

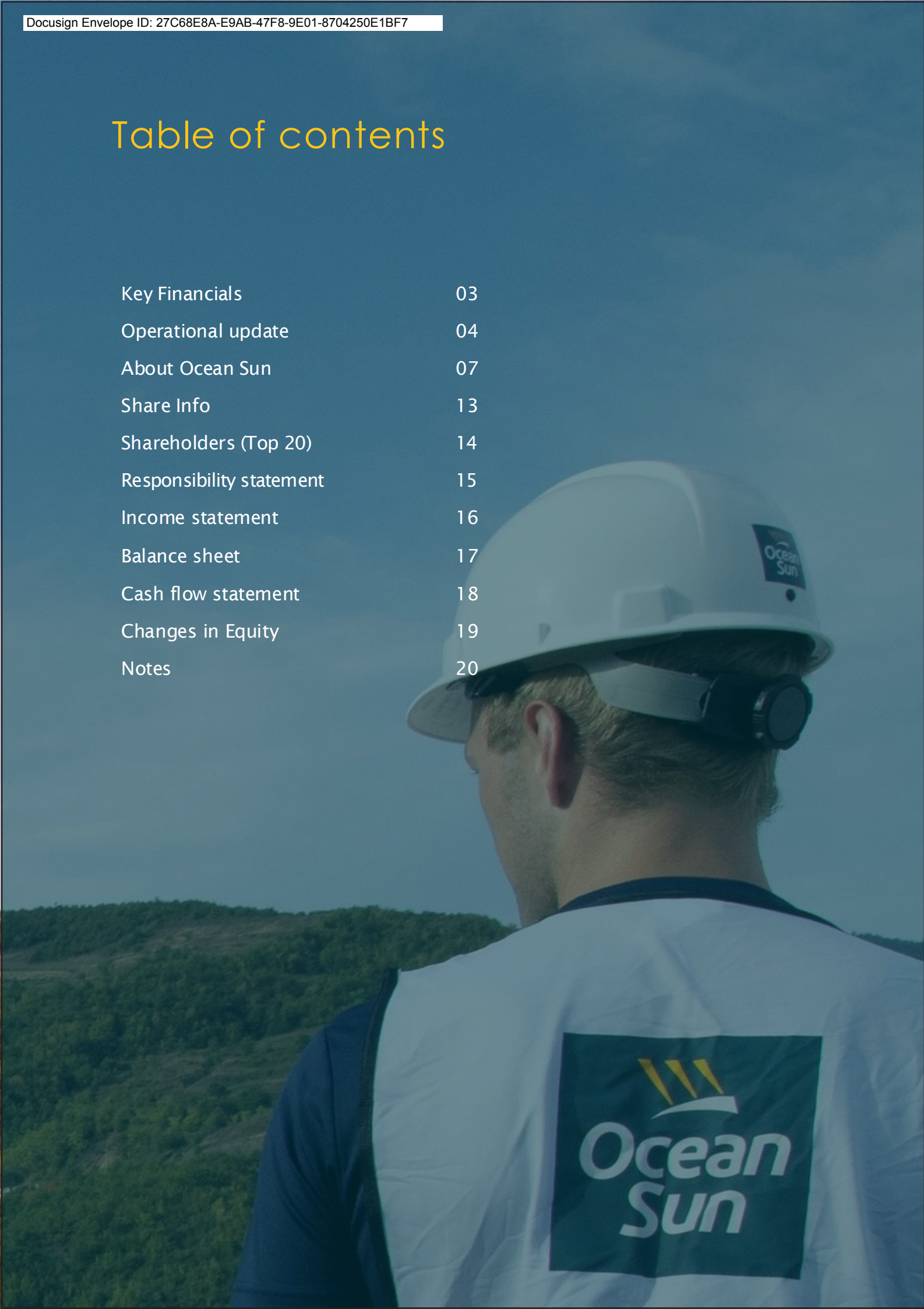
SECOND QUARTER & HALF YEAR REPORT

2024



Table of contents

Key Financials	03
Operational update	04
About Ocean Sun	07
Share Info	13
Shareholders (Top 20)	14
Responsibility statement	15
Income statement	16
Balance sheet	17
Cash flow statement	18
Changes in Equity	19
Notes	20



Key financials

10.0 MNOK

Operating income
H1 2024

-6.7 MNOK

Result H1 2024

-9.4 MNOK

Net cash flow H1 2024

37.3 MNOK

Cash and cash equivalents
at 30 June 2024



Operational Update

Financial results

Ocean Sun's Q2 2024 revenue totalled NOK 2.4 million (Q2 2023: NOK 0.5 million). This includes NOK 0.1 million as the first instalment of the license fee from the Soneva project in the Maldives and NOK 0.8 million from the Acciona project, which was completed early in the quarter. The remaining revenue comes from the sale of goods. Additionally, research grants amounting to NOK 2.1 million were recognized during the quarter (Q2 2023: NOK 2.1 million). The company reported an operating loss of NOK 4.7 million in Q2 2024 (Q2 2023: NOK 4.5 million), including a non-recurring cost of approximately NOK 0.3 million for interim financial reporting services.

Net financial income for Q2 2024 was NOK 0.5 million (Q2 2023: NOK 0.6 million), primarily due to interest income from cash and cash equivalents. The net cash flow for the quarter was NOK -1.6 million (Q2 2023: NOK -5.7 million), largely resulting from the operating loss, partially offset by positive working capital effects.

Total operating income for the first half of 2024 reached NOK 10.0 million (H1 2023: NOK 4.7 million), with research grants contributing NOK 6.5 million. The company recorded an operating loss of NOK 7.6 million in the first six months of 2024 (H1 2023: NOK 11.1 million).

Net financial income for the first half of 2024 was NOK 0.9 million, mainly driven by interest income from cash and cash equivalents. The net cash flow for the first half of 2024 amounted to NOK -9.4 million (H1 2023: NOK -11.6 million), primarily due to the operating loss and an increase in working capital.

As of June 30, 2024, cash and cash equivalents stood at approximately NOK 37.3 million, with NOK 0.9 million in restricted funds. The equity ratio was 85%, and the company had no interest-bearing debt.

Ocean Sun stock saw significantly higher trading volumes in Q2 2024, largely due to one institutional investor selling 2 million shares that were acquired during the IPO.

Completed projects

In Q1 2024, we delivered a 250 kWp demonstrator system to ACCIONA in Spain. As a leader in sustainable infrastructure and renewable energy, ACCIONA is using this system to explore the potential of floating solar in a real-world setting. The installation allows Acciona to gather valuable insights into construction, operation, and maintenance, which will help in scaling up the technology for broader commercial use. The system is performing well, and our partnership with ACCIONA remains strong.

During Q2, we commissioned the world's northernmost floating solar installation, integrated with a fish farm in Voldsfjorden, Møre og Romsdal, Norway. This 160 kWp double ring system, developed in partnership with Inseanergy, marks a milestone in combining floating solar technology with aquaculture. The system is designed to handle the region's harsh conditions, including winter storms and waves. Being the first project under our valued collaboration with Inseanergy, we look forward to undertaking several similar initiatives in the near future.

Our full-scale demonstrator for Statkraft in Albania (2 MWp) has received considerable attention in the first half of 2024, and we are actively working to test, make improvements and implement new learnings to ensure the ongoing production is in line with expectations. Testing and improving our module cleaning solution is a focus, to mitigate the frequent sandstorms present in the region. This work will continue in the second half of 2024 as well.

The Magat project, owned by SNAP/Scatec, in the Philippines (250 kWp) turned 5 years in June and continues to perform according to expectations. We are also here implementing improvements based on learnings from other locations.

Operational Update

Ongoing active projects

In June 2024, Ocean Sun announced the commencement of a groundbreaking 2MWp floating solar power system at Soneva Secret, a luxurious resort in the Maldives. The project is carried out in partnership with Canopy Power and is Ocean Sun's first fully commercial project. Once completed, it will also be the world's largest floating solar installation connected to a resort.

Work on the installation has already begun with detailed engineering ongoing and orders for long lead items placed. Ocean Sun sees this as the first of many similar installations for the thousands of islands in need of renewable energy. Canopy Power is a great partner in this pursuit, and we look forward to deepen our collaboration with them.

The R&D project in La Palma, known as the BOOST project, is still at shore. Learnings from the event in January have been analysed in detail, and we see there are more potential root causes to the module failure than previously concluded. We aim to complete the engineering work and initiate re-launch of this project in 2024. The BOOST project location is ideal for Ocean Sun to continue R&D and test our most robust designs under harsh conditions as we aim to compete with other technologies offshore in the coming years.

Engineering and feasibility studies

Engineering and site optimised designs are an integral part of an Ocean Sun's delivery and is sold as a package before we invest engineering hours in a new opportunity. For most projects, this is a key milestone in the sales process. During the first half of 2024, work has been ongoing with several such studies and additional agreements have been signed for delivery in the second half of the year in East Asia, Southeast Asia, Latin America and Southern Europe. These feasibility studies have become an integral part of our sales strategy, as they provide early revenue and helps the customer make quicker decision about their project.

Governmental funding

Following the completion of the BOOST project at year end 2023, Ocean Sun has intensified the work with acquiring additional soft funding and has now been granted funding from Innovation Norway, totalling NOK 3.9 million, for a project focused on the operation and performance of Ocean Sun's FPV systems. The project started in Q2 2024 and has a duration of 2 years.

Backlog

In addition to the 2MWp Maldives project, Ocean Sun has a backlog of one project in Greece and one project in Singapore totalling 5.5 MWp. Both projects have signed license agreements, are partly paid, and we are actively working with our partners to initiate construction. The 1.2MW project signed with Sunseap in Singapore in March 2022 will not be built as originally planned and is therefore no longer considered Backlog.

In terms of pipeline, we are actively engaging in several projects in key markets in line with our strategy. Below project list covers the 13 most mature projects in our sales pipeline, totalling 36.4 MWp. All projects are expected to close within a year, and meet our requirements in terms of maturity, customer, location, and sea-state,

Southeast Asia: 17.6 MWp (6 Projects)

Americas: 11 MWp (2 projects)

Europe: 6.2MWp (3 projects)

Northeast Asia: 1.5 MWp (2 projects)

Other defined projects currently being worked on and are continuations of the pilot projects included in the pipeline, are now more than 600MWp.

Operational Update

Organisation

On 15 February 2024, Kristian Tørvold was promoted to CEO effective immediately, replacing Ocean Sun's founder Børge Bjørneklett, who left the company. During the first months under Kristian, Ocean Sun pointed out a more defined and focused strategy, including employee empowerment and an increased focus on targeted pipeline growth, primarily within the reservoir and sheltered nearshore market segments.

This was followed by a process of strengthening the team with a new Chief Product Officer (CPO) and Chief Operating Officer (COO) during Q2. With more than 400 relevant applicants combined for the two roles we are glad to see the strong interest in our company, but more so for filling the two positions with top tier candidates that will join us during the fall.

David Knutsen, joining as CPO brings over a decade of experience in the maritime industry, having played a pivotal role in the development of the world's first floating LNG transfer system as Co-founder and CTO of EConnect Energy AS. His expertise in marine technology and experience in product development and scaling innovative solutions will be invaluable to Ocean Sun as we continue to expand our offerings. David holds a Master's degree in Marine Technology from the Norwegian University of Science and Technology (NTNU).

Carl Petter Lehne (COO) joins Ocean Sun after a successful tenure at Metier, where he led the Industry and Infrastructure Group. With a rich background in managing complex infrastructure projects, including key roles at Multiconsult engineering projects, Carl Petter brings a deep understanding of best practices in project development, management and execution. His knowledge will be instrumental in guiding Ocean Sun through its current scale-up phase. Carl Petter holds a Master's degree in Civil Engineering with a focus on Marine Technology and Geotechnical Engineering from the Technical University of Denmark (DTU).

About Ocean Sun

A **bold** solution to our global energy needs

Inspired by nature, our patented technology is based on solar modules mounted on hydro-elastic membranes and offers cost and performance benefits not seen in any other floating PV system today.

With offices in Oslo, Singapore and Shanghai, Ocean Sun is embarking on its vision to become the world's leading technology provider of floating solar.

Our values



Responsible

We develop sustainable solutions in harmony with nature



Innovative

We are committed to continuous improvements to our solutions



Simplicity

We create value by working smart and following the highest quality standards



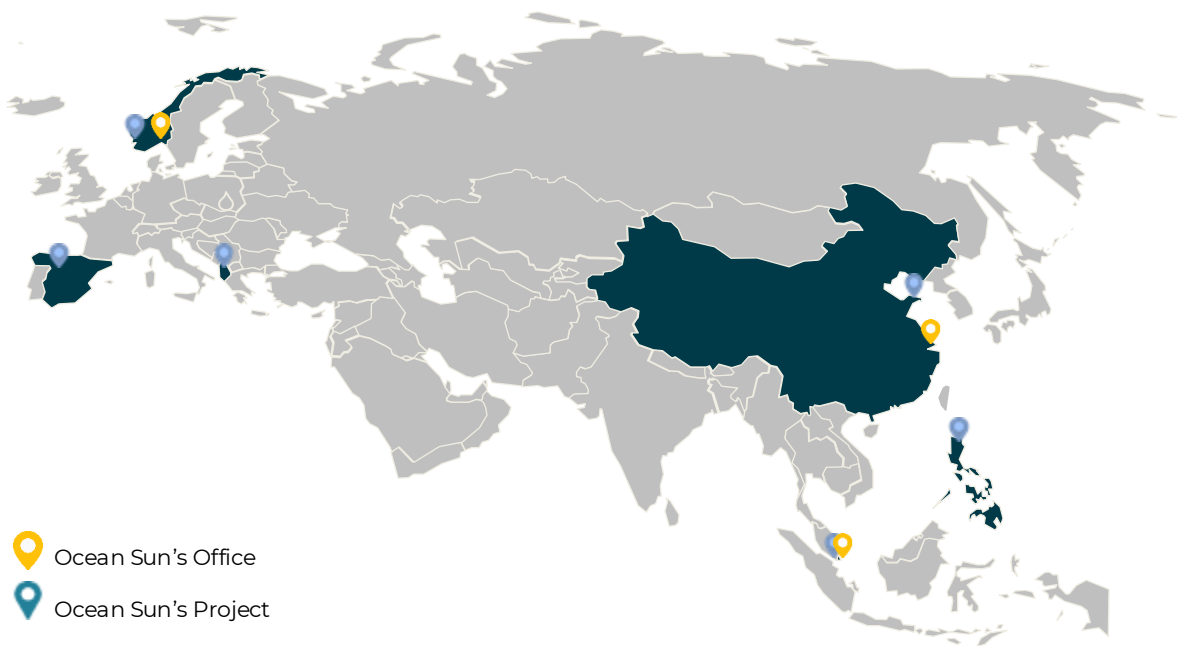
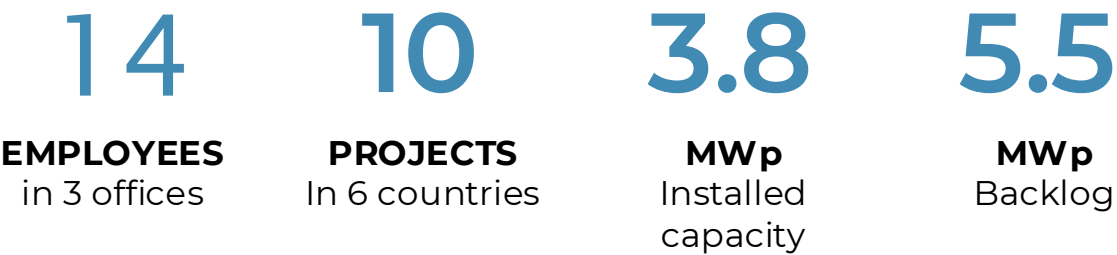
Supportive

We bring out the best in each other, as a team and among our partners

Ocean Sun in brief

Ocean Sun is a technology provider, offering license agreements to developers and independent power producers worldwide. Our technology offers the lowest levelised cost of energy of any FPV solution available, thanks to the lean design and the cooling effect from the water which increases the power output from the solar modules.

Working towards a renewable energy future, we have installed ten demonstration systems on two continents. Since its foundation, Ocean Sun has been working towards its vision to be a world leading technology provider of floating solar.



The need for floating PV

According to the International Energy Agency (IEA) “solar PV is becoming the lowest-cost option for new electricity generation in most of the world”. The IEA also forecasts that we will need 5,000 GWp of installed solar capacity by 2030 of installed solar capacity to reach the Net Zero Goals. This would require extensive areas of land, equivalent to almost 15 million football pitches. Finding suitable deployment space, close to existing grid and energy consumption is therefore an increasing problem for developers around the world.

On the other hand, water covers 71 per cent of our planet’s surface, and a majority of the world’s densely populated areas, the electricity demand centres, are located close to water.

By utilising these water assets, floating PV can facilitate a new era of large-scale solar power generation.

Studies indicate that covering only 10 per cent of the world’s hydropower reservoirs with floating solar would produce 4,000 GWp of solar capacity.

Co-locating with hydropower also enables the use of existing grid infrastructure, thus reducing the overall investment cost. Adding natural lakes, rivers and the ocean to this, the potential for floating solar becomes unlimited.

However, to unlock the full potential of floating solar, the industry needs a technology that is both cheaper and more reliable, in order to reduce the investment gap between floating solar and ground-mounted PV.

Ocean Sun’s solution has this potential and offers increased robustness and lower cost, bringing CAPEX closer to that of ground-mounted PV.

Ocean Sun’s Value proposition – The world’s best FPV system

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

Benefits of FPV

- Reduced land use
- Co-sitting benefits with hydro and wind
- Production closer to consumption
- Aqua culture benefits
- Reduced evaporation

Strategy

Ocean Sun is a technology provider, licensing its patented technology to developers and EPCs. This business model facilitates rapid scalability, reduces project risk and enables the company to remain asset-light.

The company’s main revenue will come from license fees payable per Watt peak installed, in addition to engineering fees.

Ocean Sun targets utility-scale projects, collaborating globally with EPCs and developers with a local presence.

Our strategic priorities

1. Increase revenue through market focus
2. Continuous technology improvement and cost reduction
3. Improve the customer experience during installation and operation

FPV market segments

Benign waters	Reservoir	Islands	Nearshore	Offshore
Segment positives				
Lion’s share of installed capacity -> established market	Rising interest from HPP-operators, unlimited potential	Large demand for low-cost energy to reduce dependence on diesel.	Proximity to demand	Strong interest from O&G and offshore wind for FEED
Segment negatives				
Multiple suppliers, primarily pontoon-based	Few installations on HPP to date	Lower capacity per project, and scattered locations	Undefined market regulation	Challenging operational environment
Segment potential				
Low/medium	High	High	High	Medium (wind farms, Power to X)
Segment readiness				
Established	Expanding but not mature near/mid-term	Microgrid solutions already established	Testing phase mid-term	R&D phase long-term
Ocean Sun’s position				
Important for cumulating track record	Target segment for OS which has unique selling points	The best suited technology and business model for this market	OS has a unique commercial solution, focus mid-term	Focus for R&D activities

Our climate benefits

RENEWABLE ENERGY

Ocean Sun offers a technology that provides affordable renewable energy with minimal impact on the environment

NO LAND USE

Not using land resources prevents deforestation and avoids conflicts with agriculture and urbanisation, while reducing grid connection cost and power losses

MORE POWER OUTPUT

Water cooling of the solar panels enables up to 10% more power production with the same materials

WATER RESOURCE MANAGEMENT

The system reduces evaporation, underwater sunlight exposure and mitigates algae growth challenges

LESS MATERIALS

Ocean Sun uses up to 65% less plastic, 90% less aluminium and 50% less copper compared to other FPV solutions

LEAN TRANSPORTATION

Material efficiency and dense packaging of membrane results in ~10x lower packaging volume than for pontoon-based FPV systems.

About Ocean Sun

Climate **impact** potential

A 100 MWp Ocean Sun FPV plant at SEA would:

Save 157 000 tonnes of CO₂ per year

That is equivalent to the emissions from the cars in a medium sized city for a whole year

~ 34 000 Cars



Save 300 hectares of land

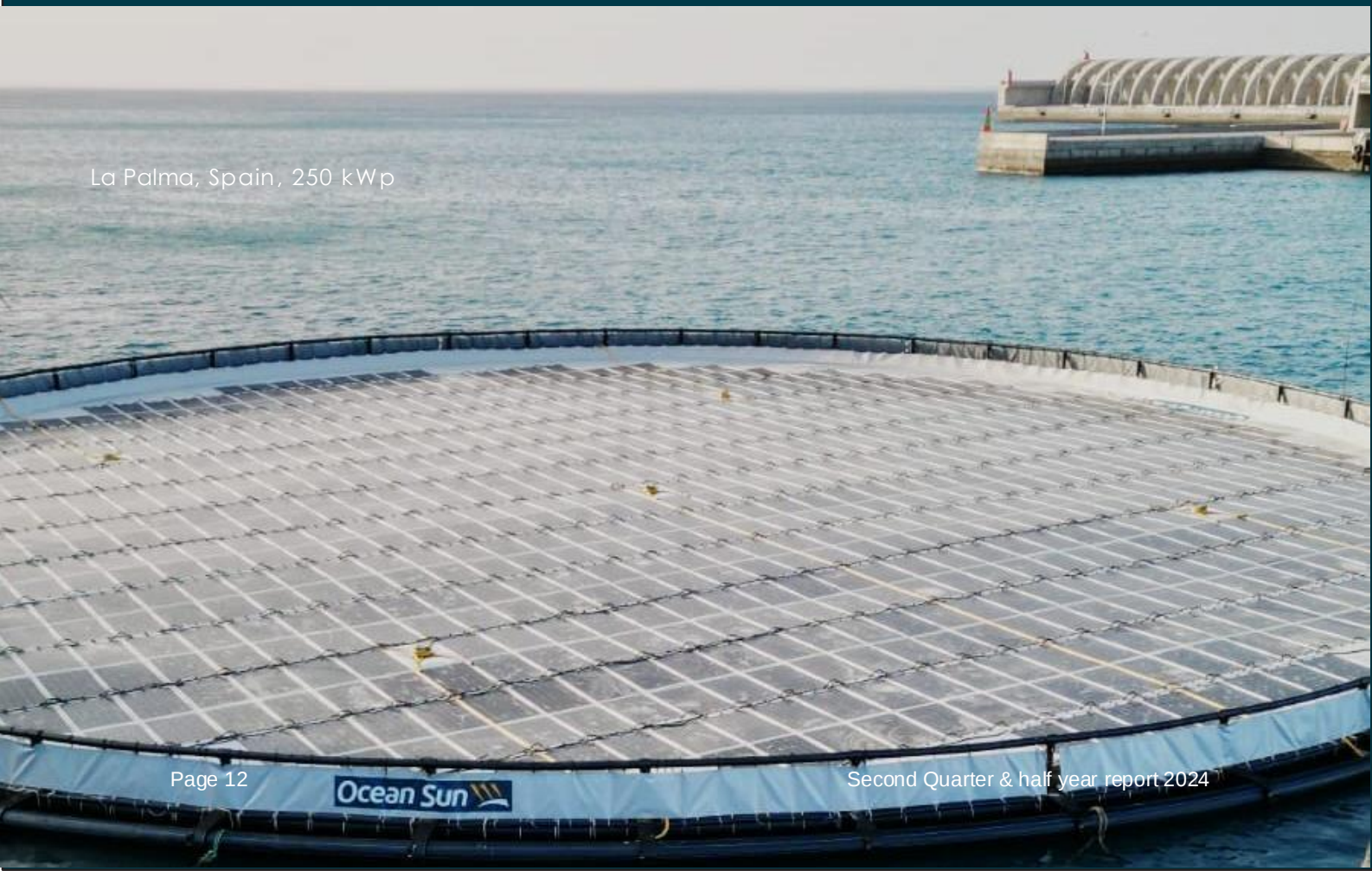
No need to take up valuable land or contribute to deforestation. This is the equivalent of:

~ 120 football pitches



Source: <https://www.irena.org/Data/View-data-by-topic/Climate-Change/Avoided-Emissions-Calculator>

La Palma, Spain, 250 kWp



Share info

About our shares

Ocean Sun has been listed on Euronext Growth Oslo since 26 October 2020, under the ticker OSUN. The listing price for Ocean Sun was NOK 18 per share and the price as at 30 June 2024 was NOK 2.16 per share.

The company has 44,986,200 outstanding shares. The share capital as at 30 June 2024, amounted to NOK 449,862.

Number of shares:	44,986,200
Votes:	44,986,200
Listing price:	NOK 18.00
Highest price H1 24:	NOK 4.40
Lowest price H1 24:	NOK 2.16
Market cap 30 Jun 2024:	NOK 97 170 192
Auditor:	Ernst & Young AS

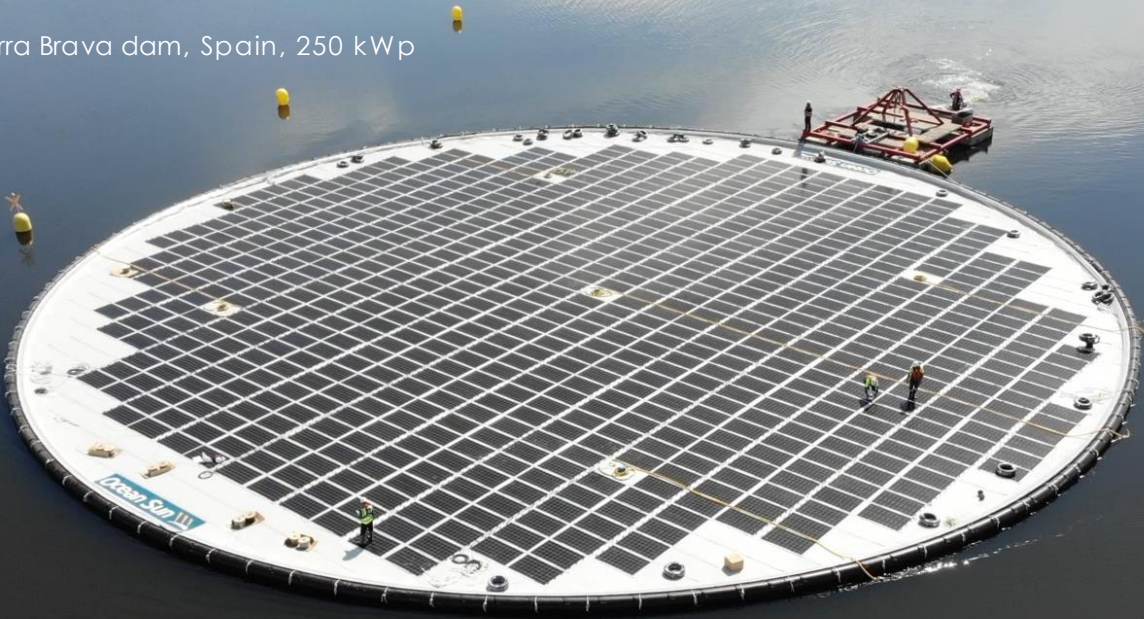
Financial calendar

Event	Date
Half yearly report	29 August 2024
Q3 Report	7 November 2024
Q4 Report	13 February 2025

Contacts

Kristian Tørvold, CEO	+47 970 88 847
Karl Lawenius, CFO	+47 456 33 881

Sierra Brava dam, Spain, 250 kWp



Top 20 shareholders

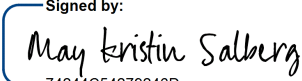
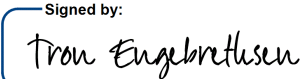
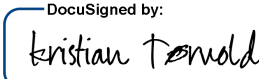
Name	Holding	Stake
DR.ING. BØRGE BJØRNEKLETT AS	9 242 500	20,55%
KVANTIA AS	8 126 888	18,07%
PROGRESSI AS	6 326 100	14,06%
UMOE AS	4 000 000	8,89%
MP PENSJON PK	2 017 966	4,49%
SAUAR INVEST AS	1 330 738	2,96%
Morgan Stanley & Co. Int. Plc.	1 038 214	2,31%
OPULENS INVEST AS	1 000 000	2,22%
UBS AG LONDON BRANCH	959 000	2,13%
Bank Pictet & Cie (Europe) AG	796 423	1,77%
CAMILLA SCHIØLL	741 909	1,65%
Citibank Europe plc	629 813	1,40%
CAABY AS	535 700	1,19%
CLEARSTREAM BANKING S.A.	517 627	1,15%
NORDNET LIVSFORSIKRING AS	405 076	0,90%
Bkraft Holding AS	400 000	0,89%
Saxo Bank A/S	381 241	0,85%
Nordnet Bank AB	241 126	0,54%
BJØRN SVEUM	202 100	0,45%
GREEN TUNDRA AS	201 900	0,45%
Subtotal top 20 shareholders	39 094 321	86,90%
Other	5 891 879	13,10%
Total	44 986 200	100,00%

As at 30 June 2023

Responsibility statement

The Board of Directors has considered and approved the consolidated interim financial statements of Ocean Sun AS (“the Company”) for the second quarter 2024 and the half year ended 30 June 2024. The interim report has not been audited or reviewed by the Company’s independent auditor. In our opinion, the accounting policies used are appropriate, and the interim report gives a true and fair view of the Company’s financial position as of 30 June 2024, as well as the results from the Company’s operations during the quarter, including cash flows for the period ended 30 June 2024. In our opinion, Management’s review provides a true and fair presentation of developments, results for the respective periods, and overall financial position of the Company’s operation. No changes in the Company’s most significant risks and uncertainties have occurred relative to the disclosures in the annual report for 2023.

Fornebu, 29 August 2024

Signed by:  74244C54279246D... May Kristin Salberg Board Chair	DocuSigned by:  8D413C258CE7442... Kristin Abyholm Board member	Signed by:  8505FFD6B77C45F... Trond Moengen Board member
Signed by:  9A035CF5D5A242A... Tron Engebretsen Board member	DocuSigned by:  4057A74E0F0B4A1... Kristian Tørvold CEO	

Income statement

Consolidated financial statements

All numbers in NOK'000

	Note	Unaudited Q2'24	Unaudited Q2'23	Unaudited YTD 24	Unaudited YTD 23	Audited 2023
Income						
Revenue	2	2 361	485	3 511	485	3 153
Other income	2	2 110	2 075	6 500	4 202	13 673
Total operating income		4 471	2 560	10 011	4 687	16 827
Operating expenses						
Raw materials and consumables used		(1 503)	(45)	(2 370)	(48)	(5 732)
Employee cost		(4 003)	(4 432)	(9 697)	(9 848)	(20 735)
Depreciation		(0)	(3)	(3)	(7)	(13)
Other Operating expenses		(3 642)	(2 576)	(5 585)	(5 864)	(12 115)
Total operating expenses		(9 148)	(7 056)	(17 654)	(15 767)	(38 595)
Operating result		(4 677)	(4 496)	(7 643)	(11 080)	(21 768)
Financial income						
Interest income		526	520	927	1 055	2 150
Other financial income		98	101	229	287	1 275
Total financial income		624	621	1 156	1 343	3 425
Financial expenses						
Interest expenses		-	(0)	(1)	(0)	(11)
Other financial expenses		(124)	(28)	(170)	(110)	(307)
Total financial expenses		(124)	(28)	(171)	(110)	(318)
Net financial items		500	593	984	1 233	3 107
Result before taxes		(4 177)	(3 903)	(6 659)	(9 847)	(18 661)
Taxes		(1)	(2)	(2)	(2)	(4)
Result after taxes		(4 178)	(3 904)	(6 661)	(9 849)	(18 665)

Balance sheet

Consolidated financial statements

All numbers in NOK'000

	Note	Unaudited 30.06.24	Audited 31.12.23
ASSETS			
Non-current assets			
Office equipment		7	26
Total non-current assets		7	26
Current assets			
Receivables			
Accounts receivables		3 528	944
Other receivables	3	4 471	5 126
Total receivables		7 998	6 071
Cash and equivalents			
Cash and cash equivalents	4	37 301	46 745
Total cash and equivalents		37 301	46 745
Total current assets		45 300	52 815
Total assets		45 307	52 841
EQUITY AND LIABILITIES			
Equity			
Paid in capital			
Share capital		450	450
Treasury shares		(0)	(0)
Share-based payment reserves		1 166	933
Share premium		43 733	43 786
Total paid in capital		45 349	45 169
Uncovered losses			
Translation reserves		22	31
Accumulated loss		(6 670)	(18 774)
Cover uncovered losses		-	18 743
Total uncovered losses		(6 648)	-
Total Equity		38 701	45 169
Current liabilities			
Accounts payables		2 638	2 483
Taxes and public duties		1 016	848
Other payables		2 952	4 341
Total current liabilities		6 606	7 672
Total liabilities		6 606	7 672
Total Equity and liabilities		45 307	52 841

Cash flow statement

Consolidated financial statements

All numbers in NOK'000

	Unaudited Q2'24	Unaudited Q2'23	Unaudited YTD 24	Unaudited YTD 23	Audited 2023
Operating activities					
Result before tax	(4 178)	(3 904)	(6 661)	(9 849)	(18 665)
Depreciations	0	3	3	7	13
Cost of share option program	(25)	186	228	274	803
Change in accounts receivables	(3 086)	388	(2 584)	3 011	2 679
Change in other current assets	3 730	(1 480)	656	(5 143)	(368)
Change in accounts payable	2 059	310	155	224	1 724
Change in other current liabilities	(3)	(1 253)	(1 244)	(201)	(2 267)
Cash flow from operating activities	(1 504)	(5 750)	(9 447)	(11 677)	(16 081)
Investments					
Other investments/divestments	(17)	20	(17)	20	20
Cash flow from investment activities	(17)	20	(17)	20	20
Foreign currency effects on cash	(50)	2	21	77	39
Net cash flow in the period	(1 571)	(5 728)	(9 444)	(11 580)	(16 022)
Cash and cash equivalents at the beginning of the period	38 872	56 914	46 745	62 766	62 766
Cash and cash equivalents at the end of the period	37 301	51 186	37 301	51 186	46 745

Changes in equity (unaudited)

Consolidated financial statements

All numbers in NOK'000

	Share capital	Own shares	Share premium	Share based payment reserves	Uncovered losses	Total
At 1st of January 2024	450	(0)	43 786	933	-	45 169
Profit/Loss for the period	-	-	-	-	(2 482)	(2 482)
Share option program	-	-	-	254	-	254
Currency translation differences	-	-	(40)	12	14	(15)
At 1 April 2023	450	(0)	43 746	1 198	(2 468)	42 926
Profit/Loss for the period	-	-	-	-	(4 178)	(4 178)
Share option programme	-	-	-	(25)	-	(25)
Currency translation differences	-	-	(13)	(7)	(1)	(21)
At 30 June 202	450	(0)	43 733	1 166	(6 648)	38 701

Notes

Note 1 – Basis for preparation

The financial information has been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles. This financial information should be read together with the annual report for the year ended 31 December 2023. The accounting policies adopted in the preparation of this financial information are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023. As a result of rounding differences numbers or percentages may not add up to the total.

Note 2 – Operating income

	Q2'24	Q2'23	YTD 24	YTD 23	2023
Revenue					
License revenue	107	167	107	167	167
Service and engineering revenue	0	318	426	318	1 027
Turnkey projects	765		1 490		1 959
Product sales	1 489	-	1 487	-	-
Subtotal Revenue	2 361	485	3 511	485	3 153
Other income					
Grants from EU (BOOST Project)	-	1 273	3 502	1 924	8 196
Grants from Innovation Norway	334	628	861	1 790	2 229
Grants from Research Council of Norway	1 754	174	2 108	453	2 695
Other	23	-	28	35	553
Subtotal other revenue	2 110	2 075	6 500	4 202	13 673
Total operating Income	4 471	2 560	10 011	4 687	16 827

Note 3 – Other receivables

	30.06.24	31.12.23
Material for projects	1 718	2 027
Accrued income contribution projects	2 600	2 464
Other	153	635
Total other receivables	4 471	5 126

Note 4 – Cash and cash equivalents

	30.06.24	31.12.23
Restricted cash*	860	860
Bank Guarantee **	-	1 158
Cash	36 441	44 727
Total cash and equivalents	37 301	46 745

*Restricted cash is reserved withholding tax related to employees

** Bank guarantee for Statkraft Albania project



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