



A BOLD SOLUTION TO OUR
GLOBAL ENERGY NEEDS

QUARTERLY PRESENTATION Q4 2023
08.02.2024



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Ocean Sun in brief

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Fast-growing market

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Unique technology for Floating PV

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Extensive project pipeline¹

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Scalable & asset light business model

5

Experienced & committed team



Our solution

Inspired by nature,
we provide the lowest cost
and the best performing
floating solar system
available on the market



Proprietary technology for Floating PV

The world's best FPV system

- Low CAPEX
 - Lowest material use
 - Fast and easy installation
 - Lean transportation
- High efficiency – water cooled
- Seaworthy



Highlighted developments

- The BOOST offshore floater at La Palma was launched during December. This demonstrator marks the final milestone in the three-year-long R&D project, BOOST, focused on validating a solution for ocean floating PV that was supported by the European Union. The floater was structurally completed, anchored, and formally opened in December with local dignitaries at site. However, electrical completion and commissioning of the system was still pending delivery of components for connection to land. During the time that the system was unconnected, there occurred overload causing short circuit damage to panels and subsequently the membrane. All panels and the membrane have therefore temporarily been removed while considering next steps.
- Good progress and strong interest in India, including the signing of two MoUs with major market players during a visit to the country in October. Following the signing, work is ongoing to realize demonstration units for the Indian market. India is one of the most promising markets for floating solar with established regulation and high acceptance of the need for floating solar. The country has already installed more than half a gigawatt of FPV capacity and has announced plans of several gigawatts in the years to come.
- Following the settlement of a patent dispute earlier this year, Ocean Sun and Inseanergy have entered into a cooperation agreement to supply green energy systems based on Ocean Sun's floating PV technology to the aquaculture industry worldwide.
- Delivered prefeasibility studies to four customers in EMA and Asia, which serves as a good indication of customer interest for future projects.
- Successful delivery of all materials to the inland demo in Spain for one of Europe's largest developers. All set for construction early 2024.

Update, ongoing projects

Hydropower Segment

Banja, Albania

- 2 MWp for Statkraft
- Commissioned in Dec 2022

Full system continues to perform well and be a good showcase for potential clients.

Good development on further improving O&M procedures.

Magat, Philippines

- 250 kWp for Scatec/SNAP
- Commissioned in Jun 2019

Demonstration unit producing according to plan and above reference system.

Inland demo, Spain

- 250 kWp for world leading IPP
- Expt. commissioning Q1'24

We are constructing a demonstrator for one of the world's largest renewable independent power producers. The system is sold on a turnkey basis. All materials are purchased and on site. Construction start is pending water level in the reservoir but estimated to Q1'24.

Update, upcoming projects previously communicated

Nearshore segment

EDP/Sunseap, Singapore

- 1.2 MWp for EDP
- Deployed in Singapore strait

The detailed engineering and design of the two-float system has been completed and partly paid. Project still delayed due to factors outside of Ocean Sun's control.

Keppel, Singapore

- 1.5 MWp for Keppel
- Deployed near Jurong Island

Detailed engineering started and customer has paid the first milestone payment. Progress in the project has been halted by issues with the grid connection, that is currently being solved. We still expect the project to continue during the first half of 2024.

MP Quantum, Greece

- 2*2 MWp for MP Quantum
- Nearshore in Greece

In 2021, MP Quantum Group (MP) and Ocean Sun signed a long-term collaboration agreement for floating solar in Greece and the Republic of Cyprus. Work with the two demonstration facilities, for which license fees have been paid is ongoing, but the progress is halted due to a cumbersome process related with various permits. Many of the challenges have been resolved.

Financials

- Profit and loss
- Balance sheet
- Cash flow
- Equity statement

Income statement (Consolidated)

	Unaudited Q4'23	Unaudited Q4'22	Unaudited FY 23	Audited 2022
Income				
Revenue	1 215	909	3 153	3 767
Other income	4 636	1 864	13 267	6 613
Total operating income	5 852	2 774	16 420	10 380
Operating expenses				
Raw materials and consumables used	(1 370)	-	(5 057)	(402)
Employee cost	(4 849)	(4 420)	(20 735)	(17 511)
Depreciation	(3)	(5)	(13)	(18)
Other Operating expenses	(4 056)	(3 510)	(12 115)	(11 842)
Total operating expenses	(10 278)	(7 934)	(37 920)	(29 773)
Operating result	(4 426)	(5 160)	(21 500)	(19 393)
Financial income				
Interest income	521	498	2 150	967
Other financial income	102	232	1 275	489
Total financial income	623	729	3 425	1 456
Financial expenses				
Interest expenses	(10)	-	(11)	(5)
Other financial expenses	(134)	(14)	(306)	(210)
Total financial expenses	(144)	(14)	(317)	(215)
Net financial items	479	716	3 108	1 241
Result before taxes	(3 947)	(4 445)	(18 391)	(18 152)
Taxes	(0)	3	(4)	(1)
Result after taxes	(3 947)	(4 441)	(18 395)	(18 153)

Comments

Ocean Sun's revenue in Q4 2023 totalled NOK 1.2 million and relates to the inland-demo in Spain and full and partial payments of four prefeasibility studies. The high number of prefeasibility studies is exciting as it is a good indication of customer interest for future projects.

Other income relates to recognized contribution from research grants. During Q4 2023 most of the contribution relates to the BOOST project, where the full-scale demonstrator was completed in December. Other contributions come from Skattefunn, grants from Innovation Norway (Green Platform) and IPN.

COGS recognised in the quarter relate to purchases for the BOOST project and the inland-demo.

Balance sheet (Consolidated)

NOK'000	<i>Unaudited</i> 31.12.23	<i>Audited</i> 31.12.22
ASSETS		
Non-current assets		
Office equipment	26	19
Total non-current assets	26	19
Current assets		
Receivables		
Accounts receivables	945	3 622
Other receivables	4 720	4 759
Total receivables	5 664	8 382
Cash and equivalents		
Cash and cash equivalents	46 745	62 766
Total cash and equivalents	46 745	62 766
Total current assets	52 410	71 147
Total assets	52 436	71 167
Equity and liabilities		
Equity		
Total Equity	45 439	63 137
Current liabilities		
Accounts payables	1 809	760
Taxes and public duties	848	725
Other payables	4 341	6 546
Total current liabilities	6 998	8 030
Total liabilities	6 998	8 030
Total Equity and liabilities	52 436	71 167

Balance sheet per 31.12.2023

- Cash and cash equivalents amounted to NOK 46.8 million, of which NOK 2.0 million was restricted cash. The equity ratio was 87% and the company had no interest-bearing debt.
- Other receivables relate to accrued revenue from R&D projects and purchased materials.
- Other payables consisted of provisions for personnel and board expenses as well as prepayments from customers and a prepayment of the EIC grant related to the BOOST project.

Cash flow statement (Consolidated)

	<i>Unaudited</i> Q4'23	<i>Unaudited</i> Q4'22	<i>Unaudited</i> 2023	<i>Audited</i> 2022
Operating activities				
Result before tax	(3 947)	(4 441)	(18 395)	(18 153)
Depreciations	3	5	13	18
Cost of share option program	264	(72)	803	130
Provision for bad debts	-	-	-	178
Change in accounts receivables	(411)	(2 851)	2 678	(3 800)
Change in other current assets	3 265	1 468	38	6 003
Change in accounts payable	1 481	(91)	1 049	(1 695)
Change in other current liabilities	1 928	433	(2 267)	3 007
Cash flow from operating activities	2 583	(5 550)	(16 081)	(14 313)
Investments				
Other investments	-	-	20	-
Cash flow from investment activities	-	-	20	-
Foreign currency effects on cash	(12)	(36)	39	88
Net cash flow in the period	2 571	(5 586)	(16 022)	(14 225)
Cash and cash equivalents at the beginning of the period	44 174	68 352	62 766	76 991
Cash and cash equivalents at the end of the period	46 745	62 766	46 745	62 766

Cash development 01.10-31.12.2023

- Cash flow from operations amounted to NOK 2.6 million in Q4 2023 due to positive fluctuations in the working capital, offsetting the negative result
- Total cash and cash equivalents as per 31.12.2023 amounted to NOK 46.8 million. The cash position of the company is sound.

Equity statement (Consolidated)

	<i>Unaudited</i>					
	Share capital	Own shares	Share premium	Share based payment reserves	Uncovered losses	Total
At 1st of January 2023	450	(0)	62 550	137	-	63 137
Profit/Loss for the period	-	-	-	-	(14 448)	(14 448)
Share option program	-	-	-	539	-	539
Currency translation differences	-	-	(20)	(1)	(89)	(110)
At 1 October 2023	450	(0)	62 529	675	(14 536)	49 117
Profit/Loss for the period	-	-	-	-	(3 947)	(3 947)
Share option program	-	-	-	264	-	264
Currency translation differences	-	-	-	(6)	10	4
At 31 December 2023	450	(0)	62 529	933	(18 474)	45 438



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