



A BOLD SOLUTION TO OUR
GLOBAL ENERGY NEEDS

QUARTERLY PRESENTATION Q3 2023
08.11.2023



Content

- Ocean Sun in brief
- Operations and business development
- Financials



Ocean Sun in brief

1 Fast-growing market

2 Unique technology for Floating PV

3 Extensive project pipeline¹

4 Scalable & asset light business model

5 Experienced & committed team



Note: 1) "Pipeline" means potential projects where the Group is in discussions with possible customers, but where no binding contract or commitment exists. The likelihood of such projects

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



Operations and business development

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.

Good activity and progress in the Hydrosun project. The project aims to develop the worlds first hybrid integrated power plant.

For more information, take a look at the video on this link:
<https://www.youtube.com/watch?v=vNDQB3s74wo>

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 independent power producers. The system is sold on a turnkey basis. All materials are purchased and has started to arrive on site. Current plan is to start construction early next year.

Offshore

BOOST, Spain

- EU funded R&D project
- Expt. commissioning Dec 2023

Our Horizon 2020 R&D project is approaching its end. The 250 kWp offshore demonstrator that is part of the project will be installed during November 2023 with expected commissioning in December. Ocean Sun is responsible for the full EPC scope using subcontractors.

Update, upcoming projects

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 has been delayed due to factors outside of Ocean Sun's control. Customer is working on these issues and expect the continuation of the project with ordering of material during Q1'24.

Keppel, Singapore

- 1.5 MWp for Keppel
- Deployed near Jurong Island

Work has started with the detailed engineering of the project and customer has paid the first milestone payment. Progress in the project has been halted by issues with the grid connection which is now about to be solved. We expect the project to start ordering material in Q1'2024 with construction of the system in Q2'24.

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 and we expect installation of the projects during 2024.

Inseanergy collaboration

Project update

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.

The aquaculture industry in Norway and abroad has a large need to reduce emissions and Ocean Sun's floating solar technology is perfectly suited for reducing fossil fuel consumption. Inseanergy is an ideal partner, as a system integrator, and in reaching the large and widespread market internationally.



Ocean Sun pilot for Lerøy Seafood at Kyrholmen, Norway in 2018

Activity update

Following successful participation at the clean energy summit in Kerala earlier this year and several promising digital meetings, our CEO returned to India earlier this fall. The trip included meetings with several larger entities and governmental bodies. It also resulted in the signing of two Letter of Intents for development of full-scale demonstrators. The first Lol was signed with SJVN, a governmental body overseeing a portfolio of 58 GWp. The second was signed with Anert, an agency under the government of Kerala. The Kerala region have a prosperity of hydro power assets with potential for hybridization.

India is an important future market for Ocean Sun. The Indian government has set ambitious climate targets for the upcoming year and more than 1.7 GWp (Bloomberg NEF) of future FPV projects have been publicly announced so far.



Signing ceremony with SJVN

Financials

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

Income statement (Consolidated)

	Unaudited Q3'23	Unaudited Q3'22	Unaudited YTD 23	Unaudited YTD 22	Audited 2022
Income					
Revenue	1 452	1 102	1 938	2 857	3 767
Other income	4 429	1 619	8 631	4 748	6 613
Total operating income	5 881	2 722	10 569	7 606	10 380
Operating expenses					
Raw materials and consumables used	(3 640)	-	(3 688)	(402)	(402)
Employee cost	(6 038)	(5 056)	(15 886)	(13 091)	(17 511)
Depreciation	(3)	(5)	(10)	(14)	(18)
Other Operating expenses	(2 195)	(2 255)	(8 058)	(8 155)	(11 842)
Total operating expenses	(11 876)	(7 315)	(27 643)	(21 661)	(29 773)
Operating result	(5 994)	(4 594)	(17 074)	(14 055)	(19 393)
Financial income					
Interest income	573	253	1 629	469	967
Other financial income	886	86	1 174	250	489
Total financial income	1 459	339	2 802	719	1 456
Financial expenses					
Interest expenses	(0)	(1)	(1)	(5)	(5)
Other financial expenses	(62)	(124)	(172)	(197)	(210)
Total financial expenses	(63)	(125)	(173)	(201)	(215)
Net financial items	1 397	215	2 630	518	1 241
Result before taxes	(4 597)	(4 379)	(14 444)	(13 537)	(18 152)
Taxes	(2)	(3)	(4)	(4)	(1)
Result after taxes	(4 599)	(4 382)	(14 448)	(13 541)	(18 153)

Comments

Ocean Sun's revenue in Q3 2023 totalled NOK 1.5 million and relates to the inland-demo in Spain. The project is a turn-key delivery.

Other income relates to recognized contribution from research grants. During Q3 2022 Ocean Sun recognized revenue from Skattefunn, grants from Innovation Norway (Green Platform) and the research council of Norway and BOOST. The increase in grant revenue in Q3 is related to an intensification of the BOOST project and the purchase of materials for the demonstrator.

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

Balance sheet (Consolidated)

NOK'000	Unaudited 30.09.23	Audited 31.12.22
ASSETS		
Non-current assets		
Office equipment	29	19
Total non-current assets	29	19
Current assets		
Receivables		
Accounts receivables	534	3 622
Other receivables	7 985	4 759
Total receivables	8 518	8 382
Cash and equivalents		
Cash and cash equivalents	44 174	62 766
Total cash and equivalents	44 174	62 766
Total current assets	52 693	71 147
Total assets	52 722	71 167
Equity and liabilities		
Equity		
Total Equity	49 117	63 137
Current liabilities		
Accounts payables	328	760
Taxes and public duties	(11)	725
Other payables	3 288	6 546
Total current liabilities	3 605	8 030
Total liabilities	3 605	8 030
Total Equity and liabilities	52 722	71 167

Balance sheet per 30.09.2023

- Cash and cash equivalents amounted to NOK 44.2 million, of which NOK 1.9 million was restricted cash. The equity ratio was 93% and the company had no interest-bearing debt. As such, Ocean Sun's cash position remains strong.
- Other receivables primarily relate to accrued revenue from R&D projects.
- Other payables consisted of provisions for personnel and board expenses as well as prepayment of the EIC grant related to the BOOST project.

Cash flow statement (Consolidated)

	Unaudited Q3'23	Unaudited Q3'22	Unaudited YTD 23	Unaudited YTD 22	Audited 2022
Operating activities					
Result before tax	(4 599)	(4 382)	(14 448)	(13 541)	(18 153)
Depreciations	3	5	10	14	18
Cost of share option program	265	56	539	138	130
Provision for bad debts	-	-	-	-	178
Change in accounts receivables	77	729	3 088	(1 252)	(3 800)
Change in other current assets	1 917	2 430	(3 226)	4 846	6 003
Change in accounts payable	(655)	(960)	(431)	(1 604)	(1 695)
Change in other current liabilities	(4 001)	2 861	(4 196)	2 635	3 007
Cash flow from operating activities	(6 992)	740	(18 663)	(8 764)	(14 313)
Investments					
Other investments	-	-	20	-	-
Cash flow from investment activities	-	-	20	-	-
Foreign currency effects on cash	(20)	44	51	126	88
Net cash flow in the period	(7 012)	783	(18 592)	(8 639)	(14 225)
Cash and cash equivalents at the beginning of the period	51 186	67 569	62 766	76 991	76 991
Cash and cash equivalents at the end of the period	44 174	68 352	44 174	68 352	62 766

Cash development 01.07-30.09.2023

- Cash flow from operations amounted to -NOK 7.0 million in Q3 2023.
- Total cash and cash equivalents as per 30.09.2023 amounted to NOK 44.2 million. The cash position of the company is sound.

Equity statement (Consolidated)

	<i>Unaudited</i>					Total
	Share capital	Own shares	Share premium	Share based payment reserves	Uncovered losses	
At 1st of January 2023	450	(0)	62 550	137	-	63 137
Profit/Loss for the period	-	-	-	-	(9 849)	(9 849)
Share option program	-	-	-	274	-	274
Currency translation differences	-	-	(20)	1	(63)	(83)
At 1 July 2023	450	(0)	62 529	411	(9 912)	53 479
Profit/Loss for the period	-	-	-	-	(4 599)	(4 599)
Share option program	-	-	-	265	-	265
Currency translation differences	-	-	-	(2)	(26)	(28)
At 30 September 2023	450	(0)	62 529	675	(14 536)	49 117



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