to, Rystad Energy, used to retrieve information about E&P spending levels and oil price developments², BP Energy, used to retrieve forecasts for energy sources and outlook for energy demand³, IEA, used to retrieve outlook for year-over-year development in energy investments⁴ and oil market report⁵, OffshoreWIND.biz, used to retrieve information about spending on offshore wind developments. Sources behind payment walls include Pareto Securities, where the Company refers to Pareto Securities' spending research report from March 2024, Rystad Energy UCube, used to retrieve information about E&P spending levels, and Ice Brent Crude oil front month, used to retrieve information about Brent spot price⁶.

While the Group has compiled, extracted and reproduced industry and market data from external sources, the Group has not independently verified the correctness of such data. Unless otherwise indicated, such information reflects the Group's estimates based on analysis of multiple sources, including data compiled by professional organizations, consultants and analysts and information otherwise obtained from other third party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Group may do in the future. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Group's competitive position in the future is based on the Group's own assessment and knowledge of the potential market in which it operates.

The Group confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Group is aware and is able to ascertain from information published by these third party providers, no facts

¹ OffshoreWind.biz, "UK Boosts Sixth CFD Auction Budget, Eararks GBP 1.1 Billion for Offshore Wind, published 31 July 2024, <https://www.offshorewind.biz/2024/07/31/uk-boosts-sixth-cfd-auction-budget-earmarks-gbp-1-1-billion-for-offshore-wind/> (free source) (accessed: September 2024)

² Rystad Energy UCube, dated March 2023, Rystad Energy download (behind payment walls)

³ BP Energy, "Energy demand", published 10 July 2024, available from: <https://www.bp.com/en/global/corporate/energy-economics/energy-outlook/energy-demand.html> (Accessed: September 2024) and BP Energy "Outlook 2021", published November 2021, available from: Full report – Statistical Review of World Energy 2021 (bp.com, free source) (Accessed: September 2024)

⁴ IEA "Annual investment in fossil fuels and clean energy, 2015-2023", last updated 20 Oct 2023, available from: <https://www.iea.org/data-and-statistics/charts/annual-investment-in-fossil-fuels-and-clean-energy-2015-2023> (free source; accessed October 2024)

⁵ IEA (May 2022) Oil Market Report. All rights reserved. Available from: <https://www.iea.org/reports/oil-market-report-may-2022>, (free source). (Accessed: September 2024)

⁶ Ice Brent Crude oil front month, dated March 2023; Factset download (behind payment walls)

have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Group does not intend, and does not assume any obligations to update industry or market data set forth in the Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Group has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently unpredictable and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Group cautions prospective investors not to place undue reliance on the above mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Company's own assessment and knowledge of the market in which it operates.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Group's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "*Risk factors*" and elsewhere in this Prospectus.

Unless otherwise indicated in this Prospectus, the basis for any statements regarding the Group's competitive position is based on the Company's own assessment and knowledge of the market in which the Group operates.

4.3 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. They appear, among other areas, in the following sections in this Prospectus; Section 7 "*Industry and market overview*", Section 9 "*Capitalisation and indebtedness*", Section 10 "*Selected financial and other information*", and Section 11 "*Operating and financial review*", and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, important factors that could cause those differences include, but are not limited to:

- the competitive nature of the business and industry the Group operates in and the competitive pressure and changes to the competitive environment in general, including changes in the demand and prices for the Group's products;
- implementation of the Group's strategies;
- earnings, cash flow, dividends and other expected financial results and conditions;
- failure by counterparties to meet their obligations;
- failure to attract, retain and motivate qualified personnel;
- legal proceedings;
- damage to the Group's reputation and business relationships;
- fluctuations of interest and exchange rates;
- changes in general economic and industry conditions, including changes to tax rates and regimes;
- political, governmental, social, legal and regulatory changes;
- access to funding; and

- operating costs and other expenses.

The risks that could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "*Risk Factors*".

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5 THE COMPLETED PRIVATE PLACEMENT

This Section provides information on the completed Private Placement. Please note that the New Shares issued in the Private Placement have already been subscribed, paid for and issued.

5.1 The Private Placement

5.1.1 Description of the Private Placement

On 12 February 2025, the Company announced a successfully completed Private Placement by issuing a total of 18,750,000 New Shares in the Company directed towards Norwegian and international investors, at an offer price of NOK 8 per share. The Private Placement was divided in two tranches:

- Tranche 1 consisted of 8,875,000 Tranche 1 Shares issued by the Board on 12 February 2025 pursuant to an authorisation granted by the Company's annual general meeting on 6 June 2024. The Tranche 1 Shares were settled with existing and unencumbered shares in the Company tradable on the Oslo Stock Exchange on 12 February, pursuant to a share lending agreement between the Company, the Managers, Kistefos AS and Redback AS dated 12 February 2025.
- Tranche 2 ("**Tranche 2**") consisted of 9,875,000 Tranche 2 Shares issued by the Company's extraordinary general meeting on 6 March 2025. The Tranche 2 Shares were settled with existing and unencumbered shares in the Company tradable on the Oslo Stock Exchange pursuant to the Share Lending Agreement between the Company, the Managers and Kistefos AS dated 12 February 2025, see section 11.11.

The share capital increase pertaining to Tranche 2 of the Private Placement have been registered with the Norwegian Register of Business Enterprises on 24 March 2025, and the Tranche 2 Shares have been issued in VPS and delivered to the Lender pursuant to the Share Lending Agreement. Upon approval and publication of this Prospectus, the Tranche 2 Shares will be transferred from separate ISIN to the Company's ordinary ISIN and be tradable on the Oslo Stock Exchange under the ticker "ARGEO".

5.1.2 Resolutions to issue the Tranche 2 Shares

The resolution to issue the Tranche 2 Shares was made by the Company's extraordinary general meeting on 6 March 2025.

5.1.3 Allocation, payment for and subscription of the New Shares

The bookbuilding period for the Private Placement ran from and including 12 February 2025 at 16:30 hours Central European Time ("**CET**") to and including 12 February 2025 at 18:30 CET. The minimum application of shares per investor in the Private Placement was a NOK amount equivalent to EUR 100,000, provided that the Company could, at its sole discretion, offer and allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant to applicable regulations, including the Regulation (EU) 2017/1129 and ancillary regulations, were available.

Notifications and payment instructions for the Private Placement were sent to the applicants on 13 February 2025. The total subscription amount for the New Shares was timely paid in full to the designated share issue account within the relevant payment deadline. The share capital increase associated with the Tranche 2 Shares was registered with the Norwegian Register of Business Enterprises on 24 March 2025.

5.1.4 Admission to trading

The Company's Shares are listed on the Oslo Stock Exchange under the ticker-code "ARGEO".

The listing of the Tranche 2 Shares on the Oslo Stock Exchange is subject to the approval of the Prospectus by the Norwegian FSA pursuant to the rules of the Norwegian Securities Trading Act. Such approval was granted on 2 April 2025. After the approval and publication of this Prospectus, the Tranche 2 Shares shall immediately be transferred to the ordinary ISIN number of the Company's Shares that are traded on the Oslo Stock Exchange and thus be listed.

The registrar in the VPS for the Shares is DNB Bank ASA, Issuer Services, Dronning Eufemias gate 30, NO-0191, Oslo, Norway.

5.1.5 The rights attached to the Tranche 2 Shares

The Tranche 2 Shares are ordinary shares in the Company, issued in accordance with the Public Limited Companies Act with a nominal value of NOK 0.50 each and are issued electronically in registered form in accordance with the Public Limited Companies Act.

The Tranche 2 Shares rank *pari passu* in all respects with other Shares and carry equal shareholders rights in the Company. All Shares, including the New Shares, have equal voting and dividend rights and other rights and obligations in accordance with the Public Limited Companies Act, and are governed by Norwegian law. Please refer to Section 13.3 "The shares and share capital" for a more detailed description of the Shares. See Section 13.13.2 "Certain aspects of Norwegian law" on details concerning the rights attached to Shares and issues regarding shareholding in a Norwegian Public Limited Company.

5.1.6 *Proceeds and expenses*

The gross proceeds to the Company were NOK 150 million through the Private Placement.

The Company will bear the fees and expenses relating to the New Shares, which are estimated to amount to up to approximately NOK 8,000,000. The net proceeds from the Private Placement is approximately NOK 142,000,000. The net proceeds from the completed Private Placement will be used to finance (i) acquisition of long-lead equipment for vessel positioned as #1 bidder for a 4-year contract, (ii) geotechnical equipment to enable the Company's service offering on long-term frame agreements, and (iii) general corporate purposes. No expenses or taxes have been charged by the Company to the subscribers in the Private Placement.

5.1.7 *Share capital following the Private Placement*

Prior to the consummation of the Private Placement, the Company's share capital was NOK 22,123,174.50, divided into 44,426,349 Shares, each with a par value of NOK 0.50. Following registration of the share capital increase pertaining to the Private Placement, the issued share capital of the Company is NOK 31,588,174.50 comprising 63,176,349 shares, each with a nominal value of NOK 0.50.

5.1.8 *Participation of major existing shareholders and members of the Company's management, supervisory or administrative bodies*

The following members of the Board of Directors and management of the Company and/ or their related parties were allocated New Shares in the Private Placement:

- Kistefos AS was allocated 3,756,663 in the Private Placement. Kistefos AS is a close associate of board member Lars Petter Ottem Utseth.

5.1.9 *Dilution*

The net asset value in the Interim Financial Statements on 31 December 2024 was NOK 271.4 million, which translates to NOK 6.11 per Share outstanding before the share capital increases in connection with the Private Placement. The subscription price in the Private Placement was NOK 8 per New Share.

The dilutive effect following the consummation of the Private Placement is summarized in the table below:

| | <u>Prior to the Private Placement</u> | <u>Subsequent of the Private Placement</u> |
|---|---------------------------------------|--|
| Number of Shares each with a nominal value of NOK 0.50..... | 44,426,349 | 63,176,349 |
| % dilution..... | - | 29.7% |

5.1.10 *Advisors*

Pareto Securities AS and SpareBank 1 Markets AS acted as joint managers in the Private Placement. AGP Advokater AS has been acting as legal advisor to the Company in connection with the Private Placement.

5.1.11 *Interest of natural and legal persons involved in the Private Placement*

Two existing shareholders in the Company provided the Managers with a share loan in accordance with the Share Lending Agreement to facilitate delivery of listed shares to the investors in Tranche 1 and Tranche 2 on a payment versus delivery basis as further set out in Section 5.1.1, whereas one of the existing shareholders received a consideration for the share lending.

The Managers or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a brokerage fee and a management fee in connection with the Private Placement and, as such, have an interest in the Private Placement.

Except as set out above, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Private Placement.

6 DIVIDEND AND DIVIDEND POLICY

6.1 Dividend policy

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will comply with the legal requirements set out in the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (the "**Norwegian Public Limited Liability Companies Act**") (see Section 6.2 "*Legal constraints on the distribution of dividends*") and take into account the Company's capital requirements, including capital expenditure requirements, the Company's financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Liability Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

The proposal to pay a dividend in any year is, in addition to the legal restrictions set out in Section 6.2 "*Legal constraints on the distribution of dividends*", further subject to any restrictions in the Company's borrowing arrangements or other contractual arrangements in place at the time.

Further, the tax legislation of an investor's Member State and of the Company's country of incorporation (Norway) may have an impact on the income received from the Shares, see Section 16 "*Norwegian Taxation*".

The Company is focusing on the development of its products and services and has no current plans to pay dividend. The Company is however committed to creating long-term value for its shareholders and intends to distribute the majority of its future earnings as cash dividends, in addition to financing future growth with any remaining future earnings. The Company's dividend policy states that any proposal to authorize the Board to approve distribution of dividends will be explained. Additionally, general authorizations for the Board to increase the share capital or to buy the Company's own shares will normally be restricted to defined purposes and will, in general, be limited in time to the date of the next annual general meeting of the Company.

The Company has not paid any dividends on its Shares during the financial years ended 31 December 2024, 2023, 2022 and 2021.

6.2 Legal constraints on the distribution of dividends

Dividends may be paid in cash, or in some instances as dividends in kind. The Norwegian Public Limited Liability Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that the Company may distribute dividends to the extent that the Company's net assets following the distribution are sufficient to cover (i) the Company's share capital, (ii) the Company's reserve for valuation variances and (iii) the Company's reserve for unrealized gains. Any receivables of the Company which are secured through a pledge over the Company's Shares and the aggregate amount of credit and security which, pursuant to Sections 8-7 through to 8-10 of the Norwegian Public Limited Liability Companies Act fall within the limits of distributable equity are to be deducted from the distributable amount;
- the calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the previous financial year, provided, however, that the registered share capital as at the date of the resolution to distribute dividends shall be applied. Following approval of the annual accounts for the last financial year, the general meeting of shareholders may also authorize the Board of Directors to declare dividends on the basis of the Company's annual accounts;
- dividends may also be resolved by the general meeting of shareholders based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date no older than six months before the date of the general meeting's resolution; and
- dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound in light of the risk and scope of the Company's business.

Pursuant to the Norwegian Public Limited Liability Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting of shareholders when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Public Limited Liability Companies Act does not provide any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends.

6.3 Manner of dividend payments

Any future payments of dividends on the Shares will be made in the currency of the bank account of the relevant shareholder registered with the VPS and will be paid to the shareholders through the VPS. Shareholders registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the registrar for the shares, being DNB Bank ASA, registrar's department (address: Dronning Eufemias gate 30, 0191 Oslo, Norway) as the Company's VPS registrar ("**VPS Registrar**"), and transfer fees may apply for payments made in such manner. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the exchange rate of the relevant bank on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar.

7 INDUSTRY AND MARKET OVERVIEW

7.1 Market introduction

Argeo uses autonomous and underwater robotics solutions, including AUVs and work-class remotely operated vessels and remotely operated vehicles ("ROVs"), to conduct ocean surveys and inspections for the offshore energy industry globally. The AUVs and ROVs, deployed from surface vessels owned by the Group or third parties, collect data that is subsequently processed using Argeo's own data processing technologies to deliver final products to clients. These products can include:

- maps of seabed areas for assessing construction sites for offshore wind parks, new subsea installations for oil and gas, pipelines or cables;
- overviews of subsea cables and/or pipelines on or buried beneath the seabed;
- assessments of sub-seabed areas, for example, for the likelihood of finding marine minerals and similar applications.

Argeo focuses on using cost efficient offshore vessels equipped with embedded tools, such as AUVs or ROVs. The AUVs and ROVs are equipped with patented sensor technology and process the collected data using Argeo's patented ship-to-shore digital data management platform, Argeo SCOPE.

Over the last decades, the offshore service market has been highly cyclical, with activity driven by several factors, many of which applies to the entire energy industry. The key factors are listed below:

The key factors are listed below:

- **Economic growth:** Global economic activity is a key demand for energy, including offshore oil and gas and offshore wind, and indirectly marine minerals through its uses in electrical components and capital goods. The global economy experienced a downturn following the Covid-19 pandemic but has experienced a strong rebound and is now at higher levels compared to pre-covid levels. As a result of the pandemic, the market experienced severe supply chain shutdowns and travel restrictions affecting the overall demand for energy, which lead to lower activity and value creation in the offshore energy sector. The activity in the market is at strong levels and are expected to continue the positive trend in the coming years, backed by the International Energy Agency (the "IEA")⁷ and BP's strong energy demand outlook for energy.⁸
- **Oil and gas prices and E&P spending:** Oil prices fell significantly in early 2020 as a consequence of the Covid-19 pandemic, combined with the OPEC+ group's temporary production increase, adding supply to a market experiencing a significant short-term demand reduction. As a result, oil prices dropped significantly with the Brent spot price⁹ temporarily trading at approximately USD 20/bbl but recovered swiftly on the back of production cuts from OPEC and Russia, combined with a recovery in demand. Since then, the oil price has been steady increasing, with Brent currently trading between USD 75 and 80/bbl on the back of strong market fundamentals. The demand for offshore services is highly dependent on commodity prices coupled with spending programs of oil and gas companies. Within the Group's core markets, a fundamental factor in determining the level of activity is the level of offshore spending by E&P companies generally referred to as offshore E&P spending. Historically, the level of E&P spending by E&P companies has primarily been driven by current and expected future oil and natural gas prices. This correlation has been observed over the past decades, through the consistent rise in oil price and spending levels from early 2000's until the decline in oil prices during 2014, which caused a subsequent decline in spending levels globally until 2020. Following the trough in oil prices in 2020, spending levels have increased, and was estimated USD 184 billion for 2023¹⁰. Based on a survey conducted by contacting large E&P companies, Pareto Securities equity research estimates that the 2024 figure will reach USD 197 billion¹¹.
- **Spending on offshore wind developments:** High spending for energy is mirrored in the market for offshore wind developments. While these have been negatively influenced by higher interest rates increasing the capital cost of new developments, the Company's view is that the underlying energy demand growth and governments actions, such as the UK increase in offshore wind developments by 50%¹², supports continued development of renewable energy

⁷ IEA, "World Energy Outlook 2023". Available from: <https://www.iea.org/reports/world-energy-outlook-2023/executive-summary> (free source) (accessed: September 2024)

⁸ BP Energy Outlook 2021 (November 2021, available from: Full report – Statistical Review of World Energy 2021 (bp.com, free source)

⁹ Ice Brent Crude oil front month downloaded from Factset (dated March 2023) (subscription service, behind payment walls)

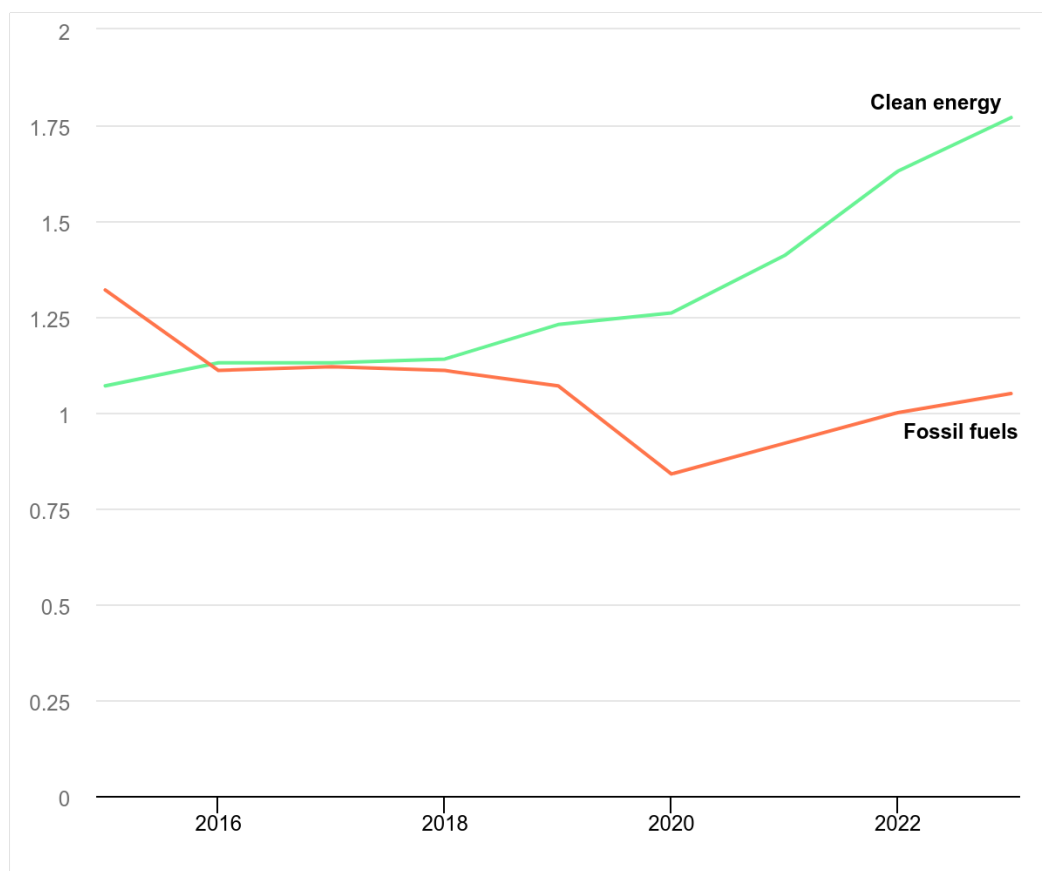
¹⁰ Rystad Energy UCube, March 2023 Rystad Energy download (subscription service, behind payment walls)

¹¹ Pareto Securities E&P spending research report dated March 2024 (behind payment walls)

¹² OffshoreWind.biz, "UK Boosts Sixth CfD Auction Budget, Earmarks GBP 1.1 Billion for Offshore Wind, dated 31 July 2024, <https://www.offshorewind.biz/2024/07/31/uk-boosts-sixth-cfd-auction-budget-earmarks-gbp-1-1-billion-for-offshore-wind/> (free source) (accessed: September 2024)

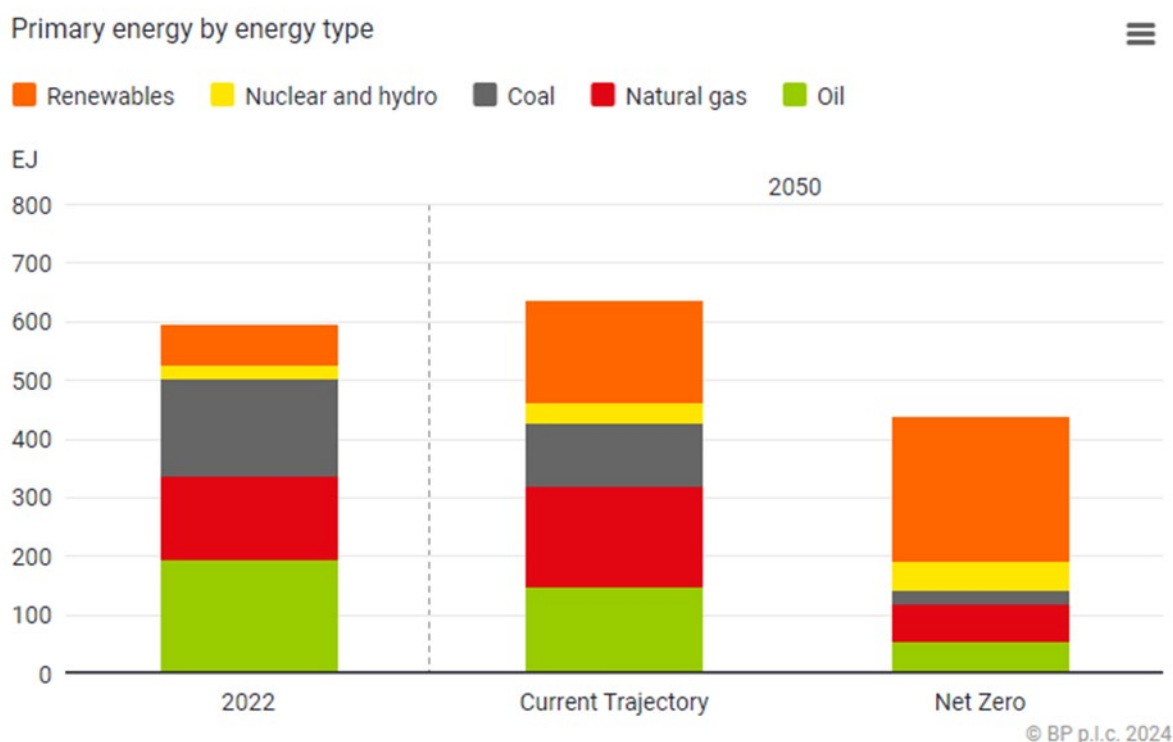
including offshore wind.

Figure 1: Year-over-year development in energy investments¹³



The International Energy Agency (IEA), in its "World Energy Outlook 2023", published estimates indicating that global energy investments (measured in constant USD terms) have increased significantly. As shown in Figure 1 above, the growth has primarily come from renewable (clean) energy, whereas investments in fossil fuels remained at approximately the same levels in 2024 as those seen in the period 2016-2019, and are higher than the 2020-2022 levels.

¹³ <https://www.iea.org/data-and-statistics/charts/annual-investment-in-fossil-fuels-and-clean-energy-2015-2023> (free source; accessed October 2024)

Figure 2: Forecast energy sources by main type

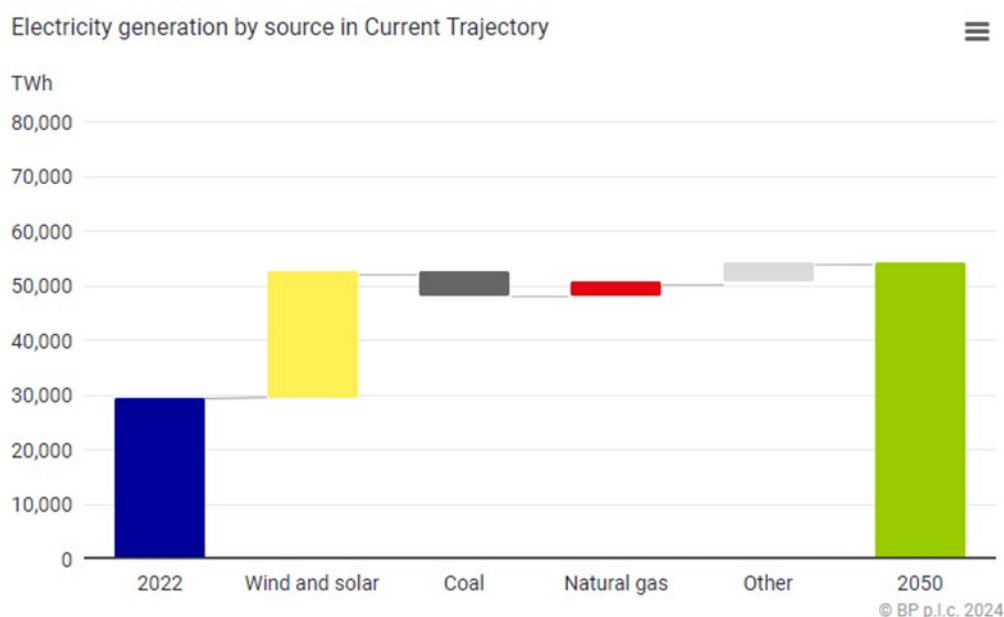
Source: BP Energy Outlook 2024 (<https://www.bp.com/en/global/corporate/energy-economics/energy-outlook/energy-demand.html>)

As shown in figure 2, BP Energy Outlook for 2024 expects that total energy demand is expected to increase and that oil and natural gas in the “Current Trajectory” scenario is expected to be flat until 2050, whereas renewables is expected to treble, at the expense of reduced coal demand. The report does not distinguish between onshore and offshore production, but it is the Company’s view that the offshore portion will be positively influenced whereas coal, the energy source expected to decline, is only onshore. Trends impacting the Company’s markets include:

- Supply and demand for crude oil and natural gas:** Amid the rising global demand for energy, supply-side measures are crucial and anticipated. The Covid-19 pandemic caused a drop in energy consumption, resulting in an 8.8% decline in oil demand to 91.0 million barrels per day¹⁴ and a 1.9%¹⁵ drop in gas demand. However, the IEA predicts a gradual recovery in energy demand. To stabilize the industry, OPEC-led cuts in production levels were implemented post-pandemic, supporting the industry’s stabilization in 2021 and laying a foundation for anticipated growth in the upcoming period.
- Geopolitical trends:** Changes in the political, economic, and regulatory landscape has an impact on both the supply and demand sides of the energy industry. In addition, the fiscal, political, and regulatory policies of countries that produce oil also affect the level of extraction activity and spending in the industry.
- Technology and innovation:** Advances in subsea and marine related technology have advanced rapidly and have enabled more efficient and robust production of oil resources. The technology also helps operators to optimize their operational performance and efficiency coupled with safe operations.
- Change towards renewable energy:** according to BP’s Energy Outlook 2024, the forecast increase in electric energy demand will largely be covered by wind and solar as shown in figure 3 below. This is not split between onshore and offshore developments, but it is in the Company’s view reasonable to assume that offshore wind will constitute a significant portion of this.

¹⁴ IEA, "Oil Market Report – May 2022". Published May 2022. All rights reserved. Available from: <https://www.iea.org/reports/oil-market-report-may-2022> (free source) (accessed September 2024)

¹⁵ IEA, "Oil Market Report – May 2022" Published May 2022. All rights reserved. Available from: <https://www.iea.org/reports/oil-market-report-may-2022> (free source) (accessed September 2024)

Figure 3: Electricity generation by sources

Source: BP Energy Outlook 2024 (<https://www.bp.com/en/global/corporate/energy-economics/energy-outlook/power-sector.html>)

7.2 Market segments

The Group's clients include offshore oil and gas companies, offshore wind companies, and, increasingly, companies in the marine minerals sector. The Group offers services for companies in three segments:

- **Oil and gas companies**
 - Inspection, Maintenance, Repair and Survey (IRMS);
 - Greenfield development, route survey connection with installation of floating production storage and offloading (FPSOs), inspection of existing pipelines, power cables and subsea infrastructure;
 - Subsea inspection programs and general maintenance activities;
 - Seismic support operation for OBN.
- **Offshore wind companies (OWS)**
 - Pre-installation and route survey, cable burial inspection and verification;
 - Survey of new areas prior to installation and inspection relating to building of offshore wind farms in connection with installation of offshore wind parks, installation of power cables and fibre cables and inspections of infrastructure;
 - Multi-Client (MC) for greenfield acreage prior to concession rounds.
- **Marine minerals companies / Geological institutions**
 - Exploration surveys related to new licenses and resource estimation;
 - Environmental assessments prior and after exploration and extraction activities;
 - Multi-Client (MC) for greenfield acreage prior to concession rounds;
 - Potential licensing rounds participation on NCS opening rounds.

7.3 Regulatory environment

7.3.1 Introduction

As a result of the scope of its operations, the Group is subject to a variety of laws and regulations in different countries, including those related to the industry in general. These laws and regulations may be interpreted, implemented or amended in a manner that affects the Group's business negatively as well as positively.

The below sections set forth a summary of material laws and regulations relevant to the Group's business operations, as well as information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the Group's operations. A more detailed presentation of the risk factors relating to the regulatory environment is given in Section 2.2 "Risks related to laws and regulations" above.

In the below sections it is referred to provisions and regulations in customer contracts. These do not necessarily reflect the terms and conditions of the customer contracts entered into by the Group at the date of this Prospectus but are intended as general descriptions of terms and conditions often seen in the type of customer contracts the Group usually enters into.

7.3.2 *Permits and licenses needed for the Group's operations*

It is a general requirement that vessels are approved (classed) with a classification society and that vessels comply with the rules and regulations of the classification society and the flag state. The vessels operated by the Group, Argeo Searcher and Argeo Venture, are classed with Bureau Veritas and registered in Bahamas. In order to maintain classification approvals, the vessels must undergo surveys and inspections at regular intervals, and it may be necessary to perform upgrades or repairs to the vessels in order to maintain necessary classification approvals and certificates.

In contracts with customers the Group may undertake to ensure that its vessels, AUVs and other assets obtain certificates and approvals issued by international industry associations, and that internal policies pertaining to health, safety, security and environment are compliant with specific internationally recognized standards. The Group may also be required to obtain and maintain local permits and licenses pertaining to the vessels, their equipment, the personnel or the particular operations to be undertaken in the area of operation. The customer contracts would often provide that the customer and the Group shall cooperate in obtaining such licenses and approvals, and it may differ from contract to contract whether the ultimate responsibility rests with the Group or the customer. It is not uncommon that the customer must obtain the more general permits and licenses for the overall project, while the Group must obtain specific permits and licenses pertaining to its personnel or equipment.

7.3.3 *Environmental, health and safety laws and permits*

The vessels operated by the Group must comply with the laws and regulations of the flag state pertaining to health, safety and environment ("**HSE**"). In addition, the Group and its vessels must comply with the HSE laws and regulations applicable in the local jurisdictions where operations are performed, and it may be necessary to obtain specific permits from local authorities in order to perform offshore operations under contracts with customers. As the Group is performing operations in a wide range of different countries and jurisdictions, the Group has to comply with differing sets of HSE rules and regulations which may also be subject to changes on short notice. As example, the occurrence of local epidemics in an area of operation may subject the Group vessels and personnel to more stringent quarantine requirements or suspension of operations, while operations in or near areas affected by piracy, war or war like operations could require increased safety measures such as armed guards and other precautionary measures. In addition, it is normally agreed in customer contracts that the Group, when performing operations for the customer, shall at all times comply with the applicable HSE regulations of the customer. Finally, the Group would need to comply with the HSE laws and regulations applicable at the locations where the Group has its offices.

7.3.4 *Other laws, regulations and standards*

Firstly, the Group must comply with the laws, regulations and standards applicable in the jurisdictions where they have offices and/or legal entities registered. This includes inter alia tax laws, employment laws and company laws. There is a variety of international conventions which apply to vessels and maritime operations and which the Group and its vessels must comply with. The Group must also comply with the local laws and regulations in the areas where it conducts its operations. In many jurisdictions, a foreign operator which only provides a vessel and marine personnel for a short period of time, and which does not have a legal entity registered in such country, or shore-based personnel employed in such country, would be exempt from several of the laws and regulations which otherwise apply to domestic companies. In some jurisdictions there are local content rules which, for instance, would require foreign operators to employ a certain number of local personnel or to procure supplies or services from local vendors and suppliers. There may also be restrictions on foreign flagged vessels which could either prevent the Group from performing operations or impose restrictions on the operations. It is not uncommon that customer contracts contain references to international industry standards to which the Group undertakes to comply with in the performance of the operations.

Some customer contracts contain a change in laws provision which ensures that the Group is compensated in case of changes in laws and regulations, including changed interpretation of such laws and regulations, in the relevant area of operation. Certain type of changes to laws and regulations may also constitute force majeure events under customer contracts which would entitle the Group to extensions the contract schedule (but not necessarily to compensation for increased costs). The aforementioned provisions are of more importance in long term customer contracts and in customer contracts where there is a considerable period of time between signing and commencement of operations.

7.3.5 *Data protection regulations*

The Group is subject to GDPR and local data privacy laws in the countries the Group operates in and has implemented stringent data protection procedures and separate GDPR compliance systems to meet these laws and regulation. The Group primarily handles the personal data of its employees, as well as the personnel of the Group's suppliers and customers. This makes the Group exposed to data protection and data privacy laws and regulations it must comply with, which all imposes stringent data protection requirements and could impose penalties for noncompliance, related to storing, sharing, use, processing, disclosure and protection of personal information and other user data on its platforms.

7.3.6 Tax

The Group is subject to prevailing tax laws in each jurisdiction the Group operates and will be subject to changes in tax laws, tax treaties or regulations or the interpretation or enforcement thereof in the various jurisdictions, possibly with retrospective effect. Procedures and actions are implemented in the Group to adhere to applicable tax laws wherever the Group is present and conducts its operations. The Group's overall tax charge is dependent on where profits are generated and taxed, where the respective jurisdictions have different tax systems and tax rates. The customer contracts would usually contain provisions specifying which party shall be liable for local taxes levied in the area of operation. Such taxes may include fees for the import and export of vessels and equipment, withholding tax and payroll taxes depending on the duration of the operations. In some contracts it is agreed that the customer shall be responsible for local taxes and where the Group is indemnified and held harmless from any tax liability, while in other contracts the Group has undertaken responsibility for some, or all, of the local taxes levied in respect to the Group's vessels, personnel and operations.

7.3.7 *International sanctions, export/import control and anti-money-laundering laws and regulations*

The Group's operations make the Group exposed towards international sanctions laws and regulations, in particular sanctions on trade and import/export, and anti-money laundering laws through its trade across multiple jurisdictions. Furthermore, sanctions imposed on certain countries, companies or individuals by international and regional bodies including those administered by the United Nations, the European Union and the U.S. Office of Foreign Assets Control could materially adversely affect the Group's ability to trade with sanctioned countries or companies and/or individuals linked with such countries. The Group has policies, procedures and processes in place that aim to ensure that any cross-border transfer of people, products, services, technology and funds are properly screened against all relevant sanctions lists and programs, as well as procedures to prevent and detect red flags related to sanctions, export controls, money laundering and terrorist financing.

7.3.8 *Anti-bribery/anti-corruption laws and regulations*

Operating an international business requires the Group to comply with the laws and regulations of various jurisdictions. In particular, the Group's international operations are subject to anti-corruption laws and regulations, such as the UK Bribery Act of 2010, the relevant provisions in the Norwegian Criminal Code and the anti-corruption laws and regulations in the jurisdiction of the area of operations. In addition, the customer contracts would often contain detailed anti-corruption and anti-money laundering provisions which the Group must comply with as part of its material contractual obligations. The Group is of the view that it has the necessary governance and implemented procedures in place to work in a manner that effectively deals with the corruption risks that are associated with delivery of services in the areas that the Group operates.

7.3.9 *National and international policies*

As of the date of this Prospectus, the Group is not aware of any national or international policies or factors that will materially affect the Group's operation. The global outbreak of the Covid-19 virus, did, however, lead to temporary changes in laws in countries that the Group has operations in, and in countries that the Group sources equipment and services from. Although the Group is not aware of any future policies or measures that will have a material impact on its operations, it cannot not be ruled out that changes in governmental, fiscal, monetary or political policies could materially affect, directly or indirectly, the Group's operations.

8 BUSINESS OF THE GROUP

8.1 Introduction to the Company

Argeo is an offshore service provider specialised in ocean surveys and inspections using autonomous robotic solutions. Argeo's services utilize technologically advanced AUVs, equipped with underwater robotics solutions and unique patented electromagnetic sensor technology, to collect offshore data, deployed from cost-efficient surface vessels. The Company's market is primarily within three market segments: i) oil and gas, ii) offshore renewable energy and iii) marine minerals, as further described in Section 7.2 "Market segments". By utilizing data from Argeo's sensor technology installed on the vessels, the Company offers a comprehensive range of offshore services. These services provide customers with data and visualization capabilities in water depths down to 6,000 meters.

As of the date of this Prospectus, Argeo operates two vessels (Argeo Venture and Argeo Searcher), four AUV's (two Hugin Superiors, one Hugin 6000 and one Hugin 1000), with an option for another Hugin AUV, and one USV (Argeo Argus). In addition, Argeo has a digital modelling and digital twin software (Argeo SCOPE™) that is based on geophysical, hydrographic and geological methods from shallow waters to the deepest oceans for the above-mentioned market segments.

Argeo is headquartered in Asker, Norway, and operates internationally.

8.2 Competition

The Company is a specialised provider of survey and inspection services in the global competitive landscape. The Company is exposed to both direct and indirect competition from other providers of survey and inspection services. AUV operations are in indirect competition with other technologies performed with ROVs or survey vessels in some of the Company's business verticals. ROVs require a nearby vessel in order to be deployed and operated at sea, which take longer time to complete (less production efficiency) and in turn, require higher fuel consumption and a higher amount of man hours. As a provider of AUV services, the Company is of the opinion that it has a more flexible business model that enable a more cost and production efficient and environmentally friendly service offering as compared to competing solutions that require larger vessels to operate. The Company's vessels are also equipped to operate ROVs or perform other offshore maintenance/repair services if required, and the Company has an opportunistic approach to this.

In deep water, AUVs provide the Company with a stable and quiet platform that operates closer to the seabed/area of examination, enabling higher resolution imaging than what can be achieved from surface survey vessels, which utilise hull mounted equipment and towed sensors. AUVs also offer a more optimal, stable, and efficient sub-sea vehicle than ROVs, covering a larger area with superior data quality in a shorter time frame, delivering best cost of ownership together with highest quality, according to the Company. Especially in deep waters, data acquired from surface survey vessels are, based on management's experience, at too low resolution to discover or image the seafloor, objects or commodities sought after in the deep-sea minerals vertical. For shallow water surveys or inspection both survey vessels and ROVs are competing products.

In addition, AUVs are assumed to operate at a higher speed which allows for a faster coverage for the areas of interest which, in turn, represents a more cost-efficient and time-consuming service for developers and companies.

8.3 Strategy and objectives

The Company's strategy and objective is to transform the ocean survey and inspection industry by utilizing autonomous surface and underwater robotics solutions equipped with unique patented electromagnetic sensor system in combination with subsea vessels. By using sensors and advanced digital imaging technology, Argeo aims to significantly increase efficiency and imaging quality in addition to contribute to significant reduction in CO₂ emissions from operations for the global industry in which the Group operates.

Since entering the 5-year bareboat charter-in contract for Argeo Searcher in late 2022, the Company expanded its strategy to include ownership of vessels to secure long-term capacity for its operations. This expansion enables the Company to provide its clients with a full-service offering, or "spreads", of vessels, AUV's and relevant technology. This was further developed with the long-term charter-in (and related purchase options) of Argeo Venture in late 2023. On the back of this new strategy, Argeo has secured contracts with major E&P companies, such as Shell, NCPOR, RWE and Woodside, including the contract with TotalEnergies for Argeo Venture, which may offer opportunities for scaling and expansion, potentially increasing the number of active spreads (i.e. vessels and equipment). For further information, see Section 8.8 "Patents, contracts, licenses, etc".

As a response to the tightening vessel market conditions observed during 2022, the Group developed a new growth strategy that involved a vessel acquisition and conversion plan, a new fleet of high-productivity asset pool based on the Hugin design and a turnkey product delivery service. Consequently, the Group entered a phase of growth and expansion, transitioning from primarily an asset light (vessel of opportunity or project to project vessel time charter) survey business to full vessel spread operation, including vessels and associated equipment. The Group aims to strengthen its growth strategy by expanding its value chain with add-on products and services to offer a complete range of ocean space information to clients. Such activities may include ROV and IMR services and geotechnical services. Furthermore, as part of Argeo's growth strategy, the Company also intends to expand

its fleet of offshore vessels and subsea equipment (spreads) and, in its own view, has a proven track record of converting idle vessels and turn them in to high-performing modern subsea vessels. Alternative ways to expand the fleet can for example involve entering short- and long-term charter agreements with shipowners, either through bareboat charters or time charters. However, the Group may need to raise additional funds through e.g. debt or additional equity financings to execute the Group's growth strategy and to fund capital expenditures going forward. The Group's ability to obtain such additional capital or financing will depend in part upon prevailing market conditions as well as conditions.

A number of factors could pose potential challenges to the Company's ability to deliver on its strategy and achieve its objectives, including, but not limited to, the following:

- Securing adequate financing for any future expansion of the fleet (if necessary) or ongoing operations.
- Keeping pace with technological advancements of the markets it operates in, including with respect to any attempts on enhancing its products and services, for instance its ability to further expand and improve the technical capabilities of the Group's fleet.
- Global economic conditions, energy prices, and geopolitical events, which could lead to reduced capital spending by the Group's customers and a reduced demand for the Group's services.
- Failure to expand its fleet of vessels and underwater vehicles.
- Operational efficiency and commercial terms.

For further information related to factors that could pose challenges to the Argeo's ability to deliver on its strategy and achieve its objectives, see Section 2 "*Risk factors*", including Sections 2.3.1 "*In order to execute the Group's growth strategy, the Group may require additional capital in the future, which may not be available*", 2.1.12 "*The Group may not be able to respond to rapid technological changes or develop new services in a competitive market within its key segments*", 2.1.6 "*Risks related to dependence on exploration and energy market conditions*", 2.1.13 "*The Group is exposed to risks relating to volatile, negative and uncertain economic or political market conditions, including the ongoing war in Ukraine and Israel/Gaza*", and Section 11.1 "*Key factors affecting the Group's results of operations and financial performance*".

8.4 Business operations and principal activities

8.4.1 Principal activities

As outlined in Section 8.1 "*Introduction to the Company*", the Company's business operations comprise servicing three distinct industry segments: the oil and gas industry, the offshore renewable energy industry and the marine minerals industry. For further details on these industry segments, please refer to Section 7.2 "*Market segments*". While these industries differ in terms of market participants, operational procedures and service requirements, geographies and core commercial objectives, they share inherent similarities that, in the Company's opinion, work to the Company's benefit and competitive advantage.

Specifically, the Company operates primarily with one standard "survey unit", meaning that the Company at any given time utilizes the same vessel(s) equipped with the same assets (AUVs etc.) and the same crew and specialists' operators across all three industry segments. As the standard survey unit is suitable for adequately servicing all the verticals, it allows the Company to seamlessly switch between servicing different industry segments. This flexibility enables the Company to tender for various projects in different geographies without having to spend time and resources on changing its survey unit based on client and industry segment. Furthermore, this adaptability also provides a hedge against general market volatility, as the Company can shift between industries as market conditions evolve. For example, if there is a shift from traditional heavy industries like oil and gas to green energy initiatives such as offshore wind farms, the Company can pivot accordingly, ensuring resilience in the face of changing market demands.

More specifically, Argeo provides survey, inspection and light intervention subsea services to industries installing, constructing or maintaining infrastructure or equipment offshore. Argeo provides these services primarily by acquiring data using advanced AUVs, USVs and robotics systems for then to apply advanced integrated processing and interpretation creating a high-resolution digital representation of the seafloor and the sub-seafloor. The digital representation is based upon geophysical, hydrographic, and geological sensor data to be used by the customers in the abovementioned three industry segments as follows:

- 1) **Oil and gas industry:** Argeo provides oil and gas companies with survey and inspection services as input to offshore field design, including design and location of platform and subsea infrastructure, investigation of routes for pipelines, assessing impact on environment and inspection of existing pipeline and infrastructure.
- 2) **Offshore renewable energy industry:** Argeo provides assessment of area attractiveness of wind farms to get input to wind farm design, including design and location of foundations, substations etc., in addition to investigation of routes for power cables, assessing impact on the environment and inspection of existing infrastructure over its life cycle.

- 3) **Marine minerals industry:** Argeo provides companies, developers and governments with exploration and characterization of marine minerals by use of its fleet of AUVs equipped with state-of-the-art and patented technology and sensors delivering high-quality data with applications across the deep-sea minerals value chain from environmental impact assessment and early exploration to reserves estimation and extraction monitoring.

8.4.2 Asset

Argeo has a portfolio of tools to deliver its services and products. Argeo operates by deploying and collecting AUVs from vessels and characterizes its operations in terms of “spreads”. Each spread includes a service vessel (e.g. such as Argeo Venture), one or more AUVs, and the relevant subsea robotics technology required to carry out Argeo’s full lifecycle services. Argeo’s vessels are also designed to potentially equip ROVs or other relevant subsea equipment. The Company currently operates two full spreads.

As of the date of this Prospectus, Argeo operates two vessels: Argeo Searcher and Argeo Venture. Both vessels are financed through long-term bareboat charters with purchase options, meaning Argeo leases them under long-term contracts with the option to buy them at the end of each term. Argeo Searcher is under a five-year bareboat charter, while Argeo Venture is financed through a sale and leaseback arrangement. For key details about the vessels, please refer to Figure 4 below.

Figure 4: Overview of Argeo’s vessels



In addition to the abovementioned vessels, the Group has four AUVs, with an option for acquiring an additional AUV. Argeo has also recently purchased a USV, the Argeo USV, for offshore and coastal applications.

In August 2024, the Company sold its two SeaRaptor 6000 units in an effort to high-grade its AUV fleet. As a result, the Searaptor 6000 units are no longer part of the Company’s fleet. For an overview of Argeo’s current fleet of AUVs and USV, please refer to figure 5 below.

In November 2024, the Company signed an agreement for a sale lease-back and upgrade of the Hugin 6000 AUV with CSI Leasing.

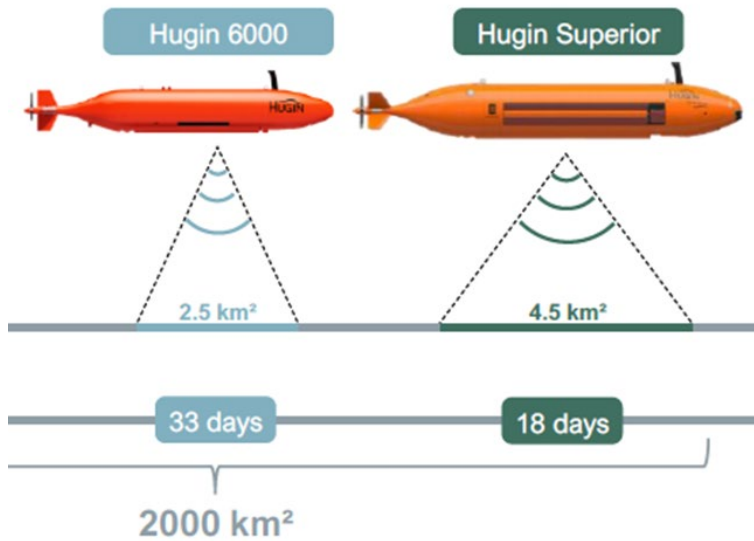
Figure 5: Overview of Argeo’s fleet of AUVs and USV



The Hugin AUVs are delivered by Kongsberg Discovery AS, and offers high-quality data and coverage coupled with accurate navigation and positioning solutions. According to the Company, AUVs generally enhance efficiency significantly compared to ROVs, which typically perform interventions in addition to surveying. In the Company’s view, this makes AUVs the preferred asset for long-distance, deep-water operations. The Hugin Superiors are onboard Argeo Searcher and Argeo Venture, respectively. The

Hugin 6000 is utilized as containerized "vessel of opportunity" systems for shorter projects globally, while the Hugin 1000 is currently used locally as a containerized system for shallow-water missions, typically in the North Sea. For an overview of the efficiency of Argeo's various AUVs, please refer to figure 6 below.

Figure 6: Overview of efficiency of Argeo's different AUV types:



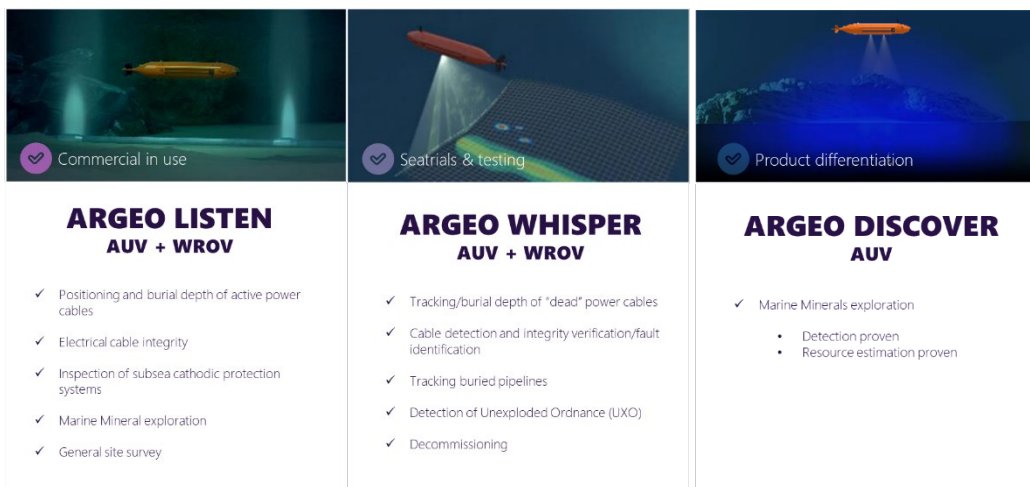
Argeo intends to expand its fleet of offshore vessels and subsea equipment (spreads) and believes it has a proven track record of converting idle vessels into high-performing, modern subsea vessels that are accepted by tier 1 clients.

8.4.3 Proprietary technology

Argeo performs in-house sensor engineering of new sensor technology for autonomous data acquisition and systematically aims to strengthen its IP portfolio and apply for patent protection when applicable.

The AUVs are equipped with Argeo's own technology Argeo Listen. Applications and key design features of the sensors represents six of the eight patents granted by and registered with the Norwegian Industrial Patent Office. All of these sensors have been developed by Argeo Robotics, a wholly owned subsidiary of the Company. Please refer to Figure 7 below for an overview of Argeo Listen, Argeo Whisper and Argeo Discover. For further information and additional details on Argeo's proprietary technology, including the digital twin system "Argeo SCOPE", please refer to Section 8.9 "Research and development".

Figure 7: Overview of Argeo technology:



8.4.4 Products

Argeo provides full lifecycle subsea services using advanced robotics and digital solutions for the ocean space, and hence, the Company's products are the services provided as set out in Section 8.4 "Business operations and principal activities". The products/services are divided into four main categories: i) survey, ii) inspection, iii) maintenance & repair and iv) data as a service ("DaaS"). Through sale and leaseback agreements, the Company also has rental income derived from the rental of AUVs.

Argeo does not report revenues per product as they are set out herein. Please refer to table 1 below for an overview of the Company's revenue streams from 2021 to the date of this Prospectus.

| Table 1 – Revenues breakdown | 2024 | 2023 | 2022 | 2021 |
|--|---------------|---------------|--------------|--------------|
| Revenue from contracts with customers* | 52 014 | 5 652 | 1 915 | 1 787 |
| Rental income | 1 494 | 4 473 | 1 561 | - |
| Government grants | - | - | 9 | 55 |
| Total revenue | 53 508 | 10 126 | 3 485 | 1 842 |

All values in USD 1000, data extracted from Argeo annual reports 2021-2023 (and Q4 report 2024)

**For 2020 and 2019 this line item is replaced by "External revenue"*

As of Q4 2024, the Company's most important products are marine minerals exploration data and oil and gas survey/inspection data. For 2024, revenue amounted to USD ~53.5m, based on contributions from oil and gas survey/inspection data (~67%), marine minerals exploration data (~17%), renewables ~3% and rental~3%.

The survey product category covers geographical, hydrographical, route, environmental and shallow-water USV survey activities, as well as ultra-high-resolution photos. For inspections, the products range include pipeline and electric cable inspections, cathodic protection, inspection maintenance and repair ("IMR") support, depth-of-burial and as-laid surveys. The Company provides a wide range of maintenance and repair services, including subsea IMR, cathodic protection ("CP") or integrity inspections, module replacement and light intervention, as well as construction, installation, commissioning and handover services.

As the Company's vessels and underwater assets are gathering increasing amounts of data, an important product for the Company is DaaS.

The Company can offer flexible data access models to the clients in all market segments throughout the entire project lifecycle. These projects include offshore wind concessions, marine mineral exploration, environmental & greenfield surveys and decommissioning.

8.4.5 Backlog and backlog phasing

The Company's business is centred around customer tender cycles, with the lead time from tender to project execution typically occurring in the last quarter of the year for execution the following year. The contract (backlog) horizon is therefore typically one quarter for projects lasting one (1) to 12 months. For projects exceeding 12 months, the contract horizon typically extends by additional six (6) to 12 months due to asset requirements and vessel preparations.

Argeo entered the year 2024 with a firm backlog totalling USD 71 million, out of which USD 53 million was realized as revenues during the first half of the year and remaining USD 4 million from NCPOR is deferred until later in 2025 as add-on to potential new work in the region. As of Q4 2024, the remaining firm backlog of the Company is USD 14 million, excluding NCPOR. With additional expected contracts currently in negotiations, the total is USD 190 million.

Figure 8: Overview of ongoing projects included in the Company’s backlog with percentage of completion



The above chart shows all ongoing operations included in the USD 71 million backlog the Company had confirmed when entering 2024, along with the percentage of completion for each contract. The completion rate shown in this chart represents the USD 53 million of the backlog realized during 2024. The remaining work of these contracts represents the remaining backlog of USD 14 million, excluding NCPOR.

Figure 9: Overview of 2024 backlog phasing

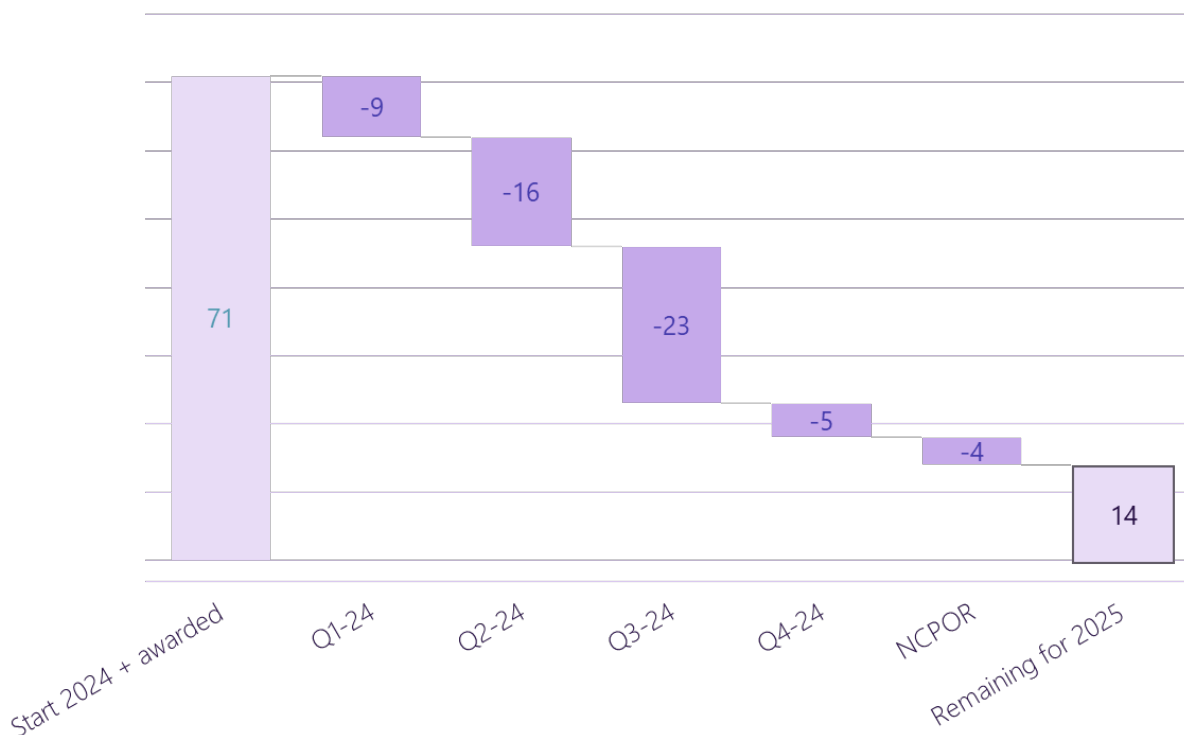
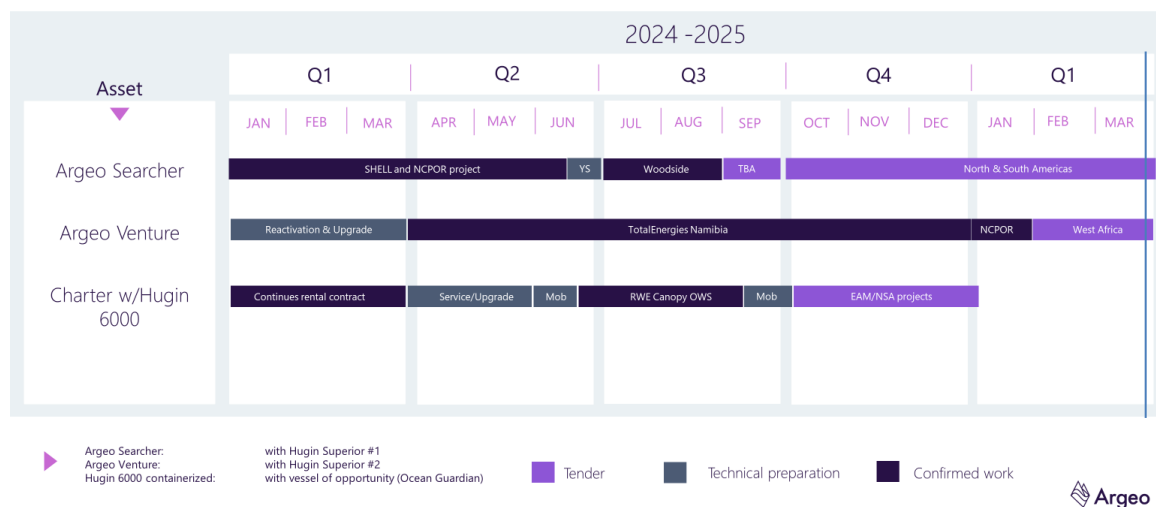


Figure 10 below shows Argeo's ongoing projects by asset on a quarterly basis for the period 2024–2030, which are included in the backlog estimates presented in this Section 8.4.5.

Figure 10: Overview of ongoing projects per asset¹⁶



Contract coverage and schedule



8.4.6 Strategic Alliance with Shearwater

On 27 September 2023, the Company announced that it had entered into a Strategic Alliance with Shearwater for innovating and pioneering new technology and products across the subsea and marine seismic markets.

As part of the Strategic Alliance, Argeo purchased the Argeo Venture from Shearwater for USD 6 million in cash, along with 20,123,625 consideration shares in Argeo. In connection with the transaction, the Company entered into a memorandum of agreement (MOA) with Shearwater for the purchase of Argeo Venture. Following Shearwater's block sale of its shares in the Company as announced 28 November 2024, it is unlikely that the Strategic Alliance and partnership with Shearwater will be further explored and formalised in an agreement. For further information, please refer to Section 8.8 "Patents, contracts, licenses, etc."

8.5 History and important events

The table below provides an overview of key events in the history of the Group:

| Table 2 - Overview of key events in the history of the Group | |
|--|---|
| Year | Event |
| 2014 | Argeo AS was incorporated on 28 May 2014 as Ascent Geo Holding AS. |
| 2017 | The Group entered into a contract with Bane Nor relating to the 18km Intercity project. |
| 2017 | Infrastructure agreement with Multiconsult. |
| 2018 | First bridge and tunnel project with the Norwegian Public Roads Administration (Nw.: <i>Statens vegvesen</i>). |
| 2018 | Qualified subcontractor to Oceaneering. |
| 2018 | Initial 3D GEOMODEL development. |
| 2019 | First AUV and offshore Aqua farm with Nordlaks AS and Multiconsult. |

¹⁶ Vertical blue line shows the date of this Prospectus.

| | |
|-------------|---|
| 2019 | The Company changed legal and commercial name to Argeo AS. |
| 2019 | First major bridge project with Multiconsult and Nye Veier AS. |
| 2019 | Full scale 3D GEOMODEL. |
| 2020 | Land-based aqua farm with Andfjord Salmon AS. |
| 2020 | Offshore anchor-location with Norway Royal Salmon ASA. |
| 2020 | Second stage bridge project with Multiconsult and Nye Veier AS |
| 2020 | Purchase of first Hugin AUV. |
| 2021 | |
| January | Joint-venture agreement with Multiconsult. |
| April | Order Deep Sea AUV from a large and reputable supplier especially equipped for DSM exploration. |
| May | Order a second SeaRaptor 6000 newbuild AUV from Teledyne Gavia |
| April | NOK 175 million funding in a private placement and the subsequent admission to trading. |
| April | Listing on Euronext Growth Oslo |
| September | NOK 12 million grant from Innovation Norway and Norwegian Research Council of the Digital Twin project. |
| November | Expansion of AUV fleet with the Eelume autonomous snake robot (project terminated) |
| December | Agreement with undisclosed customer for AUV work in Brazil. |
| December | Agreement with undisclosed customer for ultra-deep water AUV survey works. |
| 2022 | |
| March | Purchase of Hugin 6000 system from Kongsberg. |
| March | Signs project for purchased Hugin 6000. |
| March | Agreement with Statens Vegvesen for AUV work. |
| March | Commenced first multi-client offshore wind project at Utsira Nord. |
| April | Successful private placement of 15,000,000 new shares, raising NOK 75 million in gross proceeds. |
| May | AUV work for Statens Vegvesen. |
| June | The first uncrewed, remotely supervised survey and inspection vehicle, named Argeo Argus, is commercially launched. |
| July | SeaRaptor Bravo complete ultra-deep water AUV survey work. |
| September | New Hugin 6000 AUV system starts commercial work with a contract value at 4.5 MUSD. |
| October | Argeo enters a 5-year bareboat contract for vessel Argeo Searcher. |
| October | New Argeo USV "Argus" enters commercial operations. |
| November | Argeo granted patent for subsea electromagnetic remote-sensing system. |
| November | Agreement for ultra-deep water AUV work. |
| December | NOK 20 million loan granted from Innovasjon Norge. |
| December | Successful private placement of 30,300,000 new shares, raising gross proceeds of NOK 50 million. |
| 2023 | |
| January | Subsequent offering of 3,124,369 new shares, raising gross proceeds of NOK 5,155,207. |
| February | Agreement with the Polish Geological Institute – National Research Institute (PGI-NRI) for AUV. |
| March | Survey contract with Stromar Offshore Wind Farm. |
| April | Agreement with seismic company partner for multiclient deep sea mineral project. |
| April | Survey contract with Norwegian Petroleum Directorate |
| June | Argeo granted patent for electromagnetic method for tracking and detection of pipelines and power cables. |
| June | Successful private placement of 15,576,168 new shares, raising gross proceeds of approx. NOK 43 million. |
| July | Completion of a subsequent offering of 2,670,531 new shares in the Company, raising gross proceeds of NOK 7,343,960.25. |
| August | Argeo is granted a new patent for an electromagnetic method for detection of buried objects. |
| August | Argeo is granted a new patent on a high energy electromagnetic system. |

| | |
|-----------|---|
| September | Argeo announces a letter of intent for an agreement for the purchase of two Hugin Superior AUVs and one Hugin 6000 AUV. |
| September | Argeo announces that it has entered into the Strategic Alliance, including the acquisition of Argeo Venture. |
| September | Argeo has in principle agreed with a supermajor oil and gas company on a 3-month subsea inspection program starting in November 2023 with a duration of minimum 90 days. |
| October | Argeo announces the successful completion of a private placement, raising gross proceeds of NOK 250 million. |
| October | Argeo is the winner of a tender for a Greenfield exploration project with a winning bid of NOK 150 million. |
| November | Argeo confirms signing of NOK 55 million contract over the Bonga field subsea assets work program for SNEPCo - Shell Nigerian Exploration and Product Company and local content partner GOSL. |
| November | Conversion of Argeo Venture completed. |
| November | Argeo's third quarter revenue increased by 658%. |

2024

| | |
|----------|--|
| February | Argeo announces the signing of a NOK 150 million contract with India's National Centre for Polar and Ocean Research (NCPOR). |
| February | Argeo announces successful completion of sale-and-leaseback of Argeo Venture (as defined below) to replace the offer for a USD 10 million bank loan and USD 2 million credit facility (as announced in October 2023). |
| March | Argeo signs a USD 39 million contract with an international energy company. |
| March | Argeo announces the successful completion of a private placement raising gross proceeds of NOK 50 million. |
| March | Argeo signs a "Certificate of Delivery and Acceptance" with CSI Nordics for second Kongsberg Discovery HUGIN Superior AUV. |
| April | Argeo announces USD 39 million contract with international energy company Total Energies. |
| April | Argeo announces contract with Woodside Energy, occupying the Company's vessel Argeo Searcher for approximately 60 days, not including any additional work, commenced in Q3 2024. |
| April | Argeo is granted a new electromagnetic sensor system patent |
| June | Argeo announces contract with RWE, occupying the Company's Hugin 6000 containerized system for approximately 50 days, which commenced in Q2 2024. |
| June | Argeo is granted a new patent for acoustic tracking of buried sub-sea objects. |
| June | In anticipation of the listing of the Company's Shares on the Oslo Stock Exchange, the Company's annual general meeting resolved a reverse share split of the Shares in the ratio 5:1, which was registered in the Norwegian Register of Business Enterprises on 20 June 2024. Following such registration, the share capital of the Company is NOK 22,208,174.50 divided into 44,416,349 shares, each with a nominal value of NOK 0.50. |
| August | Argeo entered into agreements for sale of its two SeaRaptor 6000 AUVs. |
| October | Listed on Oslo Stock Exchange |
| November | Argeo signed an agreement for a sale lease-back and upgrade of the Hugin 6000 AUV with CSI Leasing. |

2025

| | |
|----------|---|
| January | The Company is in first position after a tender competition for ROV & AUV Support Vessel (RSV) contract for a total of four years in South America. |
| February | Successful private placement of 18,875,000 new shares, raising gross proceeds of approx. NOK 150 million. |

8.6 Material contracts outside the ordinary course of business

The Company has not entered into any material contracts, outside those entered into in the ordinary course of its business, or any other contracts entered into outside the ordinary course of business which contains any provision under which any Group company has any obligation or entitlement which is material to the Group.

8.7 Legal and regulatory proceedings

The Group is not, nor has been, during the course of the preceding twelve months, involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Group's financial position or profitability. The Company is not aware of any such proceedings which are pending or threatened.

8.8 Patents, contracts, licenses etc.

It is the Company's view that the Company's existing business and future profitability are not dependent upon any single contract.

The agreements described below are however considered to be of importance to the Company:

- The Company has signed a USD 39 million contract with international energy company TotalEnergies for work offshore Africa that will occupy Argeo Venture until end of March 2025.
- The Company has completed a sale-and-leaseback of Argeo Venture to replace the offer for a USD 10 million bank loan and USD 2 million credit facility originally announced in October 2023. The transaction provided improved cash liquidity over such loan and credit facility in addition to more favourable terms regarding covenants and restrictions.
- The Company has signed a NOK 154 million contract with India's national Centre for Polar and Ocean Research (NCPOR) regarding a near-seabed exploration survey and data analysis project, whereof approx. 80% has been successfully completed, and whereof the remaining approx. 20% has been left outstanding as an optionality to be discussed between the parties and which, if to be completed, in all likelihood will commence and be completed in 2025.
- The Company signed a letter of intent for an agreement for the purchase of two Hugin Superior AUVs and one Hugin 6000 AUV, of which the first two were delivered in November 2023 and March 2024, respectively, and the last one is optional.
- The Company has signed a 5-year bareboat contract for vessel Argeo Searcher, with an option to purchase the vessel. The Company has entered into an addendum to the bareboat contract, which will involve a new contract period of 5-year from and including 1 January 2024 and a new optional purchase price USD 8 million after completing a NOK 40 million upgrade by the owner Ocean Pearl AS.
- The Company has secured contract work for both the vessels Argeo Venture and Argeo Searcher; Argeo Searcher continues on new contracted AUV survey work in South America for O&G development in the region. The project is expected to be completed early May 2025. Argeo Venture continues on new contracted AUV survey work in Africa for O&G development in the region. The project is expected to be completed late May 2025.

8.9 Research and development

The Company's operations are based on delivering next-generation subsea services to their clients, utilizing state-of-the-art robotics and autonomous technology combined with top-of-the-line sensor technology. As part of the strategy, the Company is highly focused on research and development through its wholly owned subsidiary Argeo Robotics, a technology and engineering company delivering unique and innovative solutions for ocean subsea surveying and inspections.

The Company's technological system range includes Argeo Listen, Argeo Whisper, Argeo Remote and the digital twin system Argeo SCOPE.

Argeo Listen is a modular passive electrode- and magnetometer system for electric and magnetic field measurements in sea water, which is currently fully integrated on the Company's AUV platforms, while Argeo Whisper is an active electro-magnetic system for detection of buried metal objects and cables in marine environments. Both systems can operate down to 6000m water depth.

Argeo Remote is the Company's solution for mission control, providing backup, supervision and support for on-prem or containerized operations.

Argeo SCOPE is the Company's cloud-based solution for management, analysis and interpretation of Ocean Space data, enabling fast and performant 3D visualization of data in a user-friendly browser-based interface.

The Company's intangible assets account for ~5.3% of the total assets at year-end 2023, slightly up but still in line with numbers for 2022 (~4.5%) and 2021 (~4.4%). The intangible assets consist of development, software, patents and licenses, with a breakdown shown in table 3 below. The Company has made continuous investments in intangible assets mainly related to development of electromagnetic sensor solutions and Argeo SCOPE, demonstrating its commitment to research and development as part of its business.

| Table 3 – Intangible assets breakdown | 2023 | 2022 | 2021 |
|--|-------------|-------------|-------------|
| Development | 3 192 | 1 675 | 473 |
| Software | 456 | 623 | 332 |
| Patents and licences | 142 | 168 | 62 |

| | | | |
|--------------------------------|--------------|--------------|------------|
| Total intangible assets | 3 790 | 2 466 | 867 |
|--------------------------------|--------------|--------------|------------|

All values in USD 1000, data extracted from Argeo 2023 Annual report.

Values based on EoY post yearly depreciation and amortization.

9 CAPITALISATION AND INDEBTEDNESS

9.1 Introduction

The financial information presented below has been prepared on the basis of an unaudited, consolidated management report for the period ended 31 January 2025, including an unaudited statement of financial position for the Group. The unaudited management report has been prepared in accordance with the same accounting policies and principles as the Annual Financial Statements.

This Section 9 "Capitalisation and indebtedness" provides information about the Group's unaudited consolidated capitalisation and net financial indebtedness on an actual basis as at 31 January 2025 and, in the "Adjustment amount" column, the estimated impact to the Group's consolidated capitalisation and net financial indebtedness as at 31 January 2025.

Adjustments for estimated effects of the following events:

- The completed Private Placement

Other than as set forth above, there has been no material change to the Group's consolidated capitalisation and net financial indebtedness since 31 January 2025.

9.2 Capitalisation

The following table sets forth information about the Group's unaudited consolidated capitalisation as at 31 January 2025:

| | As at 31 January 2025 ^(a) | Adjustment amount ^(b) | As adjusted as of the date of the Prospectus |
|--|---|-------------------------------------|--|
| <i>(In USD thousands)</i> | | | |
| Total current debt: | | | |
| Guaranteed..... | - | - | - |
| Secured..... | 294 ⁽¹⁾ | - | 294 |
| Unguaranteed / unsecured..... | 25,374 ⁽²⁾ | - | 25,374 |
| Total current debt: | 25,667 | - | 25,667 |
| Total non-current debt: | | | |
| Guaranteed..... | - | - | - |
| Secured..... | 1,321 ⁽³⁾ | - | 1,321 |
| Unguaranteed / unsecured..... | 32,280 ⁽⁴⁾ | - | 32,208 |
| Total non-current debt: | 33,601 | - | 33,601 |
| Total indebtedness: | 59,268 | - | 59,268 |
| Shareholders' equity | | | |
| Share capital..... | 2,163 ⁽⁵⁾ | 834 ⁽¹⁾ | 2,997 |
| Legal reserve(s)..... | 68,714 ⁽⁶⁾ | 12,505 ⁽¹⁾ | 81,219 |
| Other reserves..... | -39,281 ⁽⁷⁾ | - | -39,282 |
| Total shareholders' equity: | 31,595 | 13,338 | 44,934 |
| Total capitalisation: | 90,864 | 13,338 | 104,202 |

(a) The data set forth in this column are derived from the Group's unaudited statement of financial position for the period ended 31 January 2025:

¹⁾ Secured current debt of USD 0.3 million consist of the current portion of the Group's loans from Innovation Norway. The loan is secured with machinery and plant in Argeo Survey AS, Argeo ASA and Argeo Robotics. Further, the loan is secured with 50% of the shares in H1000 JV AS, a parent company guarantee from Argeo AS, and trade receivables in Argeo Survey AS.

²⁾ Unguaranteed/Unsecured current debt of USD 25.4 million consist of current interest-bearing liabilities of USD 2.1 million (total current interest-bearing liabilities less current portion of secured debt), trade payables of USD 10.7 million, current lease liabilities of USD 7.4 million, current provisions of USD 0.9 million, income tax payable of USD 0,1 million and other current liabilities of USD 4.2 million.

³⁾ Secured non-current debt of USD 1.3 million consist of the non-current portion of the Group's loan from Innovation Norway. The loan is secured with machinery and plant in Argeo Survey AS, Argeo ASA and Argeo Robotics. Further, the loan is secured with 50% of the shares in H1000 JV AS, a parent company guarantee from Argeo ASA, and trade receivables in Argeo Survey AS.

⁴⁾ Unguaranteed/Unsecured non-current debt of 32.3 million consists of non-current interest-bearing liabilities of USD 16.7 million (total non-current interest-bearing liabilities less non-current portion of secured debt) and non-current lease liabilities of USD 15.6 million.

⁵⁾ Share capital of USD 2.2 million consists of the financial statement line-item share capital.

⁶⁾ Legal reserves of USD 68.7 million consists of additional paid in capital of USD 73.4 million less transaction costs of USD 4.7 million.

⁷⁾ Other reserves of negative USD 39.3 million consists of retained earnings of negative USD 38 million, cumulative translation differences of negative USD 3.9 million and other capital reserves of USD 2.6 million.

(b) Adjustments:

¹⁾ The adjustment of USD 834 thousand in share capital and USD 12.5 million in other reserves reflects the private placement made 12 February 2025

9.3 Net financial indebtedness

The following table set forth information about the Group's consolidated net financial indebtedness as at 31 January 2025:

| Table 5 – Net financial indebtedness | | | |
|--|---|---|---|
| | As at 31 January 2025 ^(a) | Adjustment amount ^(b) | As adjusted as of the date of the Prospectus |
| <i>(In USD thousands)</i> | | | |
| (A) Cash | 1,175 ⁽¹⁾ | 13,338 ⁽¹⁾ | 14,513 |
| (B) Cash equivalents | - | - | - |
| (C) Other current financial asset | 8,618 ⁽²⁾ | - | 8,618 |
| (D) Liquidity (A)+(B)+(C) | 9,793 | 13,338 | 23,131 |
| (E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) | 9,807 ⁽³⁾ | - | 9,807 |
| (F) Current portion of non-current financial debt | - | - | - |
| (G) Current financial indebtedness (E + F) | 9,807 | - | 9,807 |
| (H) Net current financial indebtedness (G – D) | 14 | -13,338 | -13,324 |
| (I) Non-current financial debt (excluding current portion and debt instruments) | 33,599 ⁽⁴⁾ | - | 33,599 |
| (J) Debt instruments | - | - | - |
| (K) Non-current trade and other payables | 13,126 ⁽⁵⁾ | - | 13,126 |
| (L) Non-current financial indebtedness (I+J+K) | 46,725 | - | 46,725 |
| (M) Total financial indebtedness (H+L) | 46,739 | -13,338 | 33,401 |

(a) The data set forth in this column are derived from the Group's unaudited statement of financial position for the period ended 31 January 2025:

¹⁾ Cash of USD 1.2 million consists fully of the financial statement line-item Cash and cash equivalents.

²⁾ Other current financial asset consists of trade receivables of USD 1.9 million, prepayments to suppliers of USD 2.7 million, prepayment for Hugin 6000 upgrade USD 2.7m, performance bond USD 1.3 million.

³⁾ Current financial debt of USD 9.8 million consists of current interest bearing liabilities of USD 2.4 million and current lease liabilities of USD 7.4 million.

⁴⁾ Non-current financial debt of USD 33.6 million consist of non-current liabilities of USD 18 million and lease liabilities of USD 15.6 million.

⁵⁾ Non-current trade and other payables consists of trade payables of USD 10.7 million, payable income tax of USD 0.1 million and other current liabilities of USD 2.3 million.

(b) Adjustments:

¹⁾ The adjustment of USD 13.3 million reflects the private placement from 12 February 2025.

9.4 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

9.5 Contingent and indirect indebtedness

The Group does not have any material contingent or indirect indebtedness as of the date of the Prospectus beyond that described in the tables above.

10 SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

10.1 Introduction and basis for preparation

The following selected financial information has been extracted from the Group's Annual Financial Statements, prepared in accordance with IFRS, and the Interim Financial Statements, prepared in accordance with IAS 34.

The Financial Statements are incorporated by reference to this Prospectus, see Section 17.4 "Incorporation by reference". The Annual Financial Statements has been audited by RSM. The auditor's report does not contain any modifications of emphasis on matters.

The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements, and should be read together with Section 11 "Operating and financial review".

10.2 Summary of accounting policies and principles

For information regarding accounting policies and principles, see note 1.2 "Basis for preparation" and note 1.3 "General accounting principles" of the Annual Financial Statements, as incorporated by reference to this Prospectus, see Section 17.4 "Incorporation by reference".

10.3 Consolidated statement of comprehensive income

The tables below set out selected data extracted from the Financial Statements.

| Table 6 - Comprehensive income | Three-month period ended 31 December | | Twelve-month period ended 31 December | Year ended 31 December | | |
|--|--------------------------------------|-----------------------------|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IAS 34 Unaudited | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| <i>(Amounts in USD thousands)</i> | | | | | | |
| Revenues | 5,250 | 371 | 52,014 | 10,126 | 3,476 | 1,787 |
| Other income | 134 | -670 | 1,494 | - | 9 | 55 |
| Total revenues and other income | 5,384 | 1,041 | 53,508 | 10,126 | 3,485 | 1,842 |
| Cost of sales | 9,526 | 3,065 | 41,272 | 14,541 | 5,666 | 3,147 |
| Gross profit | -4,142 | -2,024 | 12,237 | -4,415 | -2,181 | -1,305 |
| Selling, general and administrative expenses | 1,602 | 134 | 5,454 | 1,859 | 2,970 | 1,747 |
| Impairment | - | -2,700 | - | 2,700 | - | - |
| Depreciation and amortisation | 2,193 | 1,554 | 9,237 | 4,689 | 1,431 | 227 |
| Total operating expenses | 3,795 | 4,389 | 14,691 | 9,248 | 4,401 | 1,973 |
| Operating profit (loss)/EBIT | -7,937 | -6,413 | 2,455 | -13,663 | -6,582 | -3,279 |
| Share of results from joint venture | - | -20 | -66 | -81 | -326 | -53 |
| Finance income | 24 | 33 | 49 | 56 | 31 | 10 |
| Finance expense | 1,663 | 628 | 6,346 | 1,751 | 716 | 75 |
| Net exchange gains/(losses) ⁽¹⁾ | 1,197 | -2,357 | 2,002 | -1,417 | -223 | 92 |
| Net financial items | -442 | -2,972 | -4,361 | -3,193 | -1,234 | -25 |
| Profit (loss) before tax | -8,379 | -9,385 | -6,816 | -16,856 | -7,816 | -3,304 |
| Income tax expense | -125 | -2 | -123 | -79 | -1,109 | 1,148 |
| Net profit (loss) for the year | -8,504 | -9,387 | -6,939 | -16,935 | -8,926 | -2,156 |
| Other comprehensive income | | | | | | |
| <i>Items which may subsequently be reclassified to profit or loss:</i> | | | | | | |
| Exchange differences on translation of foreign operations | -1,599 | 2,070 | -2,779 | 1,074 | -1,756 | -435 |
| Other comprehensive income for the year | -1,599 | 2,070 | -2,779 | 1,074 | -1,756 | -435 |
| Total comprehensive income for the year | -10,103 | -7,317 | -9,718 | -15,861 | -10,682 | -2,591 |

⁽¹⁾ Presented as part of finance expense/finance income in the Annual Financial Statements.

10.4 Consolidated statement of financial position

The tables below set out selected data extracted from the Financial Statements.

| Table 7 – Financial position <i>(Amounts in USD thousands)</i> | As at 31 December | | | |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| Intangible assets | 4,908 | 3,790 | 2,466 | 867 |
| Deferred tax asset | - | - | - | 1,166 |
| Right-of-use assets | 26,052 | 18,456 | 377 | 685 |
| Property, plant and equipment | 42,965 | 36,250 | 20,865 | 450 |
| Multi-client inventory | 4,108 | 699 | 406 | - |
| Investment in joint venture | - | 152 | 233 | 621 |
| Total non-current assets | 78,032 | 59,347 | 24,347 | 3,789 |
| Trade receivables | 6,881 | 219 | 1,726 | 532 |
| Other receivables | 11,509 | 4,071 | 4,570 | 7,873 |
| Cash and cash equivalents | 827 | 5,340 | 2,163 | 7,468 |
| Contract assets | - | 552 | - | 74 |
| Other current assets | 1,764 | 2,073 | - | - |
| Total current assets | 20,981 | 12,254 | 8,458 | 15,947 |
| Total assets | 99,013 | 71,601 | 32,805 | 19,735 |
| Share capital | 2,163 | 1,890 | 565 | 320 |
| Share premium | 68,714 | 62,204 | 27,356 | 19,143 |
| Other capital reserves | 2,582 | 1,734 | 1,640 | 1,507 |
| Other equity | -40,536 | -30,818 | -14,957 | -4,275 |
| Total equity | 32,923 | 35,010 | 14,604 | 16,694 |
| Non-current interest-bearing liabilities | 18,573 | 4,940 | 4,608 | 519 |
| Non-current lease liabilities | 16,800 | 13,112 | 150 | 410 |
| Non-current provisions | 1 | 2 | 9 | 75 |
| Total non-current liabilities | 35,373 | 18,053 | 4,766 | 1,004 |
| Current interest-bearing liabilities | 2,427 | 2,394 | 4,432 | 154 |
| Trade payables | 1,161 | 6,456 | 2,410 | 711 |
| Current lease liabilities | 7,559 | 4,751 | 267 | 297 |
| Current provisions | 870 | 432 | 810 | 358 |
| Income tax payable | 125 | - | - | 11 |
| Contract liabilities | 6,271 | 2,225 | - | - |
| Other current liabilities | 2,303 | 2,280 | 5,515 | 506 |
| Total current liabilities | 30,716 | 18,537 | 13,435 | 2,038 |
| Total liabilities | 66,089 | 36,590 | 18,201 | 3,041 |
| Total equity and liabilities | 99,013 | 71,601 | 32,805 | 19,735 |

10.5 Consolidated statement of cash flows

The table below sets out selected data extracted from the Financial Statements.

| Table 8- Cash flows statement <i>(Amounts in USD thousands)</i> | Twelve-month period ended 31 December | | Year ended 31 December | |
|--|--|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| Cash flow from operating activities | | | | |
| Profit/loss before tax | -6,816 | -16,856 | -7,816 | -3,304 |
| <i>Adjustments to reconcile loss before tax to net cash flow</i> | | | | |
| Net financial items | 4,361 | 3,193 | 1,234 | 25 |

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Depreciation, amortization and impairment | 9,237 | 7,389 | 1,431 | 227 |
| Share-based payment expense | 768 | 13 | 129 | 45 |
| Loss on sale of equipment | 82 | - | - | - |
| <i>Working capital adjustments</i> | | | | |
| Changes in trade and other receivables | -6,954 | 2,006 | 2,109 | -7,853 |
| Changes in contract assets and other current assets | 860 | -2,624 | 74 | -74 |
| Changes in trade payables | 4,705 | 4,046 | 1,699 | -735 |
| Changes in provisions | 438 | -385 | 387 | 343 |
| Changes in contract liabilities and other current liabilities | -2,199 | -1,010 | 5,009 | 187 |
| <i>Other items</i> | | | | |
| Tax paid | - | - | -11 | - |
| Net cash flows from operating activities | 4,483 | -4,229 | 4,243 | -11,139 |
| Cash flow from investing activities | | | | |
| Purchase of property, plant and equipment | -18,776 | -21,064 | -24,374 | -429 |
| Investment in joint venture | -122 | - | - | -680 |
| Proceeds from disposals of property, plant and equipment | 1,752 | - | - | 1,270 |
| Investment in Multi-client | -2,937 | -293 | -416 | - |
| Development expenditures | -1,398 | -1,524 | -1,876 | -570 |
| Interest received | 51 | 53 | 31 | 10 |
| Net cash flows from investing activities | -21,431 | -22,828 | -26,635 | -399 |
| Cash flow from financing activities | | | | |
| Proceeds from issuance of equity | 6,783 | 36,174 | 8,459 | 18,596 |
| Repayments of long term debt | -5,703 | -5,271 | -2,598 | -88 |
| Proceeds from term debt | 22,690 | 2,602 | 12,653 | - |
| Payments for principal for the lease liability | -5,845 | -2,155 | -230 | -56 |
| Payments for interest for the lease liability | -3,248 | -750 | -60 | -24 |
| Interest paid | -2,659 | -336 | -76 | -50 |
| Net cash from financing activities | 12,019 | 30,264 | 18,148 | 18,377 |
| Net change in cash and cash equivalents | -4,930 | 3,207 | -4,243 | 6,839 |
| Cash and cash equivalents at beginning of the year | 5,340 | 2,163 | 7,468 | 912 |
| Net foreign exchange difference | 417 | -30 | -1,062 | -283 |
| Cash and cash equivalents at 31 December | 827 | 5,340 | 2,163 | 7,468 |

10.6 Consolidated statement of changes in equity

The table below sets out selected data extracted from the Financial Statements.

| Table 9 - Statement of changes in equity | Paid-in equity | | Other equity | | | Total equity |
|--|----------------|---------------|------------------------|------------------------------------|-------------------|--------------|
| | Share capital | Share premium | Other capital reserves | Cumulative translation differences | Retained earnings | |
| <i>(Amounts in USD thousands)</i> | | | | | | |
| 2021 | | | | | | |
| Equity as at 1 Jan 2021 NGAAP | 71 | 795 | - | - | -139 | 727 |
| IFRS transition effects | - | - | 38 | - | -127 | -89 |
| Equity as at 1 Jan 2021 IFRS | 71 | 795 | 38 | - | -266 | 638 |
| Net profit or loss for the year | - | - | - | - | -2,156 | -2,156 |
| Other comprehensive income | - | - | - | -435 | - | -435 |

| | | | | | | |
|--|--------------|---------------|--------------|---------------|----------------|----------------|
| Total comprehensive income for the year | - | - | - | -435 | -2,156 | -2,591 |
| Issue of share capital | 248 | 18,348 | - | - | - | 18,596 |
| Other | - | - | - | - | 6 | 6 |
| Share-based payment | - | - | 1,469 | - | -1,424 | 45 |
| Equity as at 31 December 2021 | 320 | 19,143 | 1,507 | -435 | -3,840 | 16,694 |
| <i>2022</i> | | | | | | |
| Equity as at 1 January 2022 | 320 | 19,143 | 1,507 | -435 | -3,840 | 16,694 |
| Net profit or loss for the year | - | - | - | - | -8,926 | 16,694 |
| Other comprehensive income | - | - | - | -1,756 | - | -1,756 |
| Total comprehensive income for the year | - | - | - | -1,756 | -8,926 | -10,682 |
| Issue of share capital | 246 | 8,213 | - | - | - | 8,459 |
| Share-based payment | - | - | 134 | - | - | 134 |
| Equity as at 31 December 2022 | 565 | 27,356 | 1,640 | -2,191 | -12,766 | 14,604 |
| <i>2023</i> | | | | | | |
| Equity as at 1 January 2023 | 565 | 27,356 | 1,640 | -2,191 | -12,766 | 14,604 |
| Net profit or loss for the year | - | - | - | - | -16,935 | -16,935 |
| Other comprehensive income | - | - | - | 1,074 | - | 1,074 |
| Total comprehensive income for the year | - | - | - | 1,074 | -16,935 | -15,861 |
| Issue of share capital | 1,112 | 35,062 | - | - | - | 36,174 |
| <i>Registration of shares from December 2022</i> | 213 | -213 | - | - | - | - |
| Share-based payment | - | - | 93 | - | - | 93 |
| Equity as at 31 December 2023 | 1,890 | 62,204 | 1,734 | -1,117 | -29,701 | 35,010 |
| <i>Q4 2024</i> | | | | | | |
| Equity as at 1 January 2024 | 1,890 | 62,204 | 1,734 | -1,117 | -29,701 | 35,010 |
| Net profit or loss for the period | - | - | - | - | 6,939 | -6,939 |
| Other comprehensive income | - | - | - | -2,779 | - | -2,779 |
| Total comprehensive income for the period | - | - | - | -2,779 | -6,939 | -9,718 |
| Issue of share capital | 273 | 6,511 | - | - | - | 6,783 |
| Share-based payment | - | - | 848 | - | - | 848 |
| Equity as at 31 December 2024 | 2,163 | 68,714 | 2,582 | -3,896 | -36,640 | 32,923 |

11 OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 4 "General Information", Section 8 "Business of the Group", Section 10 "Selected Financial and Other Information" and the Financial Statements, including related notes, as incorporated by reference to this Prospectus, see Section 17.4 "Incorporation by reference". This operating and financial review contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk factors" and Section 4.3 "Cautionary note regarding forward-looking statements" of this Prospectus, as well as other sections of this Prospectus.

11.1 Key factors affecting the Group's results of operations and financial performance

The Group's results of operations have been, and will continue to be, affected by several factors, most of which are beyond the Group's control. The key factors that management of the Company believes have had a material effect on the Group's results of operations during the period under review, as well as those considered likely to have a material effect on its results of operations in the future, are described below.

11.1.1 Technological advancements and fleet expansion

During 2021, the Group's strategical focus changed from primarily land based seismic operations to a more marine related survey business, operating AUVs and USVs. Consequently, the Group entered a phase of rapid growth and expansion, including significant investments to expand and improve the technical capabilities of its fleet. Specifically, during 2022, the Group took delivery of two SeaRaptor 6000 AUVs¹⁷, one Hugin 6000 AUV and one USV. Further, during 2023, the Group purchased the vessel SW Bell (renamed Argeo Venture) from Shearwater, and also took delivery of the next of two new Kongsberg Hugin AUVs.

The comprehensive fleet expansion has required additional capital funded through a combination of loans from Innovation Norway, leasing and private placements. In 2022, the Group was granted a NOK 20 million loan from Innovation Norway which was drawn with NOK 10 million in April 2023 and NOK 10 million in May 2023. In 2024, the Group entered into sale/ leaseback agreements for Argeo Venture and the Hugin 6000 AUV.

11.1.2 Changing market conditions and shift of strategy

In response to the tightening vessel market conditions for spot-market charter opportunities observed during 2022, the Group developed a new and more resilient strategy towards the end of H1 2022. This included a vessel acquisition and conversion plan, a new fleet of high-productivity asset pool based on the Hugin design and a turnkey product delivery service. The first vessel project under the adjusted strategy was the charter of Argeo Searcher, which is now equipped with the Group's first Hugin Superior AUV. This further enabled the Group to offer independent and complete long endurance solutions to its customers. The market demonstrated a high demand for an integrated solutions like Argeo Searcher, securing several tenders and new projects and leading to the acquisition of Argeo Venture further accelerating the Groups commercial footprint and contract backlog.

11.1.3 Operational efficiency and commercial terms

During 2024 the Group secured contracts with more favourable commercial terms, reflecting a shift from the previous market-entry pricing strategy. Further, the Group improved its operational efficiency and reduced technical downtime compared to previous years, resulting in a significant increase in revenue and improved margins.

11.2 Recent developments and trends

During 2024, Argeo acquired market shares in both Oil & Gas, and Marine Minerals and Renewables. In the year to date, the Group's key financial figures have especially been affected by a consistent demand in the Oil & Gas sector, along with its expanding role in the Marine Minerals sector. Other than this, Company is not aware of any known trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.

¹⁷ The SeaRaptors 6000 units were sold by the Company in August 2024.

11.3 Segment information for the Group

The Group is organised as one operating segment focused on the delivery of subsea services. The Group's revenue from contracts with customers arise primarily from the performance of subsea services in accordance with customer specifications. The tables set out the Group's specification of revenue and revenue by geographic markets, as extracted from the Financial Statements.

| Table 10 – Specification of revenue <i>(Amounts in USD thousands)</i> | Three-month period ended 31 December | | Twelve-month period ended 31 December | Year ended 31 December | | |
|--|---------------------------------------|-----------------------------|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IAS 34 Unaudited | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| | Revenue from contracts with customers | 5,250 | 371 | 52,014 | 5,652 | 1,915 |
| Rental income | 134 | 670 | 1,494 | 4,473 | 1,561 | - |
| Total revenues | 5,384 | 1,041 | 53,509 | 10,126 | 3,476 | 1,787 |

| Table 11- Consolidated revenue by geographic markets <i>(Amounts in USD thousands)</i> | Three-month period ended 31 December | | Twelve-month period ended 31 December | Year ended 31 December | | |
|---|--------------------------------------|-----------------------------|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IAS 34 Unaudited | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| | Norway | 30 | - | 109 | 3,297 | 1,261 |
| South and North America | 431 | - | 12,088 | - | 654 | - |
| Africa | 4,789 | - | 30,463 | - | - | - |
| Asia | - | - | 9,355 | - | - | - |
| Europe | - | 371 | - | 2,356 | - | - |
| Total revenue from contracts with customers | 5,250 | 371 | 52,014 | 5,652 | 1,915 | 1,787 |

11.4 Description of key line items

11.4.1 Description of income statement line items

Set forth below is a brief description of the composition of certain line items of the Group's income statement.

Total revenues and other income

The Group's revenue from contracts with customers arise primarily from the performance of subsea services in accordance with customer specifications. Contracts related to subsea services generally comprise services such as subsea data collection and data processing and interpretation. Other sources of revenue include mainly rental of AUVs.

Cost of sales

Cost of sales are expenses directly attributable to sales revenue such as operating costs, travel expenses, salaries and social expenses, office operations, and capitalisation of costs.

Gross profit

Gross profit comprises the Group's total revenues and other income less cost of sales.

Selling, general and administrative expenses

Selling, general and administrative expenses mainly comprise of salaries and social expenses, office operations, travel expenses and other selling, general and administrative expenses related to managing the administrative aspects of the business.

Depreciation and amortisation

Depreciation and amortisation consist of depreciation and amortisation associated with the Group's tangible, intangible, and leased assets.

Operating profit (loss)/EBIT

Operating profit (loss) after depreciation, amortisation and impairment.

Net financial items

Net financial items mainly consist of net foreign exchanges gains and losses, in addition to interest expenses on the Group's seller credits, loans from Innovation Norway, lease liabilities and other financial expenses.

Income tax

Income tax consists of any current income tax in accordance with the Group's tax returns and deferred taxes.

Profit (loss) for the year

Profit (loss) for the year is the Group's operating result after deducting net financial items and income tax.

11.4.1 Description of financial position line items

Set out below is a brief description of the composition of certain line items of the Group's consolidated financial position.

Total non-current assets

Total non-current assets mainly comprise property, plant and equipment (primarily vessels, AUVs and USV), right-of-use assets (mainly vessels, AUV and office buildings), and intangible assets (mainly development of technology and software and multi-client library).

Total current assets

Total current assets mainly comprise cash and cash equivalents, in addition to trade and other receivables.

Total assets

Total assets are the sum of total non-current and total current assets.

Total equity

Total equity is the sum of contributed capital (share capital and share premium), translation differences and retained earnings.

Total non-current liabilities

Total non-current liabilities mainly comprise non-current interest-bearing liabilities related to the Group's seller credits and loans from Innovation Norway, in addition to non-current lease liabilities related to the Group's leased vessels, AUVs and office buildings.

Total current liabilities

Total current liabilities mainly comprise trade and other payables, current interest-bearing liabilities related to the Group's seller credits and loans from Innovation Norway, in addition to current lease liabilities for the Group's leased assets.

Total liabilities

Total liabilities are the sum of total non-current and total current liabilities.

11.5 Results of operations**11.5.1 Results of operations for the twelve-month period ended 31 December 2024 compared to the twelve-month period ended 31 December 2023**

| Table 12 - Consolidated statement of comprehensive income | 12-month period ended 31 December | | |
|--|--|--------------------|--|
| | 2024 <i>IAS 34</i> <i>Unaudited</i> | Change in % | 2023 <i>IFRS</i> <i>Audited</i> |
| <i>(Amounts in USD thousands)</i> | | | |
| Total revenues and other income | 53,508 | 428 % | 10,126 |
| Cost of sales | 41,272 | 184 % | 14,541 |
| Gross profit | 12,237 | -377 % | -4,415 |
| Selling, general and administrative expenses | 5,454 | 193 % | 1,859 |
| Impairment | - | -100 % | 2,700 |
| Depreciation and amortisation | 9,237 | 97 % | 4,689 |
| Total operating expenses | 14,691 | 59 % | 9,248 |
| Operating profit (loss)/EBIT | -2,455 | -82 % | -13,663 |
| Net financial items | -4,361 | 37 % | -3,193 |
| Income tax expense | -123 | 55 % | -79 |
| Net profit (loss) for the period | -6,939 | -59 % | -16,935 |

Total revenues and other income

Total revenues and other income for the twelve-month period ended 31 December 2024 increased by USD 44.8 million, or 428% from USD 10.1 million for the twelve-month period ended 31 December 2023 to USD 53.5 million for the twelve-month period ended 31 December 2024. The increase in revenue was primarily driven by Argeo Venture coming into operation in Q2 2024, higher utilisation for Argeo Searcher and better pricing for executed projects.

Cost of sales

Costs of sales for the twelve-month period ended 31 December 2024 increased by USD 26.7 million, or 184% from USD 14.6 million for the twelve-month period ended 31 December 2023 to USD 41.3 million for the twelve-month period ended 31 December 2024. The increase was primarily due to having one more vessel in operation from Q2 2024, in addition to higher operating cost in the areas of operation.

Gross profit

Gross profit for the twelve-month period ended 31 December 2024 was USD 12.2 million compared to a gross loss of USD 4.4 million for the twelve-month period ended 31 December 2023. The increased gross profit of USD 16.7 million, or 377% was primarily driven by the factors explained above.

Selling, general and administrative expenses

Selling, general and administrative expenses for the twelve-month period ended 31 December 2024 increased by USD 3.6 million, or 193% from USD 1.9 million for the twelve-month period ended 31 December 2023 to USD 5.5 million for the twelve-month period ended 31 December 2024. The increase mainly reflects a build-up of the organization to handle more activity with Argeo Venture coming into operation in 2024, and to prepare for additional growth assuming more vessels in operation going forward.

Impairment

Impairment for the twelve-month period ended 31 December 2024 decreased by USD 2.7 million, or –100% from USD 2.7 million for the twelve-month period ended 31 December 2023 to USD 0 million for the twelve-month period ended 31 December 2024.

Depreciation and amortization

Depreciation and amortization for the twelve-month period ended 31 December 2024 increased by USD 4.5 million, or 97% from USD 4.7 million for the twelve-month period ended 31 December 2023 to USD 9.2 million for the twelve-month period ended 31 December 2024. The increase primarily reflects depreciation of Argeo Venture (purchased in Q4 2023), and depreciation of right-of-use assets related to two Hugin Superior AUVs (delivered in Q4 2023 and Q1 2024). USD 0.5 million of depreciation was capitalised as investment in multiclient in 2024.

Operating profit (loss)/EBIT

Operating loss for the twelve-month period ended 31 December 2024 was USD 2.5 million compared to an operating loss of USD 13.7 million for the twelve-month period ended 31 December 2023. The increased profit of USD 11.2 million, or 82%, was primarily driven by the factors described above.

Net financial items

For the twelve-month period ended 31 December 2024, the Group had a net financial expense of USD 4.4 million compared to net financial expense of USD 3.2 million for the twelve-month period ended 31 December 2023. The increased expense was mainly related to interest expense on the liability related to the lease of the two Hugin Superior AUVs delivered in Q4 2023 and Q1 2024, in addition to the loans for Argeo Venture and Hugin 6000 AUV. The overall increased expense was offset by increased net exchange gains for compared to the same period in 2023.

Income tax expense

Income tax expense for the twelve-month period ended 31 December 2024 was USD 123 thousand compared to a tax expense of USD 79 thousand for the twelve-month period ended 31 December 2023.

Net profit (loss)

For the twelve-month period ended 31 December 2024, the Group had a net loss of USD 6.9 million compared to a net loss of USD 16.9 million for the twelve-month period ended 31 December 2023. The decrease of USD 10.0 million, or -59%, was primarily driven by the factors described above.

11.5.2 Results of operations for the year ended 31 December 2023 compared to the year ended 31 December 2022

| Table 13 - Consolidated statement of comprehensive income | Year ended 31 December | | |
|---|-------------------------|---------------|-------------------------|
| | 2023 IFRS Audited | Change in % | 2022 IFRS Audited |
| (Amounts in USD thousands) | | | |
| Total revenues and other income | 10,126 | 191 % | 3,485 |
| Cost of sales | 14,541 | 157 % | 5,666 |
| Gross profit | -4,415 | -102 % | -2,181 |
| Selling, general and administrative expenses | 1,859 | -37 % | 2,970 |
| Impairment | 2,700 | 100 % | - |
| Depreciation and amortisation | 4,689 | 228 % | 1,431 |
| Total operating expenses | 9,248 | 110 % | 4,401 |
| Operating profit (loss)/EBIT | -13,663 | -108 % | -6,582 |
| Net financial items | -3,193 | -159 % | -1,234 |
| Income tax expense | -79 | -93 % | -1,109 |
| Net profit (loss) for the year | -16,935 | -90 % | -8,926 |

Total revenues and other income

Total revenue and other income for the year ended 31 December 2023 increased by USD 6.6 million, or 191%, from USD 3.5 million for the year ended 31 December 2022 to USD 10.1 million for the year ended 31 December 2023. The increase was primarily driven by a growth in revenue from customer contracts of USD 3.7 million, mainly resulting from revenue recognition related to a survey contract with Stromar in Scotland and a deep-sea survey in Norway for the Norwegian Petroleum Directorate. Further, revenue from rental of AUVs contributed to USD 2.9 million of the overall increase in total revenues and other income.

Cost of sales

Costs of sales for the year ended 31 December 2023 increased by USD 8.9 million, or 157%, from USD 5.7 million for the year ended 31 December 2022 to USD 14.5 million for the year ended 31 December 2023. The increase was primarily driven by higher sales revenues, leading to increased cost of sales. Specifically, the Group's operating cost increased by USD 9.1 million, reflecting higher fuel expenses and charter hire rates, in addition to increased salaries for field operators.

Gross profit

Gross loss for the year ended 31 December 2023 was USD 4.4 million compared to a gross loss of USD 2.2 million for the year ended 31 December 2022. The increased loss of USD 2.2 million, or 102%, was mainly due to the factors explained above.

Selling, general and administrative expenses

Selling, general and administrative expenses for the year ended 31 December 2023 decreased by USD 1.1 million, or 37%, from USD 3.0 million for the year ended 31 December 2022 to USD 1.9 million for the year ended 31 December 2023. The decrease was primarily driven by exchange rate fluctuations between NOK and USD in addition to higher activity leading to increased operational cost during 2023 compared to 2022.

Impairment

In 2023 an impairment indicator was identified for two AUVs which were in lay-up and not in operational use. The AUVs did not have a foreseeable date for reactivation, and an impairment test was performed. An impairment charge of USD 2.7 million was determined based on a fair value approach. The Group did not recognize any impairment losses in 2022.

Depreciation and amortisation

Depreciation and amortisation for the year ended 31 December 2023 increased by USD 3.3 million, or 228%, from USD 1.4 million for the year ended 31 December 2022 to USD 4.7 million for the year ended 31 December 2023. The change was primarily driven by increased depreciation of property, plant and equipment of USD 2 million, reflecting the purchase of the vessel SW Bell (renamed Argeo Venture) from Shearwater in November 2023, in addition to reactivation and upgrading cost. Further, depreciation of right-of-use assets increased by USD 1.2 million, reflecting the vessel Argeo Searcher which came on charter in January 2023, and the delivery of a Hugin Superior in November 2023.

Operating profit (loss)/EBIT

Operating loss for the year ended 31 December 2023 was USD 13.7 million compared to an operating loss of USD 6.6 million for the year ended 31 December 2022. The increased loss of USD 7.1 million, or 108%, was primarily driven by the factors described above.

Net financial items

For the year ended 31 December 2023, the Group had a net financial expense of USD 3.2 million compared to a net financial expense of USD 1.2 million for the year ended 31 December 2022. The increased expense was mainly due to increased foreign exchange losses of USD 1 million. In addition, the delivery of the Hugin Superior (interest expenses on lease liabilities) contributed USD 0.7 million to the overall increase in the Group's net financial expense.

Income tax expense

Income tax expense for the year ended 31 December 2023 was USD 0.1 million compared to USD 1.1 million for the year ended 31 December 2022.

Net profit (loss)

The Group's net loss for year ended 31 December 2023 was USD 16.9 million, compared to a net loss of USD 8.9 million for the year ended 31 December 2022. The increased loss of USD 8.0 million, or 90%, was primarily driven by the factors described above.

11.5.3 Results of operations for the year ended 31 December 2022 compared to the year ended 31 December 2021

| Table 14 - Consolidated statement of comprehensive income | Year ended 31 December | | |
|---|-------------------------|----------------|-------------------------|
| | 2022 IFRS Audited | Change in % | 2021 IFRS Audited |
| (Amounts in USD thousands) | | | |
| Total revenues and other income | 3,485 | 89 % | 1,842 |
| Cost of sales | 5,666 | 80 % | 3,147 |
| Gross profit | -2,181 | -67 % | -1,305 |
| Selling, general and administrative expenses | 2,970 | 70 % | 1,747 |
| Depreciation and amortisation | 1,431 | 531 % | 227 |
| Total operating expenses | 4,401 | 123 % | 1,973 |
| Operating profit (loss)/EBIT | -6,582 | -101 % | -3,279 |
| Net financial items | -1,234 | -4757 % | -25 |
| Income tax expense | -1,109 | -197 % | 1,148 |
| Net profit (loss) for the year | -8,926 | -314 % | -2,156 |

Total revenues and other income

Total revenue and other income for the year ended 31 December 2022 increased by USD 1.6 million, or 89%, from USD 1.8 million for the year ended 31 December 2021 to USD 3.5 million for the year ended 31 December 2022. The increase was primarily driven by a growth in revenue from rental of AUVs of USD 1.6 million, in addition to increased revenue from customer contracts of USD 0.1 million.

Cost of sales

Costs of sales for the year ended 31 December 2022 increased by USD 2.5 million, or 80%, from USD 3.1 million for the year ended 31 December 2021 to USD 5.7 million for the year ended 31 December 2022. The increase reflects the growth in total revenues and other income of 89% and was primarily driven by higher operating costs (increase of USD 2.8 million) related to field operator salaries, consultancy fees and charter hire costs. Further, salaries and social expenses increased by USD 1.6 million, reflecting a growth of 14 full-time employees from 2021 to 2022. The overall increase in cost of sales was somewhat offset by a decrease in capitalised costs of USD 2.0 million.

Gross profit

Gross loss for the year ended 31 December 2022 was USD 2.2 million compared to a gross loss of USD 1.3 million for the year ended 31 December 2021. The increased loss of USD 0.9 million, or 67%, was mainly due to the factors described above.

Selling, general and administrative expenses

Selling, general and administrative expenses for the year ended 31 December 2022 increased by USD 1.2 million, or 70%, from USD 1.7 million for the year ended 31 December 2021 to USD 3 million for the year ended 31 December 2022. The increase was primarily driven by higher salaries and social expense of USD 1 million, reflecting an increase of 14 full-time employees from 2021 to 2022.

Impairment

The Group did not recognise any impairment losses in 2022 or 2021.

Depreciation and amortization

Depreciation and amortization for the year ended 31 December 2022 increased by USD 1.2 million, or 531%, from USD 0.2 million for the year ended 31 December 2021 to USD 1.4 million for the year ended 31 December 2022. The increase was mainly driven by higher depreciation reflecting the Group's significant fleet expansion through the delivery of two SeaRaptor 6000 AUVs, one Hugin 6000 AUV and the Argeo Argus USV during 2022.

Operating profit (loss)/EBIT

Operating loss for the year ended 31 December 2022 was USD 6.6 million compared to an operating loss of USD 3.3 million for the year ended 31 December 2021. The increased loss of USD 3.3 million, or 101%, was mainly driven by the factors described above.

Net financial items

For the year ended 31 December 2022, the Group had a net financial expense of USD 1.2 million compared to a net financial expense of USD 0.03 million for the year ended 31 December 2021. The increased expense of USD 1.2 million was mainly driven by increased interest expenses of USD 0.6 million, reflecting the Group's seller credits related to purchases of AUVs, in addition to increased interest on the loans from Innovation Norway. Further, foreign exchange losses increased by USD 0.4 million, reflecting the impact of exchange rate fluctuations between NOK and USD.

Income tax expense

Income tax expense for the year ended 31 December 2022 was USD 1.1 million compared to a tax income of USD 1.1 million for the year ended 31 December 2021.

Net profit (loss)

For the year ended 31 December 2022, the Group had a net loss of USD 8.9 million compared to a net loss of USD 2.2 million for the year ended 31 December 2021. The increased loss of USD 6.8 million, or 314%, was primarily driven by the factors described above.

11.6 Financial position

11.6.1 Financial position as of 31 December 2024 compared to 31 December 2023

| Table 15 – Compare financial position 2024 vs 2023 <i>(Amounts in USD thousands)</i> | As at 31 December | | As at 31 December |
|---|-----------------------------|-------------|-------------------------|
| | 2024 IAS 34 Unaudited | Change in % | 2023 IFRS Audited |
| Total non-current assets | 78,032 | 31 % | 59,347 |
| Total current assets | 20,981 | 71 % | 12,254 |
| Total assets | 99,013 | 38 % | 71,601 |
| Total equity | 32,923 | -6 % | 35,010 |
| Total non-current liabilities | 35,373 | 96 % | 18,053 |
| Total current liabilities | 30,716 | 66 % | 18,537 |
| Total liabilities | 66,089 | 81 % | 36,590 |
| Total equity and liabilities | 99,013 | 38 % | 71,601 |

Total assets

The Group had total assets of USD 99.0 million as of 31 December 2024, compared to USD 71.6 million as of 31 December 2023.

Total non-current assets

Total non-currents assets as of 31 December 2024 was USD 78.0 million (31 December 2023: USD 59.3 million), mainly comprising of property, plant and equipment of USD 43.0 million (31 December 2023: USD 36.3 million), right-of-use assets of USD 26.1 million (31 December 2023: USD 18.5 million), intangible assets of USD 4.9 million (31 December 2023: USD 3.8 million) and multi-client library of USD 4.1 million (31 December 2023: USD 0.7 million).

The increase in total non-current assets of USD 18.7 million, or 31%, was primarily driven by increased property, plant and equipment of USD 6.7 million, mainly reflecting reactivation and upgrade cost for the vessel Argeo Venture. In addition, right-of-use assets increased by USD 7.6 million, primarily due to the delivery of a second Hugin Superior in Q1 2024 and increase in multi-client library of USD 3.4 million. The overall increase in total non-current assets was somewhat offset by a decrease in multi-client inventory of USD 0.3 million (amortisation expense) and a decrease in the Group's investment in joint venture of USD 0.2

million. In May 2024, the Group signed an agreement with Multiconsult for the purchase of 50% of the shares in H1000 JV AS, resulting in 100% ownership.

Total current assets

Total current assets as of 31 December 2024 was USD 21.0 million (31 December 2023: USD 12.3 million), mainly comprising trade receivables of USD 6.9 million (31 December 2023: USD 0.2 million), other receivables of USD 11.5 million (31 December 2023: USD 4.1 million), other current assets of USD 1.8 million (31 December 2023: USD 2.1 million), and cash and cash equivalents of USD 0.8 million (31 December 2023: USD 5.3 million).

The increase in total current assets of USD 8.7 million, or 71%, was primarily driven by an increase in trade receivables of USD 6.75 million. Further, other receivables increased by USD 748 million, mainly reflecting prepayments related to the contract with TotalEnergies in Namibia. The overall increase in total current assets was somewhat offset by a decrease in cash and cash equivalents of USD 4.5 million, primarily driven by investment activities related to reactivation and upgrade cost for the vessel Argeo Venture.

Total equity

Total equity decreased from USD 35 million as of 31 December 2023 to USD 33 million as of 31 December 2024. The decrease of USD 2.1, or -6%, mainly reflects proceeds from issuance of equity of USD 7.1 million, in addition to a net loss for the period of USD 6.9 million. The overall decrease in total equity includes translation differences of negative USD 2.8 million.

Total liabilities

The Group had total liabilities of USD 66.1 million as of 31 December 2024, compared to USD 36.6 million as of 31 December 2023.

Total non-current liabilities

Total non-current liabilities as of 31 December 2024 was USD 35.4 million (31 December 2023: USD 18.1 million), mainly comprising non-current lease liabilities of USD 16.8 million (31 December 2023: USD 13.1 million) and non-current interest-bearing liabilities of USD 18.6 million (31 December 2023: USD 4.9 million).

The increase in total non-current liabilities of USD 17.3 million, or 96%, was primarily driven by an increase in non-current interest-bearing liabilities of USD 13.6 million, mainly reflecting sale-and-leaseback transactions in February 2024 and November 2024 involving the Company's vessel Argeo Venture and the Hugin 6000 AUV. The transactions have been accounted for as a financing arrangement. Further, non-current lease liabilities increased by USD 3.7 million, primarily reflecting the non-current portion of the lease liability related to the second Hugin Superior delivered in Q1 2024.

Total current liabilities

Total current liabilities as of 31 December 2024 was USD 30.7 million (31 December 2023: USD 18.5 million), mainly comprising trade payables of USD 11.2 million (31 December 2023: USD 6.5 million), current lease liabilities of USD 7.6 million (31 December 2023: USD 4.8 million), other current liabilities of USD 2.3 million (31 December 2023: USD 2.3 million), and current interest-bearing liabilities of USD 2.4 million (31 December 2023: USD 2.4 million)

The increase in total current liabilities of USD 12.2 million, or 66%, was mainly driven by an increase in trade payables of USD 4.7 million. Further, current lease liabilities increased by USD 2.8 million, mainly reflecting the current portion of the lease liability related to the second Hugin Superior delivered in Q1 2024. In addition, current interest-bearing liabilities increased by USD 0 million, reflecting the current portion of the Argeo Venture loan as described above. The overall increase in total current liabilities was somewhat offset by a decrease in the Group's contract liabilities of USD 2.3 million, reflecting the Group's performance under contracts with customers.

11.6.2 Financial position as of 31 December 2023 compared to 31 December 2022

| Table 16 – Compare financial position 2023 vs 2022 (Amounts in USD thousands) | As at 31 December | | |
|--|-------------------------|--------------|-------------------------|
| | 2023 IFRS Audited | Change in % | 2022 IFRS Audited |
| Total non-current assets | 59,347 | 144 % | 24,347 |
| Total current assets | 12,254 | 45 % | 8,458 |
| Total assets | 71,601 | 118 % | 32,805 |
| Total equity | 35,010 | 140 % | 14,604 |
| Total non-current liabilities | 18,053 | 279 % | 4,766 |
| Total current liabilities | 18,537 | 38 % | 13,435 |
| Total liabilities | 36,590 | 101 % | 18,201 |
| Total equity and liabilities | 71,601 | 118 % | 32,805 |

Total assets

The Group had total assets of USD 71.6 million as of 31 December 2023, compared to USD 32.8 million as of 31 December 2022.

Total non-current assets

Total non-currents assets as of 31 December 2023 was USD 59.3 million (31 December 2022: USD 24.3 million), mainly comprising property, plant and equipment of USD 36.3 million (31 December 2022: USD 20.9 million), right-of-use assets of USD 18.5 million (31 December 2022: USD 0.4 million) and intangible assets of USD 3.8 million (31 December 2022: USD 2.5 million). The increase in non-current assets was primarily driven by increased right-of-use assets of USD 18.1 million, mainly reflecting the vessel Argeo Searcher, which came into charter in January 2023, and the delivery of the Hugin Superior AUV in November 2023. Further, property, plant and equipment increased by USD 15.4 million, primarily due to the acquisition of Argeo Venture in November 2023, in addition to reactivation and upgrading cost. Intangible assets increased by USD 1.3 million, mainly related to development of a 3D Geological modelling system, Argeo's digital twin solution Argeo Scope, and various sensor solutions.

Total current assets

Total current assets as of 31 December 2023 was USD 12.3 million (31 December 2022: USD 8.5 million), mainly comprising cash and cash equivalents of USD 5.3 million (31 December 2022: USD 2.2 million), other receivables of USD 4.1 million (31 December 2022: USD 4.6 million) and other current assets of USD 2.1 million (31 December 2022: nil). The increase in current assets of USD 3.8 million was primarily driven by an increase in cash and cash equivalents of USD 3.2 million. In addition, other current assets increased by USD 2.1 million, mainly reflecting the recognition of contract fulfilment assets of USD 1.1 million and increased manufacturing supplies. The overall increase in total current assets was somewhat offset by a reduction in other receivables of USD 0.5 million.

Total equity

Total equity increased from USD 14.6 million as of 31 December 2022 to USD 35 million as of 31 December 2023. The increase of USD 20.4 was primarily driven by proceeds from issue of share capital of USD 36.2 million, somewhat offset by a net loss for the year of USD 16.9 million.

Total liabilities

The Group had total liabilities of USD 36.6 million as of 31 December 2023, compared to USD 18.2 million as of 31 December 2022.

Total non-current liabilities

Total non-current liabilities as of 31 December 2023 was USD 18.1 million (31 December 2022: USD 4.8 million), mainly comprising non-current interest-bearing liabilities of USD 4.9 million (31 December 2022: USD 4.6 million) and non-current lease liabilities of USD 13.1 million (31 December 2022: USD 0.2 million). The increase in non-current lease liabilities of USD 13 million reflects the vessel Argeo Searcher, which came into charter in January 2023, and the delivery of the Hugin Superior AUV in November 2023.

Total current liabilities

Total current liabilities as of 31 December 2023 was USD 18.5 million (31 December 2022: USD 13.4 million), comprising trade payables of USD 6.5 million (31 December 2022: USD 2.4 million), other current liabilities of USD 2.3 million (31 December 2022: USD 5.5 million), contract liabilities of USD 2.2 million (31 December 2022: nil), current lease liabilities of USD 4.8 million (31 December 2022: USD 0.3 million), and current-interest bearing liabilities of USD 2.4 million (31 December 2022: USD 4.4 million).

The overall increase in total current liabilities of USD 5.1 million was primarily driven by increased trade payables of USD 4 million, current lease liabilities of USD 4.5 million and contract liabilities of USD 2.2 million. The overall increase was offset by a decrease in current interest-bearing liabilities and other current liabilities by USD 2 million and USD 3.2 million, respectively.

11.6.3 Financial position as of 31 December 2022 compared to 31 December 2021

| Table 17 – Compare financial position 2022 vs 2021 (Amounts in USD thousands) | As at 31 December | | |
|--|-------------------------|--------------|-------------------------|
| | 2022 IFRS Audited | Change in % | 2021 IFRS Audited |
| Total non-current assets | 24,347 | 543 % | 3,789 |
| Total current assets | 8,458 | -47 % | 15,947 |
| Total assets | 32,805 | 66 % | 19,735 |
| Total equity | 14,604 | -13 % | 16,694 |
| Total non-current liabilities | 4,766 | 375 % | 1,004 |
| Total current liabilities | 13,435 | 559 % | 2,038 |
| Total liabilities | 18,201 | 498 % | 3,041 |
| Total equity and liabilities | 32,805 | 66 % | 19,735 |

Total assets

The Group had total assets of USD 32.8 million as of 31 December 2022, compared to USD 19.7 million as of 31 December 2021.

Total non-current assets

Total non-currents assets as of 31 December 2022 was USD 24.3 million (31 December 2021: USD 3.8 million), mainly comprising property, plant and equipment of USD 20.9 million (31 December 2021: USD 0.5 million), intangible assets of USD 2.5 million (31 December 2021: USD 0.9 million) and right-of-use assets of USD 0.4 million (31 December 2021: USD 0.7 million). The increase in property, plant and equipment of USD 20.4 million was primarily driven by the Group's significant fleet expansion through the delivery of two SeaRaptor 6000 AUVs, one Hugin 6000 AUV and the Argeo Argus USV during 2022. The increase in intangible assets of USD 1.6 million reflects capitalized costs related to development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions. The overall increase was somewhat offset by a decrease in deferred tax assets.

Total current assets

Total current assets as of 31 December 2022 was USD 8.5 million (31 December 2021: USD 15.9 million), comprising other receivables of USD 4.6 million (31 December 2021: USD 7.9 million), cash and cash equivalents of USD 2.2 million (31 December 2021: USD 7.5 million), and trade receivables of USD 1.7 million (31 December 2021: USD 0.5 million). The decrease in total current assets of USD 7.5 million was primarily driven by a decrease in cash and cash equivalents of USD 5.3 million, mainly reflecting the Group's significant fleet expansion during 2022. Further, other receivables decreased by USD 3.3 million, reflecting the reversal of prepayments for assets ordered in 2021 and delivered in 2022. The overall decrease in total current assets was somewhat offset by an increase in trade receivables of USD 1.2 million.

Total equity

Total equity decreased from USD 16.7 million as of 31 December 2021 to USD 14.6 million as of 31 December 2022. The decrease of USD 2.1 million primarily reflects a net loss for the year of USD 8.9 million in addition to an exchange loss on translation of foreign operations of USD 1.8 million. The overall decrease in equity was somewhat offset by proceeds from issue of share capital of USD 8.5 million.

Total liabilities

The Group had total liabilities of USD 18.2 million as of 31 December 2022, compared to USD 3 million as of 31 December 2021.

Total non-current liabilities

Total non-current liabilities as of 31 December 2022 was USD 4.8 million (31 December 2021: USD 1.0 million), mainly comprising non-current interest-bearing liabilities of USD 4.6 million (31 December 2021: USD 0.5 million) and non-current lease liabilities of USD 0.2 million (31 December 2021: USD 0.4 million). The increase in total non-current liabilities of USD 3.8 million was primarily driven by the increase in non-current interest-bearing liabilities of USD 4.1 million, reflecting the non-current portion of the Group's seller credits related to purchases of AUVs.

Total current liabilities

Total current liabilities as of 31 December 2022 was USD 13.4 million (31 December 2021: USD 2.0 million), mainly comprising current-interest bearing liabilities of USD 4.4 million (31 December 2021: USD 0.2 million), trade payables of USD 2.4 million (31 December 2021: USD 0.7 million), other current liabilities of USD 5.5 million (31 December 2021: USD 0.5 million), and current provisions of USD 0.8 million (31 December 2021: USD 0.4 million). The increase in total current liabilities of USD 11.4 million was mainly driven by an increase in other current liabilities of USD 5 million, primarily reflecting unpaid share capital of USD 3.6 million from the share issue made in December 2022. Further, the increase in current interest-bearing liabilities of USD 4.3 million reflects the current portion of the Group's seller credits related to the purchases of AUVs.

11.7 Liquidity and capital resources

11.7.1 Sources of liquidity

The Group's primary source of liquidity in 2021 and up to the date of this Prospectus has been cash and cash equivalents, mainly derived from issuance of equity and loans from Innovation Norway and loan for Argeo Venture and Hugin 6000 AUV. The Group manages liquidity risk by maintaining sufficient cash and cash equivalents, seeking the availability of equity funding and debt funding, and by continuously monitoring forecasts and actual cash flows.

11.7.2 Restrictions on use of capital

The Group does not have any restrictions on use of capital that can have a material impact on the Group's operations.

For more information about the Group's financing arrangements, see Section 11.7.7 "Financing arrangements".

11.7.3 Summarized cash flow information

The following table presents the Group's historical cash flows for the years ended 31 December 2023, 2022 and 2021, as well as for the twelve-month period ended 31 December 2024.

| Table 18 - Statement of cash flows | Twelve-month period ended 31 December | | Year ended 31 December | |
|--|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 IAS 34 Unaudited | 2023 IFRS Audited | 2022 IFRS Audited | 2021 IFRS Audited |
| (In USD thousands) | | | | |
| Net cash flow from operating activities | 4,483 | -4,229 | 4,243 | -11,139 |
| Net cash flow from investing activities | -21,431 | -22,828 | -26,635 | -399 |
| Net cash flow from financing activities | 12,019 | 30,264 | 18,148 | 18,377 |
| Net change in cash and cash equivalents | -4,930 | 3,207 | -4,243 | 6,839 |
| Cash and cash equivalents end of period | 827 | 5,340 | 2,163 | 7,468 |

11.7.4 Cash flow from operating activities

Net cash flow from operating activities for the twelve-month period ended 31 December 2024 was USD 4.5 million compared to a net cash outflow of USD 4.2 million for the year ended 31 December 2023. The net cash flow for the twelve-month period ended 31 December 2024 was primarily driven by EBITDA of USD 6.8 million, coming from the projects with Shell in Nigeria, NPCOR in the Indian Ocean RWE Canopy in USA, Woodside in Trinidad & Tobago and TotalEnergies in Namibia. Net changes in receivables and payables were minus USD 2.3 million.

Net cash outflow from operating activities for the year ended 31 December 2023 was USD 4.2 million compared to a net cash flow of USD 4.2 million for the year ended 31 December 2022. The increased cash outflow in 2023 was primarily driven by an increased loss before tax of USD 9 million, in addition to a change in contract liabilities and other current liabilities of negative USD 6 million.

Net cash flow from operating activities for the year ended 31 December 2022 was USD 4.2 million, compared to a net cash outflow of USD 11.1 million for the year ended 31 December 2021. The net cash outflow in 2021 was affected by a prepayment of NOK 65.2 million for two SeaRaptor 6000 AUVs and one USV ordered for delivery in 2022.

11.7.5 Cash flow from investing activities

Net cash outflow from investing activities for the twelve-month period ended 31 December 2024 was USD 21.4 million compared to USD 22.8 million for the year ended 31 December 2023. Net cash outflow from investing activities for the twelve-month period ended 31 December 2024 was primarily driven by purchase of property, plant and equipment of USD 21.1 million, mainly reflecting reactivation and upgrade cost for the vessel Argeo Venture. The Group also incurred development expenditures of USD 1.4 million related to the development of the digital twin solution "Argeo Scope", and various sensor solutions, and investment in multi-client of USD 2.9 million. Proceeds from sale of two AUV's amounted to USD 1.8 million.

Net cash outflow from investing activities for the year ended 31 December 2023 was USD 22.8 million, compared to USD 26.6 million for the year ended 31 December 2022. Net cash outflow from investing activities in 2023 was mainly driven by the purchase of property, plant and equipment of USD 21.1 million, primarily reflecting the purchase of Argeo Venture in addition to reactivation and upgrading cost. The Group also incurred development expenditures of USD 1.5 million related to the development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

Net cash outflow from investing activities for the year ended 31 December 2022 was USD 26.6 million, compared to USD 0.4 million for the year ended 31 December 2021. The increase in cash outflow from investing activities mainly reflects the Group's significant fleet expansion during 2022, including the delivery of two SeaRaptor 6000 AUVs, one Hugin 6000 AUV and the Argeo Argus USV. In addition, the Group had development expenditures of USD 1.9 million related to the development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

11.7.6 *Cash flow from financing activities*

Net cash flow from financing activities for the twelve-month period ended 31 December 2024 was USD 12.0 million compared to USD 30.3 million for the year ended 31 December 2023. Net cash flow from financing activities for the twelve-month period ended 31 December 2024 was mainly driven by proceeds from long-term debt of USD 22.7 million, reflecting the Argeo Venture loan. Further, proceeds from issuance of equity was USD 6.8 million. The net cash flow from financing activities was somewhat offset by lease payments (principal and interest expense) of USD 9.1 million, mainly reflecting the Group's lease of two Hugin Superior AUVs, charter of the vessel Argeo Searcher and lease of office space. Further, repayments of long-term debt related to the Group's loans from Innovation Norway, loan on Argeo Venture, loan on Hugin 6000 AUV and the seller credits related to purchases of AUVs were USD 5.7 million.

Net cash flow from financing activities for the year ended 31 December 2023 was USD 30.3 million compared to USD 18.1 million for the year ended 31 December 2022. Net cash flow from financing activities in 2023 was primarily driven by proceeds from issue of share capital of USD 36.2 million. In addition, the Group received proceeds from new long-term debt, mainly related to a NOK 20 million loan from Innovation Norway. The overall increase in net cash flow from financing activities was somewhat offset by repayments of long-term debt of USD 5.3 million and cash payments for the lease of the Hugin Superior AUV, charter of the vessel Argeo Searcher and lease of office spaces of USD 2.9 million.

Net cash flow from financing activities for the year ended 31 December 2022 was USD 18.2 million, compared to USD 18.4 million for the year ended 31 December 2021. Net cash flow from financing activities in 2022 was mainly driven by proceeds from long-term debt of USD 12.7 million, in addition to proceeds from issue of share capital of USD 8.5 million. The net cash outflow was somewhat offset by repayments of long-term debt of USD 2.6 million related to the Group's loans from Innovation Norway and the seller credits related to purchases of AUVs. In addition, cash payments related to leasing of office buildings were USD 0.2 million.

11.7.7 *Financing arrangements*

Loans

As at the date of this Prospectus, the Company has one loan from Innovation Norway with floating rate, currently bearing an interest at 8.20%. Innovation Norway may adjust the interest rate with six weeks' notice upon changes in underlying rates. The loan is secured with machinery and plant in Argeo Survey AS, Argeo ASA and Argeo Robotics. Further, the loan is secured with a parent company guarantee from Argeo ASA, trade receivables in Argeo Survey AS and 50% of the shares in H1000 JV AS. As of 31 December June 2024, the carrying amount of the loans was USD 1.3 million.

Sale-leaseback arrangement

In February 2023 the Group entered a sale-leaseback transaction involving the vessel Argeo Venture. As of 31 December 2024, the Group's liability related to the financing agreement was USD 12.5 million.

In November 2024 the Group entered a sale-leaseback transaction involving the Hugin 6000 AUV. As of 31 December 2024, the Group's liability related to the financing agreement was USD 7.4 million.

11.8 Financial risk and capital management

For a description of the Group's financial risk management, please see note 6.7 of the Financial Statements, as incorporated by reference to this Prospectus, see Section 17.4 "*Incorporation by reference*".

11.9 Alternative performance measures on a reconciled basis

The table below set out EBITDA presented by the Group in this Prospectus on an annual basis. The table below shows the relevant APM on a reconciled basis, to provide investors with an overview of the basis of calculation of such APMs. See Section 4.2.4 "*Alternative performance measures*" above for a further description of the APM presented below. The figures presented in the reconciliation table below are derived from the Financial Statements.

Please note that other companies may not calculate the APMs in the same manner and, as a result, the presentation thereof may not be fully comparable to measures used by other companies under the same or similar titles. Accordingly, undue reliance should not be placed on the APMs contained in this Prospectus and they should not be considered as a substitute for revenue or other financial metrics.

| Table 19- Reconciliation of EBITDA | Three-month period ended 31 December | | Twelve-month period ended 31 December | Year ended 31 December | | |
|--|---|---------------|--|-------------------------------|---------------|---------------|
| | 2024 | 2023 | 2024 | 2023 | 2022 | 2021 |
| <i>(Amounts in USD thousands)</i> | | | | | | |
| Total revenues and other income | 5,384 | 1,041 | 53,508 | 10,126 | 3,485 | 1,842 |
| Cost of sales | 9,526 | 3,065 | 41,272 | 14,541 | 5,666 | 3,147 |
| Selling, general and administrative expenses | 1,602 | 135 | 5,454 | 1,859 | 2,970 | 1,747 |
| EBITDA | -5,744 | -2,159 | 6,783 | -6,274 | -5,151 | -3,052 |
| EBITDA margin | -107% | -207% | 13% | -62% | -148% | -166% |

11.10 Investments

11.10.1 Historical investments

Investments in 2021

The Group's investments in 2021 were primarily related to prepayments of two SeaRaptor 6000 AUVs and one USV (NOK 59.7 million and NOK 6.5 million, respectively). The assets were delivered in 2022.

Investments in 2022

The Group's investments in 2022 were primarily related to the purchase of a Hugin 6000 AUV from Kongsberg Maritime of USD 7.3 million. In addition, the Group had development expenditures of USD 1.9 million related to the development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

Investments in 2023

The Group's investments in 2023 were primarily related to the purchase of property, plant and equipment of USD 21.1 million, mainly reflecting the purchase of the vessel Argeo Venture, including reactivation and upgrading cost. In addition, the Group had development expenditures of USD 1.5 million related to the development of a 3D Geological modelling system, Argeo's digital twin solution "Argeo Scope", and various sensor solutions.

Investments from 1 January 2024 to the date of this Prospectus

In April 2024, the Company completed its conversion upgrade of its vessel Argeo Venture that was acquired from Shearwater in the amount of approx. NOK 139 million. The project was split and finalized in two phases. The first phase involved the reactivation and major steel work carried out at Halsnøy Yard and the second phase involved the installation of the subsea crane and final commissioning at Fjellstrand Yard.

11.10.2 Investments in progress or for which firm commitments have already been made

Argeo intends in general to expand its fleet with vessels, AUVs, and ROVs over the coming years, however, no firm commitments have been made.

11.10.3 Joint venture and undertakings

The Group signed in January 2021 an agreement with Multiconsult for strategic cooperation to significantly improve quality for marine surveys and increase construction insight of the seabed conditions for large coastal development projects and offshore structure. As a part of the agreement, the parties established H1000 JV AS, owned 50/50 by Argeo Survey AS and Multiconsult. The Group's interest in H1000 JV AS has been accounted for using the equity method in the consolidated financial statements.

In May 2024, the Group signed an agreement with Multiconsult to acquire the remaining 50% of the shares in H1000 JV AS, resulting in a 100% ownership of the company. Consequently, the strategic cooperation agreement with Multiconsult was terminated.

11.10.4 Environmental issues affecting the Group's utilization of the tangible fixed assets

The Group is exposed to changing weather conditions caused by climate change as a result of its operation activities offshore. Impact of severe climate change could cause damage to assets, disrupt operational activities and result in significant costs increase. The Group is also affected by new legislation implemented to safeguard the environment and limit emissions, such as rules and regulations limiting the types and grades of fuel to be used on board vessels, quotas and fees on greenhouse gas

emissions and requirements concerning the fuel efficiency of vessels. The low sulphur cap imposed by IMO with effect from 1 January 2020 is one such example. From 2025, offshore vessels exceeding 5000 gross tonnes became part of the European Union's monitoring, reporting and verification regime under the emission trading system, and such vessels will have to surrender allowances from 2028 in respect to emissions during 2027. Vessels exceeding 5000 gross tonnes are also subject to rules concerning carbon intensity indicator as imposed by the International Maritime Organization in 2022. Depending on the type of contract and project, the Group may to some extent be able to shift the cost of compliance onto its customers. But the stricter environmental rules and regulations applicable to shipping and maritime activities will nevertheless have a cost impact on owners and operators, necessitating modifications, upgrades and technical improvements and penalising owners and operators with an elderly fleet of vessels.

Other than above, the Company is not aware of any environmental issues that may have an effect on the utilization of any of the existing tangible fixed assets.

11.11 Related party transactions

Related parties are major shareholders, members of the Board, and the executive management team in the Group. Section 13.12 "Ownership structure" provides information on the Group's major shareholders. Significant agreements and remuneration of the Company's management and the Board for the current and prior periods are presented in Section 12 "Board of directors, management, employees and corporate governance".

The below table provides the total amount of transactions with related parties (outside the Group) for the relevant financial periods:

| Table 20 - Related party transactions | Year ended 31 December | | |
|---------------------------------------|------------------------|--------------|------------|
| | 2023 | 2022 | 2021 |
| Executive Management | 762 | 969 | 513 |
| Board Member | 99 | 100 | 78 |
| Total | 861 | 1,069 | 592 |

In addition to the above, the Company entered into a memorandum of agreement and a LOI for a capacity agreement with Shearwater as part of the Strategic Alliance, as further described in Section 2.1.8 "Risk associated with the integration of Argeo Venture". At the date of the memorandum of agreement and LOI for the capacity agreement, Shearwater was a shareholder in the Company. As of the date of this Prospectus, Shearwater is no longer a shareholder in the Company.

The Company has also entered into a share lending agreement as a facilitator for delivery versus payment as a settlement mechanic of the Tranche 1 Shares and Tranche 2 Shares in the Private Placement, dated 12 February 2025, as further described in Section 5.1.1. Pursuant to the share lending agreement, Redback AS agreed to lend a total of 813,943 existing and tradable shares in the Company to the Managers in connection with tranche 1 in the Private Placement. Further, Kistefos AS agreed to lend a total of 8,061,057 existing and tradable shares in the Company to the Managers, in connection with both tranche 1 and tranche 2 in the Private Placement. Redback AS is a person closely associated with the chairman Jan Pihl Grimnes and Kistefos AS is a person closely associated with board member Lars Petter Utseth.

All transactions within the Group or with other related parties are based on the principle of arm's length.

11.12 Critical accounting policies and estimates

The preparation of the 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. The accounting policies applied by management, which includes a significant degree of estimates and assumptions or judgements that may have the most significant effect on the amounts recognised in the financial statements, are:

Estimates and assumptions

- Recognition and measurement of deferred tax assets
- Estimating fair value for share-based payments transactions

The Group bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Accounting judgements

- Combined contracts under IFRS 16

The Group's general accounting policies are summarised in note 1.3 in the Financial Statements, incorporated by reference into this Prospectus, see Section 17.4 "*Incorporation by reference*".

11.13 Significant changes

Other than the Private Placement, there have been no significant changes in the Group's financial position or financial performance since the financial period ended 31 December 2024 and up to the date of this Prospectus.

12 BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

12.1 Introduction

The Company's highest decision-making authority is the general meeting of shareholders. All shareholders in the Company are entitled to attend or be presented by proxy and vote at general meetings of the Company and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested in the Company's Board of Directors and the management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's CEO, is responsible for keeping the Company's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner.

12.2 Board of Directors

12.2.1 Overview

The Company's Articles of Association provide that the Board of Directors shall consist of between five (5) to eight (8) board members elected by the Company's shareholders. Please find details regarding the Company's members of the Board of Directors and deputy board members, as at the date of this Prospectus, in the table below:

| Name | Position | Served since* | Term expires | Shares | Tranche 2 Warrants | 2021 Options | 2024 Options |
|---------------------|--|-------------------|--------------|--------------------------|--------------------|--------------|-----------------------|
| Jan P. Grimnes | Chair | 15 June 2023 | 2025 | 1,358,903 ⁽¹⁾ | 0 | 0 | 25,000 ⁽¹⁾ |
| Nina Bjærum | Board Member | 8 October 2024 | 2026 | - | 0 | 0 | 0 |
| Inger Berg Ørstavik | Board Member | 8 October 2024 | 2026 | 4,761 | 0 | 0 | 0 |
| Lars Petter Utseth | Board Member | 17 February 2023 | 2025 | 8,901,058 ⁽²⁾ | 0 | 0 | 25,000 |
| Liam Flood | Board Member, employee representative | 30 September 2024 | 2026 | 32 | 0 | 0 | 18,000 |
| Hugo Lima Santos | Board Member, employee representative | 30 September 2024 | 2026 | 0 | 0 | 0 | 0 |
| Kenneth Gundersen | Deputy Board Member, employee representative | 30 September 2024 | 2026 | 8,288 | 0 | 0 | 16,000 |
| Willy Olafsen | Deputy Board Member, employee representative | 30 September 2024 | 2026 | 0 | 0 | 0 | 0 |

* The dates reflects when the current term started, i.e. the date of election by the relevant general meeting.

(1) Held through Redback AS, a company controlled by Jan P. Grimnes

(2) Held and controlled by Kistefos AS, a person closely associated with board member Lars Petter Utseth

The Company's registered office at Nye Vakås vei 14, 1395 Hvalstad, Asker, Norway, serves as the business address for the members of the Board of Directors in relation to their positions in the Company.

12.2.2 Brief biographies of the Board of Directors

The following sets out a brief introduction to each of the members of the Company's Board of Directors:

Jan P. Grimnes – Chair

Jan P. Grimnes is the Chair of the Board of Directors of the Company. He also currently serves as Chair of the Board at Geoteric (Foster Findlay Associates Limited) and is a board member of Adrega AS. Mr. Grimnes has extensive board experience, having previously served on the boards of Magseis Fairfield ASA, Fara AS, Q-Free ASA, and SPT Group AS. In 1996, Mr. Grimnes founded Technoguide, the company that developed and commercialized Petrel, the world's leading E&P software. He held dual

roles as Chair and CEO of Technoguide. Mr. Grimnes holds a master's degree in petroleum engineering from the Norwegian University of Science and Technology (NTNU) and a master's degree in business/managerial economics from the Norwegian School of Economics (NHH).

| | |
|---|--|
| Current other directorships and management positions | Directorships: Redback AS, Adrega AS, Geoteric Ltd, Søren Bulls vei 25 Invest AS, Flesland Kontorinvest AS, Espehaugen Eiendomsinvest AS, Woxenlien AS, Handelsparken Ålgård AS, Time Eiendom AS, R13 Holding AS, Rogaland Handelsinvest AS, Sameiet Risbakken 20, Woxenaasen Panomara AS, Laboratoriebygg AS, Flesland Eiendomsinvest AS, Risbakken AS. Management position: Adrega AS (CEO) |
| Previous directorships and management positions held during the last five years | Directorships: N/A Management position(s): N/A |

Nina Bjærum – Board member

Nina Bjærum has over 10 years of experience in marine operations and currently serves as the Marine Operations Manager at Global Maritime. She has previously worked as an Installation Analysis Engineer at Subsea7 and as a Tender Engineer at Nexans. Additionally, she has held various board roles. Bjærum holds a Master's degree in Technology (Mechanical Engineering, Applied Mechanics) from the Norwegian University of Science and Technology (NTNU).

| | |
|---|--|
| Current other directorships and management positions | Directorships: N/A Management position(s): N/A |
| Previous directorships and management positions held during the last five years | Directorships: Majorstuen Leiegarde AS (chair and vice chair) Management position(s): N/A |

Inger Berg Ørstavik – Board member

Inger Berg Ørstavik is a lawyer with a PhD in law from the University of Oslo. She has worked as an attorney-at-law at the Office of the Attorney General for Civil Affairs in Norway and as a senior lawyer and partner in Schjødt's intellectual property and litigation team. Currently, she serves as a professor in the Department of Private Law at the University of Oslo.

| | |
|---|---|
| Current other directorships and management positions | Directorships: Nordic Semiconductor ASA, Viggo Hagstrøms Stiftelse Management position(s): N/A |
| Previous directorships and management positions held during the last five years | Directorships: REC Silicon ASA Management position(s): N/A |

Lars Petter Utseth – Board member

Lars Petter Utseth is a Board Member, representing Kistefos AS' ownership in the Company. Mr. Utseth joined Kistefos in 2019. Prior to joining Kistefos, Mr. Utseth worked in the Investment Banking Division at SpareBank1 Markets, focusing on M&A and ECM transactions. Mr. Utseth holds a MSc in Finance from the Norwegian School of Economics (NHH).

| | |
|---|---|
| Current other directorships and management positions | Directorships: Lima Papa Holdings AS, Viking Invest AS, OstomyCure AS, Seram Coatings AS, Viking Supply Ships AB Management positions: Lima Papa Holdings AS (CEO) |
| Previous directorships and management positions held during the last five years | Directorships: Lumarine AS, Rødhallen AS, Bygr AS Management positions: Rødhallen AS (CEO) |

Liam Flood - Board Member, employee representative

Liam Flood is an employee elected member of the Board of Directors of the Company. Flood has profound expertise in design thinking and business model innovation, particularly related to new, sustainable and digital technologies. He has been employed by Argeo since February 2024 as Project Manager. Prior to joining Argeo, he held various positions, including CEO and Head of Operations at Nordlys.Studio AS, as well as several roles at Magseis Fairfield ASA. He holds a Master of Business Administration from BI Norwegian Business School and a BSc from Newcastle University.

Current other directorships and management positions Directorships: Novooi AS, SurPlusMap AS, Ideators AS

Management positions: N/A

Previous directorships and management positions held Directorships: Aignox AS

during the last five years

Management position(s): Nordlys.Studio AS (CEO)

Hugo Lima Santos - Board Member, employee representative

Hugo Lima Santos is an employee elected member of the Board of Directors of the Company. Santos has extensive experience from the international seismic exploration arena. He has been employed as Operations Manager at Argeo since June 2024. Before joining Argeo, Santos held several positions at PGS, including Operations Manager. He is also a founding partner at IM Group Consulting. He holds a BSc from the University of Glamorgan.

Current other directorships and management positions Directorships: N/A

Management positions: N/A

Previous directorships and management positions held Directorships: N/A

during the last five years

Management position(s): N/A

12.3 Management**12.3.1 Overview**

The management of the Company consists of three (3) individuals. Please find details regarding the Company's management, as at the date of this Prospectus, in the table below:

Table 22 – Overview of the members of the Company's management

| Name | Position | Employed since | Shares | Tranche 2 Warrants | 2021 Options | 2024 Options |
|-------------------|-------------------------------|----------------|--------------------------|--------------------|--------------|--------------|
| Trond F. Crantz | Chief Executive Officer (CEO) | September 2017 | 1,089,316 ⁽¹⁾ | 0 | 0 | 300,000 |
| Odd Erik Rudshaug | Chief Financial Officer (CFO) | October 2020* | 19,357 ⁽²⁾ | 0 | 0 | 150,000 |
| Thorbjørn Rekdal | Chief Technical Officer (CTO) | November 2019 | 366,194 ⁽³⁾ | 0 | 0 | 150,000 |

* Hired as consultant in October 2020 and was employed by the Company in March 2021.

(1) Held through Ascent AS, a company controlled by Trond F. Crantz

(2) Held through OER Consulting AS, a company owned by Odd Erik Rudshaug

(3) Held through Troptima AS, a company owned by Thorbjørn Rekdal

The Company's registered office, at Nye Vakås vei 14, 1395 Hvalstad, Asker, Norway, serves as the business address for the members of the management in relation to their positions in the Company.

12.3.2 Biographies of the members of management

The following sets out a brief introduction to each of the members of the Company's management:

Trond F. Crantz – CEO

Trond F. Crantz is the CEO and founder of the Company, with over 20 years of experience in global technical, operational, and commercial leadership roles at Schlumberger and PGS. Mr. Crantz holds a degree in robotics and cybernetics, along with an MBA from BI Norwegian Business School.

| | |
|---|--|
| Current other directorships and management positions | Directorships: Argeo Survey AS, Argeo Robotics AS, Argeo Multiclient AS, H1000 JV AS, Ascent AS, Argeo Services PTE Ltd (Singapore), Argeo Inc (USA), Argeo Subsea Ltd (UK) Management position(s): N/A |
| Previous directorships and management positions held during the last five years | Directorships: Crantz Eiendom AS (dissolved) Management position(s): N/A |

Odd Erik Rudshaug – CFO

Odd Erik Rudshaug is the chief financial officer (CFO) of the Company, with over 35 years of experience in the shipping and oil & gas sectors. Mr. Rudshaug co-founded RXT and served as its CFO, and was also the CFO and co-founder of Seafloor Geophysical Solutions. In addition, Mr. Rudshaug has held several other key positions, including financial controller at PGS, VP business controller in EMGS and CFO of April AS. Mr. Rudshaug holds a Master of Management from BI Norwegian Business School.

| | |
|---|---|
| Current other directorships and management positions | Directorships: Argeo Services PTE Ltd (Singapore), Argeo Inc (USA), OER Consulting AS. Management position(s): Argeo Survey AS (CFO) |
| Previous directorships and management positions held during the last five years | Directorships: N/A Management position(s): April AS (CFO) |

Thorbjørn Rekdal – CTO

Thorbjørn Rekdal is the chief technology officer (CTO) of the Company and brings over 20 years of extensive experience from global leadership positions at PGS, which included among others President of Research, VP of Global Data Processing, Interim Head of Data Processing, Senior VP of Commercialization, and President of Marine Contracts for Europe and the Middle East. Mr. Rekdal also co-founded and was the chair of Kruser AS. Mr. Rekdal holds a PhD in geophysics from the University of Oslo.

| | |
|---|--|
| Current other directorships and management positions | Directorships: Argeo Survey AS, Argeo Robotics AS, Troptima AS, Argeo Multiclient AS and Argeo Inc. Management position(s): N/A |
| Previous directorships and management positions held during the last five years | Directorships: Kruser AS Management position(s): N/A |

12.4 Remuneration and benefits**12.4.1 Remuneration of the Board of Directors**

The below table sets forth the amount of remuneration paid by the Company to its current Board Members for the financial year ended 31 December 2024.

| Name and position | Position | 2024 |
|----------------------|---------------------------------------|--------------------|
| | | (In USD thousands) |
| Jan P. Grimnes | Chair | 21 |
| Nina Bjærum* | Board Member | - |
| Inger Berg Ørstavik* | Board Member | - |
| Lars Petter Utseth* | Board Member | 10 |
| Liam Flood* | Board Member, employee representative | - |
| Hugo Lima Santos* | Board Member, employee representative | - |
| Total | | 31 |

*Elected as board member in 2024

12.4.2 Remuneration of the Management

The below table sets forth the amount of remuneration paid by the Company to its executive management for the financial year ended 31 December 2024.

| Table 24 – Remuneration of the Management | | | | | | |
|---|----------|---------------------------------|--------------------------------|----------------------------------|--|--|
| Name and position | Position | Salary (In USD thousands) | Bonus (In USD thousands) | Pension (In USD thousands) | Other compensation (In USD thousands) | Total remuneration (In USD thousands) |
| Trond F. Crantz | CEO | 237 | 0 | 9 | 2 | 248 |
| Other management | | 359 | 0 | 18 | 3 | 379 |
| Total | | 596 | 0 | 27 | 5 | 627 |

12.5 Employees

As of the date of this Prospectus, the Group had 126 direct employees and 5 indirect employees.

The table below shows the development in the number of employees in the Group for the years ended 31 December 2023, 2022 and 2021.

| Table 25 – Employees | As at 31 December 2023 | As at 31 December 2022 | As at 31 December 2021 |
|----------------------|------------------------|------------------------|------------------------|
| Group | 55 | 50 | 32 |

The below table below shows the number of full-time employees of the Group by main category of activity.

| Table 26 - Category of activity | As at 31 December 2023 | As at 31 December 2022 | As at 31 December 2021 |
|---------------------------------|------------------------|------------------------|------------------------|
| Onshore | 35 | 34 | 22 |
| Offshore | 20 | 16 | 10 |

The below table below shows the number of full-time employees of the Group by geographic location.

| Table 27 - Geographic location | As at 31 December 2023 | As at 31 December 2022 | As at 31 December 2021 |
|--------------------------------|------------------------|------------------------|------------------------|
| Norway | 35 | 39 | 27 |
| Europe | 3 | 2 | 1 |
| Asia | 18 | 8 | 4 |
| U.S.A | 1 | 1 | 0 |
| Total | 55 | 50 | 32 |

12.6 Financial instruments, including as part of incentive programs

12.6.1 Warrants (Tranche 2)

In connection with the private placement and subsequent listing on Euronext Growth Oslo in 2021, the Company's general meeting approved the issuance of warrants to the then existing shareholders of the Company (the "**Tranche 2 Warrants**"). The Tranche 2 Warrants were registered in the NRBE on 23 April 2021.

As of the date of this Prospectus, a total of 116,897 Tranche 2 Warrants are outstanding, each with a strike price of NOK 0.50 (equivalent to the par value of the Shares). The Tranche 2 Warrants can be exercised only given a demonstrated market price pr. Share in the Company of NOK 123 within 20 April 2025. Each Tranche 2 Warrant give the right to one (1) share in the Company.

| Table 29 – Overview of Tranche 2 Warrants | | | |
|---|---------------|----------------------|-------------------------------------|
| Grant date | Expiry date | Exercise price (NOK) | # of Tranche 2 Warrants outstanding |
| 20 April 2021 | 20 April 2025 | 123 | 116,897 |

12.6.2 Options to Board Members and employees

12.6.2.1 2021 Options

In 2021, a total of 199 000 options (adjusted for the reverse share split registered on 20 June 2024 in the ratio of 1:5) were granted to certain Board of Directors and employees (the "**2021 Options**"). The 2021 Options had the following vesting schedule: 25% after one year, 25% after two years and the remaining 50% after three years. The 2021 Options will expire after five (5) years from the date of allocation, being 26 April 2021 for Board Members and CEO and 16 December 2021 for other recipients. The strike price is NOK 41 (adjusted for the reverse share split registered on 20 June 2024 in the ratio of 1:5).

As at the date of this Prospectus, a total of 29,000 of the 2021 Options remains outstanding, with an equivalent number of 2021 Options having vested but not yet been exercised. The 2021 Options are held by three individuals who are not associated with the Company anymore.

Table 30 – Overview of 2021 Options

| Grant date | Expiry date | Exercise price (NOK) | # of 2021 Options outstanding | # of 2021 Options vested |
|------------------|------------------|----------------------|-------------------------------|--------------------------|
| 26 April 2021 | 26 April 2026 | NOK 41 | 28,000 | 28,000 |
| 16 December 2021 | 16 December 2026 | NOK 41 | 1,000 | 1,000 |

12.6.2.2 2024 Options

On 3 November 2023, an extraordinary general meeting of the Company authorised the Board to issue up to 9,631,991 share options as a part of a new long-term incentive, which were implemented through the granting of a total of 1,487,000 options (adjusted for the reverse share split registered on 20 June 2024 in the ratio of 1:5) to Board Members and employees of the Company on 23 January 2024 (the "**2024 Options**").

1 362 000 of the 2024 Options will vest 1/3 each year over a total vesting period of 3 years. Each 2024 Option will, when exercised, give the right to receive one (1) share in the Company at a fixed strike price of NOK 16.00. Options granted under the share option program will expire five years after the grant date, being 23 January 2024. 125 000 of the 2024 Options vested 23 January 2024 and can be exercised with 1/3 each year over a total period of 3 years.

Table 31 – Overview of 2024 Options

| Grant date | Expiry date | Exercise price (NOK) | # of 2024 Options outstanding | # of 2024 Options vested |
|-----------------|-----------------|----------------------|-------------------------------|--------------------------|
| 23 January 2024 | 23 January 2029 | NOK 16 | 1,487,000 | 595,685 |

As outlined in risk factor 2.4.1 "*Future issuances of Shares or other securities, including through exercise of warrants and options, in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares*", the exercise of the 2021 Options, 2024 Options and Tranche 2 Warrants would have a dilutive effect on the Company's shareholders. In a hypothetical scenario where all these financial instruments are exercised simultaneously, the dilution would amount to approximately 2.6%, based on the current number of outstanding shares in the Company.

12.7 Benefits upon termination

The CEO's and the CFO's employment agreements are entered into with Argeo Survey, while the CTO's employment agreement is entered into with Argeo Robotics. For the purposes of this section, Argeo Survey and Argeo Robotics are each referred to as an "**Employer**". Pursuant to the severance arrangements, each of the CEO, CFO, and CTO is entitled to severance pay if terminated by the Employer (the "**Severance Pay**"). The CEO is entitled to Severance Pay equivalent to 12 months' basic salary, while the CFO and CTO are each entitled to Severance Pay equivalent to six months' basic salary, as specified in their employment agreements. The Severance Pay will not affect their entitlement to salary and other benefits during the notice period. The payment of Severance Pay is conditional upon the employee (i) agreeing to withdraw from their position at the Employer's request, and (ii) waiving their right to dispute the termination or claim damages from the Employer related to the termination.

If their employment is terminated by the Employer within 12 months following a change of majority ownership in the Employer or a whole or substantial sale of the Employer's assets, the severance pay will correspond to 18 months basic salary and shall be disbursed as a lump sum upon termination (the "**Change of Control Payment**"). The Severance Pay is not payable if they are

entitled to Change of Control Payment. Furthermore, the right to Severance Pay or Change of Control Payment shall not apply if the Company terminates their employment due to, inter alia, gross misconduct, neglect of obligations laid down by laws, regulations, agreement, policies or statutes, or other substantial breach of contract by the employee.

In addition to the Severance Pay, each of the CEO, CTO and CFO are entitled to one additional month base salary for each month in excess of six months, if the non-competition clause, section 9.1 of their employment agreements, is invoked (the "**Additional Severance Payment**"). The Additional Severance Payment is not payable if the employee is entitled to Change of Control Payment.

Other than that, none of the members of the Company's management have any service contracts with the Company or any subsidiary providing benefits upon termination of employment. However, according to the Company's remuneration policy for executive personnel, the members of the Company's management may, at the Board of Directors' discretion, be paid additional remuneration as part of a termination settlement. Such remuneration shall not be paid in an amount exceeding 75% of the executive's fixed salary.

There are no severance arrangements for the Chair of the Board.

12.8 Pension and retirement benefits

The Group has a defined contribution pension plan for its employees in Norway which satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). All members of the Company's management are part of the defined contribution pension scheme. At the date of the Prospectus, pension contributions in Norway are 5% of salary up to 7.1G and 9% of salary between 7.1 to 12G.

12.9 Nomination committee

The Board of Directors has established a nomination committee. The appointed members of the nomination committee are Geir Kaasen (committee chair) and Jim Dåtland.

12.10 Audit committee

The Board of Directors has established an audit committee. The appointed members of the audit committee are Jan Pihl Grimnes (committee chair) and Lars Petter Utseth. The composition of the audit committee fulfils the requirement for qualifications and competence in accounting and auditing under the Norwegian Public Limited Liability Companies Act.

The function of the audit committee is to prepare matters to be considered by the Board of Directors and to support the Board of Directors in the exercise of its management and supervisory responsibilities relating to financial reporting, statutory audit and internal control.

The audit committee reports to the Board for the execution of its tasks and the work of the audit committee in no way reduces the responsibilities of the Board and its individual members.

12.11 Remuneration committee

The Board of Directors has established a remuneration committee. The appointed members of the remuneration committee are Nina Bjærum (committee chair), Inger Ørstavik and Peter Anker.

The purpose of the remuneration committee is to evaluate and propose the compensation of the Company's executive management team and issue an annual report on the compensation of the executive management team, which shall be included in the Company's annual accounts pursuant to applicable rules and regulations, including accounting standards, promulgated from time to time.

The remuneration committee shall report and make recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

12.12 Corporate Governance

The Company has adopted and implemented a corporate governance regime dated 23 September 2024 (the "**Corporate Governance**") which complies with the Norwegian Code of Practice for Corporate Governance, dated 14 October 2021 (the "**Corporate Governance Code**"). There are no deviations from the Corporate Governance Code. However, please note that prior to resolving on the Corporate Governance, the Company granted share options to certain members of the Board, which at the time represented a deviation from section 11 of the Corporate Governance Code, which states that remuneration to the board of directors should not be linked to the company's performance and that the company shall not grant options to the board members.

Neither the Board of Directors nor the Company's general meeting of shareholders have adopted any resolutions which are deemed to have a material impact on the Group's corporate governance regime.

12.13 Conflict of interests

During the last five years preceding the date of this Prospectus, none of the Board Members or the members of the Company's management has, or had, as applicable:

- any convictions in relation to fraudulent offences;
- been involved in any bankruptcies, receiverships, liquidations or companies put into administration where he/she has acted as a member of the administrative, management or supervisory body of a company, nor as partner, founder or senior manager of a company; or
- received any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), nor been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of affairs of any issuer.

Board member Lars Petter Utseth is not regarded as independent of Kistefos AS, the Company's largest shareholder. Other than that, there are currently no other actual or potential conflicts of interest between the Company and the private interests or other duties of any of the members of the Company's management or the Board of Directors, including any family relationships between such persons.

12.14 Other information

Board member Lars Petter Utseth is appointed as the board representative for Kistefos AS, the Company's largest shareholder.

13 CORPORATE INFORMATION AND DESCRIPTION OF THE SHARES

This section includes a summary of certain information relating to the Company's shares and certain shareholder matters, including summaries of certain provisions of applicable law in effect as of the date of this Prospectus. The mentioned summaries do not purport to be complete and is qualified in its entirety by the Company's Articles of Association (attached hereto as Appendix A) and Norwegian law.

13.1 Company corporate information

The Company's registered legal and commercial name is Argeo ASA. The Company is a public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company's registration number in the Norwegian Register of Business Enterprises is 913 743 075 and its legal entity identifier (LEI) is 894500SHXBC6FQ4L8U37.

The Company was incorporated in Norway on 28 May 2014 as a private limited liability company and transformed to a public limited liability company following the extraordinary general meeting held on 8 October 2024.

The Shares have been created under the Norwegian Public Limited Liability Companies Act. The Shares are registered in book-entry form with the VPS under ISIN NO NO0013257410. The Company's register of shareholders in the VPS is administrated by the VPS Registrar.

The Company's registered office is located at Nye Vakås vei 14, 1395 Hvalstad, Asker, Norway. The Company has offices in Norway (Asker and Tromsø), Brazil (Rio De Janeiro), Sweden (Stockholm), Singapore, the United States (Houston) and United Kingdom (Edinburgh). The Company's telephone number is (+47) 668 59 099 and email is info@argeo.no. The Company's website can be found at www.argeo.no. The content of the Company's website is not incorporated by reference into, nor otherwise forms part of, this Prospectus.

The Company entered into a market making agreement with Sparebank 1 Markets AS in September 2024. Other than that, the Company has not entered into any underwriting agreement, stabilization agreements, market making agreements or similar agreements for trading of its Shares on the Oslo Stock Exchange.

13.2 Legal structure

The Company functions as the holding company and the ultimate parent company of the Group. The Company is not an operative entity, and the Group's operations are thereby carried out through the Company's subsidiaries and affiliates. The following table sets out information about the Company and its subsidiaries and affiliates:

| Company | Tiered subsidiary | Country of incorporation | Reg. No | Holdings | Description |
|--------------------------------------|-------------------|--------------------------|----------------|----------|------------------------|
| Argeo ASA | Holding | Norway | 913 743 075 | - | Holding company |
| Argeo Multiclient AS | First-tier | Norway | 932 836 378 | 100% | Service-company |
| Argeo Robotics AS ("Argeo Robotics") | First-tier | Norway | 920 372 708 | 100 % | Technology development |
| Argeo Inc | First-tier | USA | 32-0656656 | 100 % | Service-company |
| Argeo Survey AS ("Argeo Survey") | First-tier | Norway | 913 796 640 | 100 % | Service-company |
| Argeo Services Pte Ltd | Second-tier | Singapore | 202136582C | 100 % | Service-company |
| Argeo Subsea Ltd | Second-tier | UK | 798046 | 100% | Service-company |
| H1000 JV AS | Second-tier | Norway | 926 291 939 | 100 % | Service-company |
| Argeo Do Brazil LTDA | Second-tier | Brazil | 33.2.1198617-5 | 100 % | Service-company |

As at the date of this Prospectus, the Company is of the opinion that its holdings in Argeo Survey specified above is likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

13.3 Share capital and share capital history

As of the date of this Prospectus, the Company's current share capital is NOK 31,588,174.50 divided on 63,176,349 Shares, each with a nominal value of NOK 0.50. All Shares are validly issued, fully paid and non-assessable.

The Company has only one class of Shares. Accordingly, there are no differences in the voting rights among the Shares. Each Share carries one vote, and all Shares carry equal rights in all respects, including rights to dividends.

The table below shows the development in the Company's share capital for the period covered by the historical financial information, i.e. from 2021 and up to the date of this Prospectus:

| Date registered | Type of change | Type of issue | Share capital increase (NOK) | Share capital (NOK) | Subscription price (NOK/share) | Par value (NOK/share) | Issued shares | Total shares |
|-----------------|------------------------|--|------------------------------|---------------------|--------------------------------|-----------------------|---------------|--------------|
| 23.04.2021 | Share capital increase | Private placement | 2,134,146.30 | 2,744,146.30 | 8.20 | 0.10 | 21,341,463 | 27,441,463 |
| 20.04.2022 | Share capital increase | Private placement | 1,500,000 | 4,244,146.30 | 5.00 | 0.10 | 15,000,000 | 42,441,463 |
| 25.04.2022 | Share capital increase | Exercise of warrants | 13,933.70 | 4,258,080.00 | - | 0.10 | 139,337 | 42,580,800 |
| 22.12.2022 | Share capital increase | Private placement | 851,616 | 5,109,696.00 | 1.65 | 0.10 | 8,516,160 | 51,096,960 |
| 03.01.2023 | Share capital increase | Private placement | 2,178,384 | 7,288,080.00 | 1.65 | 0.10 | 21,783,840 | 72,880,800 |
| 22.02.2023 | Share capital increase | Subsequent offering and exercise of warrants | 326,370.5 | 7,614,450.50 | 1.65 | 0.10 | 3,263,705 | 76,144,505 |
| 30.06.2023 | Share capital increase | Private placement | 1,557,616.8 | 9,172,067.30 | 2.75 | 0.10 | 15,576,168 | 91,720,673 |
| 08.08.2023 | Share capital increase | Subsequent offering | 267,053.1 | 9,439,120.40 | 2.75 | 0.10 | 2,670,531 | 94,391,204 |
| 23.10.2023 | Share capital increase | Share issue – private placement | 1,800,230.9 | 11,239,351.30 | - | 0.10 | 18,002,309 | 112,393,513 |
| 06.11.2023 | Share capital increase | Share issue – private placement | 6,012,269.1 | 17,251,620.40 | 3.20 | 0.10 | 60,122,691 | 172,516,204 |
| 10.11.2023 | Share capital increase | Conversion of debt | 2,012,362.5 | 19,263,982.90 | 3.20 | 0.10 | 20,123,625 | 192,639,829 |
| 18.12.2023 | Share capital increase | Exercise of warrants | 26,009.50 | 19,289,992.40 | 0.282 | 0.10 | 260,095 | 192,899,924 |
| 21.03.2024 | Share capital increase | Share issue in – private placement | 1,818,181.8 | 21,108,174.20 | 2.75 | 0.10 | 18,181,818 | 211,081,742 |
| 22.04.2024 | Share capital increase | Share issue in a subsequent offering | 1,100,000 | 22,208,174.20 | 2.75 | 0.10 | 11,000,000 | 222,081,742 |
| 20.06.2024 | Change of par value | Reverse share split | - | 22,208,174.50 | - | 0.50 | - | 44,416,349 |
| 30.01.2025 | Share capital increase | Exercise of warrants | 5,000 | 22,213,174.50 | 4.15 | 0.50 | 10,000 | 44,426,349 |
| 18.02.2025 | Share capital increase | Share issue – private placement | 4,437,500 | 26,650,674.50 | 8.00 | 0.50 | 8,875,000 | 53,301,349 |
| 24.03.2025 | Share capital increase | Share issue-private placement | 4,937,500 | 31,588,174.50 | 8.00 | 0.50 | 9,875,000 | 63,176,349 |

13.4 Admission to trading

The Company's Shares are listed on Oslo Børs under the ticker symbol "ARGEO". The Company's Shares are not listed on any other marketplace, and has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

13.5 Board authorisation to issue shares

As of the date of this Prospectus, the Company is in total authorised to increase the share capital with up to NOK 12,510,274.73, equivalent to a total of 25,020,549.46 Shares, and a description of each authorisation are included below.

13.5.1.1 Board authorisation – general

At the Company's extraordinary general meeting held on 6 March 2025, the Board was granted an authorisation to increase the share capital with up to 20% of the Company's share capital, corresponding to NOK 6,317,634.90 in one or more share capital increases through issuance of new Shares. The authorisation can be used in situations described in Section 6-17 of the Norwegian Securities Trading Act.

13.5.1.2 Board authorisation – incentive programs

At the extraordinary general meeting held on 3 November 2023, the Board was granted an authorisation to increase the share capital by up to 192 639.83 (adjusted for the reverse share split registered on 20 June 2024 in the rate of 1:5) in connection with the Company's incentive programs, including the Company's option programs, through one or more share capital increases by issuance of new shares. The authorisation may only be used to issue shares to the group's employees and board members in connection with incentive programs, including option programs, both individual and general. The shareholder's preferential rights may be derogated from, cf. Sections 10-4 and 10-5 of the Norwegian Private Limited Companies Act. The authorisation does not cover resolutions to increase the share capital for non-cash contribution or mergers in accordance with Section 13-5 of the Norwegian Private Limited Liability Companies Act. The authorisation expires at the annual general meeting in 2025, and in any event on 30 June 2025.

As of the date of this Prospectus, a total number of 1 516 000 share options (adjusted for the reverse share split registered on 20 June 2024 in the rate of 1:5) have been granted pursuant to the authorisation. For more information about the options granted, please see Section 12.6.2 "Options to Board of Directors and employees".

13.5.1.3 Board authorization – subsequent offering

At the extraordinary general meeting held on 6 March 2025, the Board was granted an authorization to increase the share capital with up to NOK 6,000,000 of the Company's share capital. The authorization was granted solely to facilitate for a previously planned subsequent offering following the Private Placement. The subsequent offering was cancelled by the Company as announced on 24 March 2025. The authorization expires at the Company's annual general meeting, and in any event on 30 June 2025.

13.6 Authorization to acquire treasury Shares

As of the date of this Prospectus, the Company's general meeting has not issued an authorization to acquire treasury Shares.

13.7 Other financial instruments

Please refer to Section 12.6 "Financial instruments, including as part of incentive programs" for a description of outstanding financial instruments issued by the Company.

13.8 Shareholder rights

The Company has one class of Shares on issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all Shares in that class provide equal rights in the Company, including the rights to dividends. Each of the Company's Shares carries one vote. The rights attaching to the Shares are described in Section 13.13 "The Articles of Association and certain aspects of Norwegian law".

13.9 Takeover bids and forced transfer of shares

The Company's Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Company's Shares was listed on Euronext Growth Oslo, which is not a regulated market, up until 23 October 2024. Until that, its Shares was not subject to any statutory legislation relating to takeover bids.

The Company has not received any takeover bids since its inception.

13.10 Change in control

As of the date of this Prospectus, to the knowledge of the Company, there are no arrangements or agreements, which may at a subsequent date result in a change in control in the Company.

13.11 Transferability of the Shares

The Shares are freely transferable pursuant to the Company's articles of association, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal. Pursuant to the Company's articles of association, the Company's Shares shall be registered in the VPS.

13.12 Ownership structure

As of 26 March 2025, the Company had a total of 2,518 registered shareholders in the VPS. An overview of shareholders holding 5% or more of the Shares of the Company as of 26 March 2025 is set out below:

| # | Shareholder | No. of Shares | Percentage |
|---|----------------------------|---------------------------|----------------------|
| 1 | KISTEFOS AS ⁽¹⁾ | 12,657,720 ⁽¹⁾ | 20.04 ⁽¹⁾ |

⁽¹⁾ Out of the 12,657,720 shares owned by Kistefos AS, 2,376,690 shares are under forward contracts with DNB Markets, a part of DNB Bank ASA, and SpareBank 1 Markets AS.

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. See Section 15.8 "Disclosure obligations" for a description of the disclosure obligations pursuant to the Norwegian Securities Trading Act. As at the date of this Prospectus, two (2) shareholders holds 5% or more of the Shares of the Company.

The Company is not aware of any persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

No particular measures are initiated to ensure that control is not abused by large shareholders. Minority shareholders are protected from abuse by relevant regulations in inter alia the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Act. See Section 13.13 "*The Articles of Association and certain aspects of Norwegian law*" and 15.11 "*Compulsory acquisition*" for further information.

13.13 The Articles of Association and certain aspects of Norwegian law

13.13.1 The Articles of Association

The Company's Articles of Association are set out in Appendix A to this Prospectus. Below is a summary of certain of the provisions of the Articles of Association (office translation).

Company name

Pursuant to Section 1 of the Articles of Association, the Company's name is Argeo ASA and it is a public limited liability company.

Purpose of the Company

Pursuant to Section 3 of the Articles of Association, the Company's business is to provide services, participate, and invest in technological, geological, and geophysical activities.

Share capital and nominal value

Pursuant to Section 4 of the Articles of Association, the Company's share capital is NOK 31,588,174.50 divided on 63,176,349 shares, each with a nominal value of NOK 0.50.

Registration in the securities register

Pursuant to Section 5 of the Articles of Association, the Company's shares shall be registered with Euronext VPS.

Trading in the shares

Pursuant to Section 6, the Company's shares are freely transferable. The transfer of shares does not require consent from the Company's Board of Directors, and shareholders do not have pre-emptive rights.

Board of Directors

Pursuant to Section 7, the board of directors shall consist of between five to eight board members.

Nomination committee

Pursuant to Section 8 of the Articles of Association, the Company shall have a nomination committee, which shall consist of between two and four members. The general meeting shall adopt instructions for the nomination committee

General meetings

Pursuant to Section 9 of the Articles of Association, when documents concerning matters to be addressed at the general meeting are made available to the shareholders on the internet site of the Company, the legal requirement for sending the documents to the shareholders does not apply. This also applies to documents that, by law, are required to be included in or attached to the notice of the general meeting. Furthermore, the Board of Directors may decide that shareholders may cast written votes in advance on matters that are to be considered at general meetings of the Company.

Signature

Pursuant to Section 11, the CEO and one board member jointly, and two board members jointly, have signing authority.

Procuration

Pursuant to Section 12, the Board of Directors may grant procuration.

Change of control

There are no provisions in the Articles of Association that would have an effect of delaying, deferring or preventing a change in control of the Company.

13.13.2 *Certain aspects of Norwegian law*

13.13.2.1 *General meetings*

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the date and time of, the venue for and the agenda of the meeting, is sent to all shareholders with a known address no later than 21 days before the date of the annual general meeting of a Norwegian public limited liability company listed on a stock exchange or a regulated market shall be held, unless the articles of association stipulate a longer deadline. The latter is currently not the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at its own discretion. Pursuant to the Norwegian Securities Trading Act, a proxy voting form shall be appended to the notice of the general meeting for a Norwegian public limited liability company listed on a stock exchange or a regulated market unless such form has been made available to the shareholders on the company's website and the notice calling for the meeting includes all information the shareholders need to access the proxy voting forms, including the relevant Internet address.

Under Norwegian law, a shareholder may only exercise rights that pertain to shareholders, including participation in general meetings of shareholders, when it has been registered as a shareholder in the company's register of shareholders maintained with the VPS. Unless the articles of association explicitly states that the right to attend and vote at a general meeting may only be exercised by a shareholder if it has been entered into the company's register of shareholders five working days prior to the general meeting, all shareholders who are registered as such on the date of the general meeting have the right to attend and exercise its voting rights at that meeting. This is the case for the Company i.e. the record date for shareholders to participate at a General Meeting is five working days prior to the date of the relevant general meeting.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice of and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a 14 days' notice period until the next annual general meeting provided that the company has procedures in place allowing shareholders to vote electronically. This has currently not been resolved by the Company's General Meeting.

13.13.2.2 *Voting rights – amendments to the articles of association*

Each Share carries one vote. In general, decisions that shareholders of a Norwegian public limited liability company are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who obtain(s) the most votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favor of the resolution, as well as the majority required for amending the articles of association.

Only a shareholder registered as such with the VPS is entitled to vote for shares of a Norwegian public limited liability company listed on a stock exchange or regulated market. Beneficial owners of the shares who are registered in the name of a nominee are also entitled to vote under Norwegian law, but any person who is designated in the VPS register as the holder of such Shares as a nominee is not entitled to vote under Norwegian law unless being instructed with a proxy by the beneficial owner. A nominee may not meet or vote for shares registered on a nominee account. A shareholder holding Shares through a nominee account must, in order to be eligible to register, meet and vote for such Shares at the general meeting, notify the company two days prior to the date of the relevant general meeting (unless the board of directors prior to sending the notice for the General Meeting has decided on a shorter notification deadline).

There are no quorum requirements that apply to the general meeting of a Norwegian public limited liability company.

13.13.2.3 *Additional issuances and preferential rights*

If the Company issues any new Shares, including bonus share issues, the Articles of Association must be amended, which requires the same vote as other amendments to the Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the Articles of Association, authorize the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorization may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorization is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company.

13.13.2.4 *Minority rights*

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favors certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

13.13.2.5 *Rights of redemption and repurchase of Shares*

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorization to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the General Meeting of the Company cannot be granted for a period exceeding 24 months.

13.13.2.6 *Shareholder vote on certain reorganisations*

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the Articles of Association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

13.13.2.7 Liability of board members

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

13.13.2.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for its Board Members against certain liabilities that they may incur in their capacity as such.

13.13.2.9 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

13.14 Shareholder agreements

The Company is not aware of any shareholders' agreements related to the Shares which will be in force upon the Private Placement.

14 TRANSFER RESTRICTIONS

14.1 General

The Shares may, in certain jurisdictions, be subject to restrictions on transferability and resale and may not be transferred or sold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risk of the investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Receipt of this Prospectus shall not constitute an offer for Shares and this Prospectus is for information only and should not be copied or redistributed. Accordingly, if an existing shareholder receives a copy of this Prospectus, the existing shareholder should not distribute or send the same or transfer the Shares to any person in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If an existing shareholder forwards this Prospectus into any such territories (whether under a contractual or obligation or otherwise), the existing shareholder should direct the recipient's attention to the contents of this Section 14 "*Transfer restrictions*".

The Shares may not be transferred or delivered, directly or indirectly, in or into, any jurisdiction in which it would not be permissible to transfer the Shares and this Prospectus shall not be accessed by any person in any jurisdiction it would not be permissible to transfer the Shares.

The information in this Section 14 "*Transfer restrictions*" is intended as a general guide only. If any recipient is in any doubt of any of the contents of these restrictions, or whether any of these restrictions apply to that recipient, the recipient should obtain independent professional advice without delay.

14.2 United States

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, subject to certain exceptions, may not be offered or sold within the United States.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, was located outside the United States at the time the buy order for the Shares was originated and continues to be located outside the United States and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Prospectus.
- The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognize any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.
- If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged,

represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.
- The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser will not deposit or cause to be deposited such Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.
- The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.
- The purchaser acknowledges that the Company shall not recognize any offer, sale pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.
- If the purchaser is requiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that Company, the Managers and its respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

14.3 European Economic Area (EEA)

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- it is a qualified investor within the meaning of Articles 2(e) of the EU Prospectus Regulation; and
- in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Shares acquired by it in an offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

15 CERTAIN ASPECTS OF SECURITIES TRADING IN NORWAY

Set out below is a summary of certain aspects of securities trading in Norway. The summary is based on the rules and regulations in force in Norway as at the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be a comprehensive description of securities trading in Norway. Investors who wish to clarify aspects of securities trading in Norway should consult with and rely upon their own advisors.

15.1 Introduction

Oslo Børs was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded in Norway through five different marketplaces; Oslo Børs, Euronext Expand, Euronext Growth, Nordic ABM and Oslo Connect. Oslo Børs ASA is 100% owned by Oslo Børs VPS Holding ASA, which was in 2019 acquired by Euronext N.V., a European stock exchange with registered office in Amsterdam and corporate headquarters at La Défense in Greater Paris which operates markets in Amsterdam, Brussels, London, Lisbon, Dublin, Oslo and Paris. Oslo Børs ASA owns 97% of the shares in Fish Pool ASA. Oslo Børs ASA complies with the European code of conduct commitments on service unbundling and accounting separation. Oslo Børs VPS Holding ASA also wholly-owns the Norwegian Central Securities Depository ("**VPS**").

15.2 Market value of shares on Oslo Børs

The market value of all shares on Oslo Børs, including the Shares, may fluctuate significantly, which could cause investors to lose a significant part of their investment. The market value of listed shares could fluctuate significantly in response to a number of factors beyond the respective issuer's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the respective issuer or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships, publicity about the issuer, its products and services or its competitors, lawsuits against the issuer, unforeseen liabilities, changes in management, changes to the regulatory environment in which the issuer operates or general market conditions.

Furthermore, future issuances of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the shares. Any issuer, including the Company, may in the future decide to offer additional shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes, including for refinancing purposes. There are no assurances that any of the issuers on Oslo Børs will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. If a listed company raises additional funds by issuing additional equity securities, the holdings and voting interests of existing shareholders could be diluted, and thereby affect share price.

15.3 Trading and settlement

As of the date of this Prospectus, trading of equities on Oslo Børs is carried out in the electronic trading system Optiq, which is the electronic trading system of Euronext.

Official regular trading for equities on Oslo Børs takes place between 09:00 hours (Oslo time) and 16:20 hours (Oslo time) each trading day, with pre-trade period between 08:15 hours (Oslo time) and 09:00 hours (Oslo time), closing auction from 16:20 hours (Oslo time) to 16:25 hours (Oslo time) and a post-trade period from 16:25 hours (Oslo time) to 17:30 hours (Oslo time). Reporting of after exchange trades can be done until 17:30 hours (Oslo time).

The settlement period for trading on Oslo Børs is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two days after the transaction, and that the seller will receive payment after two days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

15.4 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e. precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

15.5 The VPS and transfer of shares

The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralized securities register. It is a computerized book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded.

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being the Central Bank of Norway'), authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the Company's Articles of Association or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

15.6 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. Beneficial owners of shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such shares unless their ownership is re-registered in their names with the VPS prior to any general meeting of shareholders. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners. There is no assurance that beneficial owners of Shares will receive notices of any General Meetings in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. For more information on nominee accounts, see Section 13.13 "*The Articles of Association and certain aspects of Norwegian law*" under the subheading "Voting rights – amendments to the articles of association".

15.7 Foreign investment in shares listed in Norway

Foreign investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign. Foreign investors are, however, to note that the rights of holders of listed shares of companies incorporated in Norway are governed by Norwegian law and by the respective company's articles of association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a listed company in respect of wrongful acts committed against such company will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against such company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions. For more information, see Section 13.13 "*The Articles of Association and certain aspects of Norwegian law*".

15.8 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

15.9 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Chapter 2 of the Article Market Abuse Regulation (EU) 596/2014, pursuant to Section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

15.10 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and Oslo Børs decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (or provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify Oslo Børs and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by Oslo Børs before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered. The settlement must be guaranteed by a financial institution authorised to provide such guarantees in Norway.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

15.11 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, through a voluntary offer in accordance with the Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorized to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Absent a request for a Norwegian court to set the price or any other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline.

15.12 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

15.13 Other information

15.13.1 *Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares*

The Company may in the future decide to offer and issue new Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk of any future offerings reducing the market price of the Shares and/or diluting their shareholdings in the Company.

15.13.2 *Investors could be unable to recover losses in civil proceedings in jurisdictions other than Norway*

The Company is a public limited liability company organized under the laws of Norway. The majority of the members of the Board of Directors and management reside in Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in non-Norwegian courts, or to enforce judgments on such persons or the Company in other jurisdictions.

15.13.3 *Norwegian law could limit shareholders' ability to bring an action against the Company*

The rights of holders of the Shares are governed by Norwegian law and by the Company's Articles of Association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

15.13.4 *Investors could be unable to exercise their voting rights for Shares registered in a nominee account*

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) could be unable to vote for such Shares unless their ownership is re-registered in their names with the Norwegian Central Securities Depository (VPS) prior to any general meeting of shareholders. There is no assurance that beneficial owners of the Shares will receive the notice of any general meeting of shareholders in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

15.13.5 *Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S. or other shareholders*

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction.

The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares. Doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

16 NORWEGIAN TAXATION

16.1 Introduction

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdiction in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

The summary regarding Norwegian taxation set out in this Section 16 is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law, administrative practice or interpretation occurring after such date. Such changes could possibly be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of Shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be residents in Norway for tax purposes (under domestic tax law or under tax treaties) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

As will be evident from the description, the taxation will differ depending on whether the shareholder is a limited liability company or a natural person.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

16.2 Taxation of dividends

16.2.1 Norwegian Personal Shareholders

Dividends received by shareholders who are natural persons resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable as ordinary income currently at a rate of 22%, to the extent the dividends exceed a statutory tax-free allowance (Nw.: *skjermingsfradrag*). With effect from the fiscal year 2024 the taxable amount is multiplied by a factor of 1.72, resulting in an effective tax rate of 37.84 (22% x 1.72).

The tax-free allowance is calculated on a share-by-share basis. The allowance for each Share is equal to the cost price of the Share multiplied by a determined risk-free interest rate based on the effective rate of interest on treasury bills (Nw. *statskasserveksler*) with three months' maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year and is allocated solely to Norwegian Personal Shareholders holding Shares at the expiration of the relevant calendar year. The risk-free interest rate is published in January in the year following the income year. The risk-free interest rate for 2023 was 3.2%.

Norwegian Personal Shareholders who transfer Shares will thus not be entitled to deduct any calculated tax-free allowance related to the year of the transfer when determining the taxable amount in the year of transfer. Any part of the calculated tax-free allowance one year that exceeds the dividend distributed on a Share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realization of, the same Share.

Norwegian Personal Shareholders may hold the Shares through a Norwegian share saving account (Nw.: *Aksjesparekonto*). Dividends received on Shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the Shares held in the account. Such income will be taxed with an effective tax rate of 37.84, cf. the description above concerning taxation of dividends.

The tax-free allowance is, when investing through share saving accounts, calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income and cannot increase or produce a deductible loss. Any Excess Allowance may be carried forward and set off against future withdrawals from the account.

16.2.2 Norwegian Corporate Shareholders

Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are largely exempt from tax on dividends distributed from the Company, pursuant to the Norwegian participation exemption method (Nw.: *fritaksmetoden*). However, unless the Norwegian Corporate Shareholder holds more than 90% of the Shares and the voting rights of the company, 3% of the dividend income distributed to the Norwegian Corporate Shareholder is taxable as ordinary income at a rate of 22% resulting in an effective tax rate of 0.66% (22% x 3%).

16.2.3 *Non-Norwegian Personal Shareholders*

Dividends distributed to shareholders who are natural persons not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends, and the Company assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual Share (please see Section 16.2.1 "Norwegian Personal Shareholders"). However, the tax-free allowance deduction does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder carries out business activities in or managed from Norway and the Shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have been imposed with a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted, if certain documentation requirements are met. Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders, who are resident in an EEA country may hold the Shares through a Norwegian share saving account (Nw.: *Aksjesparekonto*) to the same extent as Norwegian shareholders. Please refer to Section 16.2.1 "Norwegian Personal Shareholders" above for a description of taxation of shares held on a share saving account.

16.2.4 *Non-Norwegian Corporate Shareholders*

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempted from Norwegian withholding tax, provided that the shareholder is the beneficial owner of the Shares and is considered to be "genuinely established and performs genuine economic activity" in the relevant EEA jurisdiction for Norwegian tax purposes.

If a Non-Norwegian Corporate Shareholder carries out business activities in or managed from Norway and the Shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption method.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either (i) presenting an approved withholding tax refund application or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, certain other documentation requirements must be met, and the relevant documentation must be provided to either the nominee or the account operator registered with the VPS. Non-Norwegian Corporate Shareholders should consult their own advisers regarding the possibility of effectively obtaining a reduced withholding tax rate pursuant to either an applicable tax treaty or the participation exemption method.

16.3 **Taxation of capital gains on realization of shares**

16.3.1 *Norwegian Personal Shareholders*

Sale, redemption or other disposal of Shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of Shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is in 2024 taxable at a rate of 22%. However, with effect from the fiscal year 2024, the taxable capital gain (after the tax-free allowance reduction, cf. below) or tax deductible loss shall be adjusted by a factor of 1.72, resulting in a marginal effective tax rate of 37.84.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of Shares disposed of.

The taxable gain/deductible loss is calculated per Share as the difference between the consideration for the Share and the Norwegian Personal Shareholder's cost price of the Share, including costs incurred in relation to the acquisition or realizations of the Share. Norwegian Personal Shareholders are entitled to deduct a statutory tax-free allowance from any capital gain, provided that such allowance has not already been used to reduce taxable dividend income. Please refer to Section 16.2.1 "Norwegian Personal Shareholders" above for a description of the calculation of the tax-free allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realization of a Share will be annulled.

If the Norwegian Personal Shareholder owns Shares acquired at different points in time, the Shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Gains derived upon the realization of Shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84% (please see Section 16.2.1 "Norwegian Personal Shareholders" above for more information regarding share saving accounts).

16.3.2 *Norwegian Corporate Shareholders*

Norwegian Corporate Shareholders are generally exempt from tax on capital gains derived from the realization of Shares, pursuant to the Norwegian participation exemption method. Correspondingly, losses upon the realization and costs incurred in connection with the purchase and realization of such Shares are not deductible for tax purposes.

16.3.3 *Non-Norwegian Personal Shareholders*

Gains from the sale or other disposal of Shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Shares held by the Non-Norwegian Personal Shareholder are, in effect, connected to business activities carried out in or managed from Norway, or the Shares are held by a Non-Norwegian Personal Shareholder who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the Shares at the time of cessation of Norwegian tax residency.

Please refer to Section 16.2.3 "Non-Norwegian Personal Shareholders" above for a description of the availability of a Norwegian share saving account for Non-Norwegian Personal Shareholders. Please refer to Section 16.2.1 "*Norwegian Personal Shareholders*" for a description of the taxation of dividends on Shares held on a share saving account.

16.3.4 *Non-Norwegian Corporate Shareholders*

Capital gains derived from the sale or other realization of Shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway unless the Shares held by the Non-Norwegian Corporate Shareholder are, in effect, connected with business activities carried out in or managed from Norway.

16.4 **Net wealth tax**

The value of Shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. With effect from the fiscal year 2024, the marginal net wealth tax rate is 1% of the tax assessment value of total net assets exceeding NOK 1.7 million (NOK 3.4 million jointly for married couples), increased to 1.1% of the tax assessment value of total net assets exceeding NOK 20 million. The value for assessment purposes for listed Shares is, with effect from the fiscal year 2024, equal to 80% of the listed value as of 1 January in the year of assessment (i.e., the year following the relevant fiscal year).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders may, however, be liable for Norwegian net wealth tax if the shareholding is, in effect, connected to business activities carried out in or managed from Norway.

16.5 **VAT and transfer tax**

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Shares.

16.6 **Inheritance tax**

A transfer of Shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

16.7 **The Company's responsibility for the withholding of taxes**

The Company is responsible for and shall deduct, report and pay any applicable withholding tax to the Norwegian tax authorities.

17 ADDITIONAL INFORMATION

17.1 Independent auditor

The Company's independent auditor is KPMG AS, with company registration number 935 174 627 and registered business address at Sørkedalsveien 6, 0369 Oslo, Norway. KPMG was elected in an extraordinary general meeting 8 October 2024, and replaced RSM Norge AS. The reason for this change was a strategic decision to engage a larger audit firm to enhance credibility and also to align the audit process with a new governance structure. RSM was the Company's auditor throughout the period covered by the Annual Financial Statements.

The Annual Financial Statements as of and for the years ended 31 December 2023, 2022 and 2021 have been audited by RSM as set forth in their report incorporated by reference to this Prospectus. RSM is a member of The Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforeningen*). KPMG has been the Company's auditor throughout the period covered by the Interim Financial Statement. RSM and KPMG has not audited, reviewed or produced any report on any other information provided in this Prospectus.

17.2 Advisors

Pareto Securities AS (address: Dronning Mauds gate 3, N-0115 Oslo, Norway) and SpareBank 1 Markets AS (address: Olav Vs gate 5, 0161 Oslo, Norway) are acting as joint managers in the Private Placement.

AGP Advokater AS (address: Haakon VII's gate 6, NO-0161 Oslo, Norway) functions as the Company's Norwegian legal counsel.

17.3 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Nye Vakås vei 14, 1395 Hvalstad, Asker, Norway, during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- the Company's certificate of incorporation and Articles of Association;
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in this Prospectus; and
- this Prospectus.

The documents are also available at the Company's website <https://argeo.no/>. The content of <https://argeo.no/> is not incorporated by reference into, or otherwise form part of, this Prospectus.

17.4 Incorporation by reference

The information incorporated by reference in this Prospectus should be read in connection with the cross-reference table set out below. Except from this section, no other information is incorporated by reference in this Prospectus.

| Table 35 – External documents of interest | | | |
|--|--|---|----------------------------------|
| Section in the Prospectus | Disclosure requirement | Reference document and link | Page(s) in reference document |
| Section 4.2 Section 10 , Section 11.3 Section 11.8 Section 11.9 Section 11.10 Section 11.12 Section 17.1 | Annex 1, Section 18, Item 18.1.1 | Annual Financial Statements for 2023, 2022 and 2021 https://argeo.no/wp-content/uploads/2024/05/Argeo-Annual-Report-2023.pdf https://argeo.no/wp-content/uploads/2023/05/Argeo-Annual-Report-2022.pdf https://argeo.no/wp-content/uploads/2022/11/Argeo-Annual-Report-2021.pdf | Pages 14-15, 19-20, 42, 45-64 |
| Section 4.2 Section 5.1.9 Section 10 Section 11.3 Section 11.8 Section 11.9 Section 11.10 Section 11.12 Section 17.1 | Annex 1, Section 18, Item 18.2.1 | Interim Financial Statements for the twelve-month period ended 31 December 2024 https://argeo.no/wp-content/uploads/2025/02/Argeo-Q4-24-report.pdf | Pages 9-16 |

18 DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus:

| Table 36 – Definitions and glossary | |
|--|--|
| Defined terms | Meanings |
| 2021 Options | The 29,000 options granted in April and December 2021 |
| 2024 Options | The 1,487,000 options granted in January 2021 |
| Additional Severance Payment | The severance pay that the CEO, CFO and CTO is entitled to if the non-competition clause, section 9.1 of their employment agreements, is invoked |
| Annual Financial Statements | Audited annual consolidated financial statements as of and for the years ended 31 December 2023, 2022 and 2021 in accordance with IFRS |
| APM | Alternative performance measures |
| Argeo or Company | Argeo ASA |
| Argeo Robotics | Argeo Robotics AS |
| Argeo Survey | Argeo Survey AS |
| Argeo Venture | Argeo Venture (formerly, SW Bell) |
| Articles of Association | The Company's articles of association |
| Board Members or Board of Directors | The members of the Company's board of directors |
| AUVs | Autonomous Underwater Vehicles |
| CET | Central European Time |
| Change of Control Payment | The severance pay that the CEO, CFO and CTO is entitled to if their employment is terminated by their employer within 12 months following a change of majority ownership or a whole or substantial sale of the employer's assets |
| Company | Argeo ASA |
| Corporate Governance Code | The Norwegian Code of Practice for Corporate Governance, dated 14 October 2021 |
| CP | Cathodic protection |
| CPI | Corruption Perceptions Index |
| DSM | Offshore installations, renewables and marine |
| E&P | Development and production |
| EBITDA | Operating profit before depreciation |
| EEA | European Economic Area |
| EGM | The Extraordinary General Meeting |
| ESMA | The European Securities and Markets Authority |
| EU Prospectus Regulation | Regulation (EU) 2017/112 |
| EUR or Euro | The single currency of the EU |
| Excess Allowance | Calculated tax-free allowance |
| Financial Statements | The Interim Financial Statements together with the Annual Financial Statements |
| GBP | The lawful currency of the United Kingdom |
| GDPR | The General Data Protection Regulation (EU) 2016/679 |
| Group | The Company, together with its consolidated subsidiaries |
| HSE | Health, safety and environment |
| IAS 34 | International Accounting Standard 34 "Interim Financial Reporting", as adopted by the EU |
| IEA | International Energy Agency |
| IFRS | International Financial Reporting Standards, as adopted by the EU |
| IMR | Inspection maintenance and repair |
| Interim Financial Statements | The unaudited consolidated financial statements for the twelve-month period ended 31 December 2024 |
| ISIN | International Securities Identification Number |

| | |
|---|--|
| KPMG | KPMG AS, with company registration number 935 174 627. |
| LEI | Legal Entity Identifier |
| Lender | Kistefos AS |
| Managers | Pareto Securities AS and SpareBank 1 Markets AS |
| NCI | National Client Identifier |
| New Shares | Tranche 2 Shares together with the Tranche 1 Shares in the Private Placement |
| NGAAP | Norwegian Generally Accepted Accounting Principles |
| NOK | The lawful currency of Norway |
| Non-Norwegian Shareholders | Corporate Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes |
| Non-Norwegian Shareholders | Personal Shareholders who are natural persons not resident in Norway for tax purposes |
| Norwegian Corporate Shareholders | Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes |
| Norwegian FSA | The Financial Supervisory Authority of Norway |
| Norwegian Personal Shareholders | Shareholders who are natural persons resident in Norway for tax purposes |
| Norwegian Public Limited Liability Companies Act | The Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 |
| Norwegian Securities Trading Act | The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended |
| OBN | Ocean bottom node |
| Oslo Børs or Oslo Stock Exchange | Oslo Børs, a stock exchange operated by Oslo Børs ASA |
| Private Placement | The private placement of 18,750,000 New Shares in the Company, divided in two tranches, the first tranche issued by the Board on 12 February 2025 pursuant to the authorisation granted by the Company's annual general meeting on 6 June 2024, and the second tranche issued by the Company's extraordinary general meeting held on 6 March 2025. |
| Prospectus | The prospectus dated 23 October 2024 |
| QIB | "Qualified Institutional Buyer", as defined in Rule 144A under the U.S. Securities Act |
| Regulation S | Regulation S under the U.S. Securities Act |
| Relevant Member State | Any member state of the EEA, other than Norway |
| ROV | Remotely operated vehicles |
| RSM | RSM Norge AS |
| Rule 144A | Rule 144A under the U.S. Securities Act. |
| Severance Pay | The severance pay that the CEO, CFO, and CTO is entitled to if terminated by their employer |
| Shares | The Company's outstanding shares, each with a par value of NOK 0.50 |
| Share Lending Agreement | Share lending agreement between Kistefos AS as existing shareholder, Pareto Securities AS and SpareBank 1 Markets AS, and the Company. |
| Shearwater | Shearwater Geoservices Holding AS |
| Strategic Alliance | The Company's strategic alliance with Shearwater as described in Section 8.4.6 |
| Tranche 1 Shares | 8,875,000 new Shares issued in the Private Placement, already listed on the Oslo Stock Exchange |
| Tranche 2 | Second tranche of the Private Placement |
| Tranche 2 Shares | 9,875,000 new Shares issued in the Private Placement, the listing of which on the Oslo Stock Exchange are subject to approval and publication of this Prospectus. |
| Tranche 2 Warrants | The 116,897 warrants outstanding and originally granted on 20 April 2021 |
| U.S. Exchange Act | The U.S. Securities Exchange Act of 1934, as amended. |
| U.S. or United States | The United States of America |
| U.S. Securities Act | The United States Securities Act of 1933, as amended. |
| USD or U.S. Dollar | United States Dollars, the lawful currency in the United States. |
| USVs | Unmanned Surface Vehicles |
| VPS | The Norwegian Central Securities Depository |
| VPS Registrar | DNB Bank ASA, registrar's department |

APPENDIX A:

Articles of Association

**VEDTEKTER
FOR
ARGEO ASA**

(org.nr. 913 743 075)

(sist endret 6. mars 2025)

§ 1 – Foretaksnavn

Selskapets navn er Argeo ASA. Selskapet er et allmennaksjeselskap.

§ 2 – Forretningskommune

Selskapets forretningskontorer er i Asker kommune.

§ 3 – Virksomhet

Selskapet virksomhet er å yte tjenester, delta og investere innen teknologiske, geologiske og geofysiske virksomheter.

§ 4 – Aksjekapital

Selskapets aksjekapital er NOK 31 588 174,50 fordelt på 63 176 349 aksjer hver pålydende NOK 0,50.

§ 5 – Registrering i verdipapirregisteret

Aksjene skal være registrert i verdipapirregisteret (Euronext VPS).

§ 6 – Aksjenes omsettelighet

Aksjene i selskapet er fritt omsettelige. Overdragelse av aksjer er ikke betinget av samtykke fra selskapets styre og aksjeeierne har ikke forkjøpsrett.

§ 7 – Styre

Selskapets styre skal bestå av 5 til 8 medlemmer.

**ARTICLES OF ASSOCIATION
FOR
ARGEO ASA**

(reg.no. 913 743 075)

(Last amended on 6 March 2025)

Article 1 – Company name

The company's name is Argeo ASA. The company is a public limited liability company.

Article 2 – Registered office

The company's registered office is in the municipality of Asker.

Article 3 – Business

The Company's business is to provide services, participate, and invest in technological, geological, and geophysical activities.

Article 4 – Share capital

The company's share capital is NOK 31,588,174.50 divided on 63,176,349 shares, each with a nominal value of NOK 0.50.

Article 5 – Registration in the securities register

The company's shares shall be registered with Euronext VPS.

Article 6 – Trading in the shares

The shares of the company are freely tradable. The transfer of shares does not require consent from the company's board of directors, and shareholders do not have pre-emptive rights.

Article 7 – Board of directors

The company's board shall comprise 5 to 8 members.

§ 8 - Valgkomité

Selskapet skal ha en nominasjonskomité som skal bestå av mellom to og fire medlemmer.

Nominasjonskomitéen fremmer forslag til generalforsamlingen om (i) valg av styrets leder, styremedlemmer og eventuelle varamedlemmer, og (ii) valg av medlemmer til nominasjonskomitéen. Nominasjonskomitéen fremmer videre forslag til generalforsamlingen om honorar til styret og nominasjonskomitéen, som fastsettes av generalforsamlingen. Generalforsamlingen skal fastsette instruks for nominasjonskomitéen.

§ 9 – Generalforsamling

På den ordinære generalforsamling skal følgende saker behandles og avgjøres:

1. godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte;
2. valg av styremedlemmer og revisor (dersom disse er på valg); og
3. andre saker som etter loven eller vedtektene hører under generalforsamlingen.

Når dokumenter som gjelder saker skal behandles på generalforsamlingen er gjort tilgjengelige for aksjeeierne på selskapets nettsider gjelder ikke allmennaksjelovens krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen

Styret kan beslutte at aksjeeiere kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den

Article 8 – Nomination committee

The company shall have a nomination committee which shall consist of between two and four members.

The nomination committee shall present proposals to the general meeting regarding (i) election of the chair of the board, board members and any deputy members, and (ii) election of members of the nomination committee. The nomination committee shall also present proposals to the general meeting for remuneration of the board and the nomination committee, which is to be determined by the general meeting. The general meeting shall adopt instructions for the nomination committee.

Article 9 – General meeting

The ordinary general meeting shall address and resolve the following issues:

1. adoption of the annual financial statement and the annual report, including the distribution of dividends;
2. election of board members and auditors (if these are to be elected); and
3. any other matters which by virtue of law or the articles of association fall under the auspices of the general meeting.

When documents regarding matters which are to be dealt with at the general meeting have been made available on the internet site of the Company, the requirements in the Norwegian Public Limited Liability Companies Act which state that these documents shall be sent to the shareholders, shall not apply. This exemption is also applicable with regards to documents which according to statutory law shall be included in or attached to the notice of the general meeting.

The board may decide that shareholders may cast written votes in advance on matters that are to be considered at general meetings of the company. Such votes may also be cast by use of electronic communication. The possibility to vote in advance is conditional upon a satisfactory method for authenticating each user being available. The board

enkelte generalforsamling. Styret kan fastsette nærmere retningslinjer for skriftlige forhåndsstemmer. Det skal fremgå av innkallingen til generalforsamlingen om det er gitt adgang til forhåndsstemming og hvilke retningslinjer som eventuelt er fastsatt for slik stemmegivning.

§ 10 – Elektronisk kommunikasjon

Selskapet kan bruke elektronisk kommunikasjon når det skal gi meldinger, varslar, informasjon, dokumenter, underretninger ol. etter allmennaksjeloven til aksjeeierne.

§ 11 – Signaturrett

Daglig leder og ett styremedlem i fellesskap og to styremedlemmer i fellesskap har signaturrett.

§ 12 – Prokura

Styret kan meddele prokura.

decides whether such a method is available in advance of each general meeting. The board may determine further guidelines for voting in advance. The notice for the general meeting shall state whether it is permitted to vote in advance and the guidelines, if any, that apply to such voting.

Article 10 – Electronic communication

The company may utilize electronic communication when it is to provide messages, notices, information, documents etc. pursuant to the Norwegian Public Limited Liability Companies Act to the shareholders.

Article 11 - Signature

The chief executive officer and one board member jointly, and two board members jointly, have signing authority.

Article 12 - Procuration

The board of directors may grant procuracy.



ARGEO ASA

Nye Vakås vei 14
1395 Hvalstad
Norway

Managers

Pareto Securities AS
Dronning Mauds gate 3
0250 Oslo
Norway

SpareBank 1 Markets AS
Olav Vs gate 5
0161 Oslo
Norway

Legal advisor to the Company



AGP Advokater AS
Haakon VIIIs gate 6
0161 Oslo
Norway