



Second Quarter & Half Year Report

2022

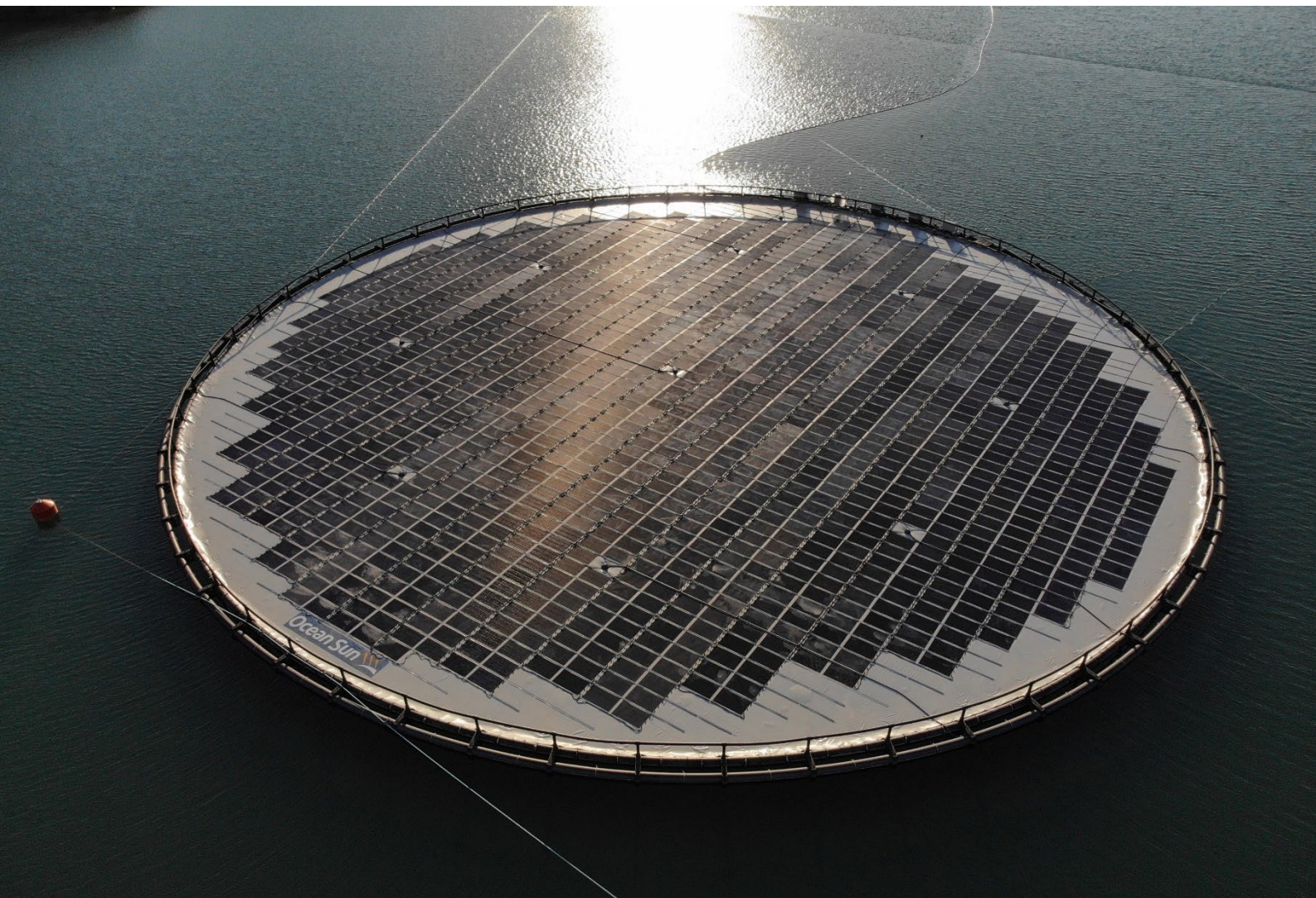


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Picture: Panel installment at Banja ~1600 panels can be installed in one day

HIGHLIGHTS

March	<hr/> Ocean Sun and Sunseap to construct milestone near shore floating solar system in Singapore Strait. <hr/>	April	<hr/> Statkraft's Banja Floating Solar Plant, based on Ocean Sun's innovative floating technology, restarts commercial operation. <hr/>
July	<hr/> Statkraft moves ahead with final stage of the Banja Floating Solar Plant bringing total installation to 2 MWp. <hr/>	July	<hr/> Ocean Sun signs a technology licence agreement for a 0.5 MWp offshore pilot in Haiyang, Shandong, China. <hr/>
July	<hr/> Ocean Sun and Keppel sign a Licence Agreement for a 1.5 MWp floating PV project to be deployed near Jurong Island in Singapore. <hr/>		

KEY FINANCIALS

NOK 4.9 MILLION

Operating income
First half year 2022

NOK -9.2 MILLION

Result
First half year 2022

NOK -9.4 MILLION

Net cash flow
First half year 2022

NOK 67.6 MILLION

Cash and cash equivalents
per 30.06.2022

OPERATIONAL UPDATE

Revenue model

Ocean Sun has designed and developed a patented and superior technology for floating solar power generation. The company operates as a technology provider, offering its customers access to the technology along with Front End Engineering Design (FEED) services to help them utilize it. While Ocean Sun's main revenue source will be licence fees on project contracts, greater focus has been placed on generating earnings from FEED services during the first half of 2022. This is in part because an upfront payment separates the serious prospective clients, and enables us to provide better services and estimates to our customers early in the relationship. During the first half of 2022, Ocean Sun recorded its first revenue from FEED services, and we expect more such revenue as our customer discussions starts materializing.

During Q2 2022, Ocean Sun also had revenue from the sale of goods. The material was bought from Ocean Sun's developed supply chain and sold to a customer in China. In this case, the object was to simplify project execution for the licensing customer and no large margins were made.

Financial Results

Ocean Sun's revenue in Q2 2022 totalled NOK 811,000 (NOK 25,000). Of this, NOK 115,000 relates to the first instalment of the licence fee from a project in Singapore, NOK 263,000 relates to service and engineering fees from one project in Singapore and one project in China. NOK 433,000 relates to the sale of material to Sunneng, our partner for two projects in Shandong Province, China. Total recognized contribution from research grants amounted to NOK 2.4 million in the quarter (NOK 2.0 million). The company made an operating loss of NOK 4.6 million in Q2 2022 (NOK -3.8 million). This includes a non-recurring cost of ~NOK 650,000 for an interim CFO. The increased deficit compared to the corresponding period last year is primarily attributable to increased costs as the organisation has grown.

Ocean Sun reported a net financial income of NOK 235,000 in Q2 2022, mainly relating to interest income from cash and cash equivalents and foreign exchange gains. Net cash flow in the quarter came to NOK -6.0 million (NOK -4.9

million). This is primarily attributable to the period's operating loss as well as an increase in receivables.

Revenue in first half of 2022 amounted to NOK 1.8 million (NOK 25,000). Of this, NOK 1.0 million relates to licence fees from one project in Singapore and one in Greece, NOK 307,000 relates to service and engineering fees from one project in Singapore and one project in China. NOK 433,000 relates to the sale of material referred to above. The total contribution from research grants amounted to NOK 3.1 million in the quarter (NOK 3.6 million). The company made an operating loss of NOK 9.5 million in the first six months of 2022 (NOK -7.1 million), which includes a non-recurring cost ~NOK 1.2 million for an interim CFO. The increased deficit compared to the corresponding period last year is otherwise primarily due to increased costs as the organisation has grown.

The net financial income of NOK 304,000 mainly relates to interest income from cash and cash equivalents and foreign exchange gains. Net cash flow in the first half of 2022 was NOK -9.4 million (NOK -5.5 million). This is primarily attributable to the operating loss in the period.

Cash and cash equivalents amounted to ~NOK 67.6 million as at 30 June 2022, of which NOK 0.8 million were restricted funds. The equity ratio was 93% and the company had no interest-bearing debt. As such, Ocean Sun is well capitalized with available liquidity to support current operations and future growth.

Projects

Banja Dam, Statkraft installation, Albania

Ocean Sun and Statkraft have signed an agreement to construct a 2 MWp floating solar power plant on the 72-megawatt Banja HPP in Albania. On 1 April 2022, the first floater restarted commercial operations after an incident last summer and is now generating renewable energy to the Albanian national electricity grid. The first unit covers nearly 4,000 square metres and has an installed capacity of 500 kWp, with almost 1,600 solar panels. Power production from the unit is stable and corresponds well with the optimistic forecasts.

On 5 July 2022, Statkraft issued the Notice to

Proceed for the additional three rings, bringing the total installation to 2 MWp. Orders for material have been placed and construction is expected to commence in the autumn of 2022. The Notice to Proceed is a final confirmation of Statkraft's continued belief in Ocean Sun and its technology following the incident which damaged the first ring in June 2021. When completed, the system will be Ocean Sun's first multi-ring system and thus confirm Ocean Sun's ability to provide utility-scale projects.

Magat Dam, SN Aboitiz Power (SNAP)/Scatec installation, Philippines

The 223 kWp system, which has been built for SN Aboitiz Power, a joint venture between Aboitiz Power and Scatec, is the largest and longest operational floating solar installation in the Philippines. It marked its third anniversary in June 2022 and has gone through three typhoon seasons with strong winds and high precipitation without damage or other negative impacts to the structure.

The system continues to deliver well and shows about 10% higher power output compared with the land-based reference system installed at the site. This is due to the heat dissipation to the water that is cooling of the modules.

When initially installed, the focus was to demonstrate the structural excellence of the technology and prove it could operate in this typhoon-exposed area. While this has indeed been achieved, many other parts of Ocean Sun's concept have developed during the three years the system has been operational. The system will therefore be upgraded during Q3-Q4 2022 with new panels to reach 250 kWp. It will also be given upgraded cable management and protection in accordance with current Ocean Sun standards.

Offshore and nearshore demonstration units in Shandong, Sunneng Technology, China

Ocean Sun has signed two separate licence agreements with the Chinese EPC company Sunneng Technology to demonstrate the technology for Chinese renewable developers.

The first agreement was signed with Sunneng and funded by String Capital, a Beijing-based energy investment fund, and is for the construction of a

1 MWp near-shore demonstration unit outside Yantai in Shandong Province.

After close cooperation preparing for the Yantai demonstration unit, a second agreement was signed in July 2022, this time for the construction of a 0.5 MWp offshore pilot connected to a wind turbine in Haiyang, also in Shandong Province. The project is funded by State Power Investment Corporation (SPIC), a Chinese state-owned power plant investor and the world's largest PV asset owner. The project is Ocean Sun's first truly offshore installation, and the first offshore wind and solar hybrid project utilizing SPIC's existing power infrastructure. It has the potential to open up the large market for combined offshore solar and wind power generation.

Material orders have been placed for the two projects. The Haiyang pilot is scheduled for construction in Q3 2022, with the near-shore demonstration unit in Yantai being completed soon thereafter.

The waters around Shandong see annual typhoons, with challenging sea conditions especially for the offshore pilot. All the involved parties are therefore aware of the risks associated with these projects. However, Ocean Sun is keen to use the lessons learned from these exposed project sites to further improve its product. Shandong Province is projecting the construction of 42 GWp of floating solar installations in the next few years. Successful execution of the present projects will make Ocean Sun a strong contender for parts of this volume.

The Haiyang pilot with SPIC also has a significant upside, because the remaining wind turbines at the site can also be connected to floaters, creating an opportunity for a 20 MWp installation in 2023. This is one of several SPIC-owned wind power plants in the area.

Singapore Strait, Sunseap, Singapore

In March 2022, Ocean Sun and Sunseap signed an agreement for a 1.2 MWp floating PV project to be deployed near shore in Singapore.

The detailed engineering and design of the two-float system has been completed. Orders for

materials are expected to be placed during Q3 2022, with construction of the system taking place in Q1–Q2 2023.

When completed, the system will be the largest floating solar installation in the Singapore Strait and will pave the way for utility-scale developments in Singapore and Southeast Asia.

Jurong Island, Keppel Infrastructure, Singapore

In July 2022, Ocean Sun and Keppel signed an agreement for a 1.5 MWp floating PV project to be deployed near Jurong Island in Singapore.

The project is funded by a government grant focusing on reducing the climate impact of industrial activity on Jurong Island and was selected because of its potential for commercialization and scalability. Keppel, a powerhouse within construction and energy developments, also has ambitious plans for floating solar in Singapore and the region. The project is expected to be completed in Q4 2023.

Nearshore collaboration agreement, MP Quantum, 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. During the first half of 2022, work intensified around two separate demonstration facilities, and MP paid the licence fee for one of the systems in Q1 2022. Permits, off-take agreements and construction plans are being finalized by MP, while Ocean Sun has prepared the detailed engineering and design of the facilities. In addition, MP is working on a legal framework to simplify the permit application process for future utility-scale installations.

Organization

Ocean Sun has appointed Ivar Blekastad as its new Chief Operating Officer (COO). Mr Blekastad has more than 15 years of experience from the PV industry and in-depth knowledge of the entire value chain. He will take up his appointment in Q4 2022. Mr Blekastad has spent the last 10 years of his career at Norwegian Crystals, serving in a variety of roles including COO, CCO and CPO. Before that, he worked for four years at Rec Solar



as a VP of Operations and seven years at Hydro as a plant manager. Mr Blekastad holds an MSc in Reliability and Risk Analysis from the University of Stavanger. Ocean Sun's current COO, Nenad Keseric, will leave the company at the end of Q3 2022.

Market opportunities

On top of the general transition to renewable energy, Norway, Europe and other parts of the world are in the midst of an energy crisis, with high energy prices and forecasts of supply shortages. This is driving the demand for renewable energy in general and solar energy in particular, as it has the potential to secure a green and domestic energy supply relatively quickly. However, there are still challenges with the current regulations, or lack thereof, in many markets, and consequently the time it takes to get permission to build renewable installations. Furthermore, component and logistic costs remain high. However, due to Ocean Sun's competitive advantages, such as increased power output, reduced material use and lower transportation volume, the company is favourably positioned in relation to our competitors.

In Europe, the 0.5 MWp installation with Statkraft in Albania, including the planned construction of three additional floaters during the autumn, will bring the total installation to 2 MWp. The installation has attracted a lot of international attention and works well as a reference and demonstration facility, since it gives potential customers the chance to view the technology first-hand. Several prominent European energy players have already visited the installation and more visits are being scheduled. The Statkraft installation also confirms Ocean Sun's ability to provide utility-scale projects, which is being noted. In Greece, two demonstration installations, with a combined total of 4MW, have been contracted with our local partner. Together, we have a clear ambition for further expansion into utility-scale systems.

Several European energy and O&G giants are also showing interest in Ocean Sun for FPV in combination with larger offshore wind parks and FPSO installations. While realization of such projects is typically further down the road, upfront engineering projects can provide Ocean Sun with valuable knowledge and engineering fees already in the quarters to come.

The Chinese market is still the world's largest floating solar market but has started to place heavy restrictions on floating solar arrays on lakes and reservoirs. This follows several rounds of damaged and completely destroyed pontoon-based powerplants. At the same time, there is a central push towards floating solar in coastal areas, where pontoon-based solutions are no option. This development, along with strategic market initiatives, creates a favourable position for Ocean Sun. The first region to benefit from this central push was Shandong Province, where Ocean Sun already has two ongoing developments. There is also a growing demand in the coastal provinces of Jiangsu and Zhejiang, where Ocean Sun is in dialogue with relevant parties. However, China has experienced regional Covid-19 related lockdowns in 2022, and Ocean Sun's Shanghai team was confined in their homes for nine weeks in Q2, resulting in some delays in project execution. Heavy restrictions and sporadic lockdowns are still ongoing, which has a negative impact on travel and project follow-up. Nevertheless, the work with large and reliable strategic Chinese partners is progressing well, and the announced pilot installation with SPIC shows that the plan is working.

As demonstrated by the newly signed Singapore project and ongoing activities at Magat dam, Southeast Asia has quickly reopened in Q2 2022, with travel, conferences, project and business development picking up as the impact of the pandemic recedes. Singapore is confirming its position as a key region for Ocean Sun as the government follows up on its "Green Plan" to achieve a 2030 goal of 2 GWp installed solar capacity by allotting grants to kick-start development. We are happy and proud that Ocean Sun's technology has been chosen for two separate government grant-funded projects with two major local developers. Due to land scarcity in Singapore, we are confident that nearshore floating PV will play an important part in the Green Plan initiative. Our ongoing projects with two of the strongest local developers are therefore very important, as these players will probably contribute a large part of the solution to reach the national targets.

In the Philippines, the Laguna Lake Development Authority has recently awarded 20 lots of 100 hectares each, which together can easily

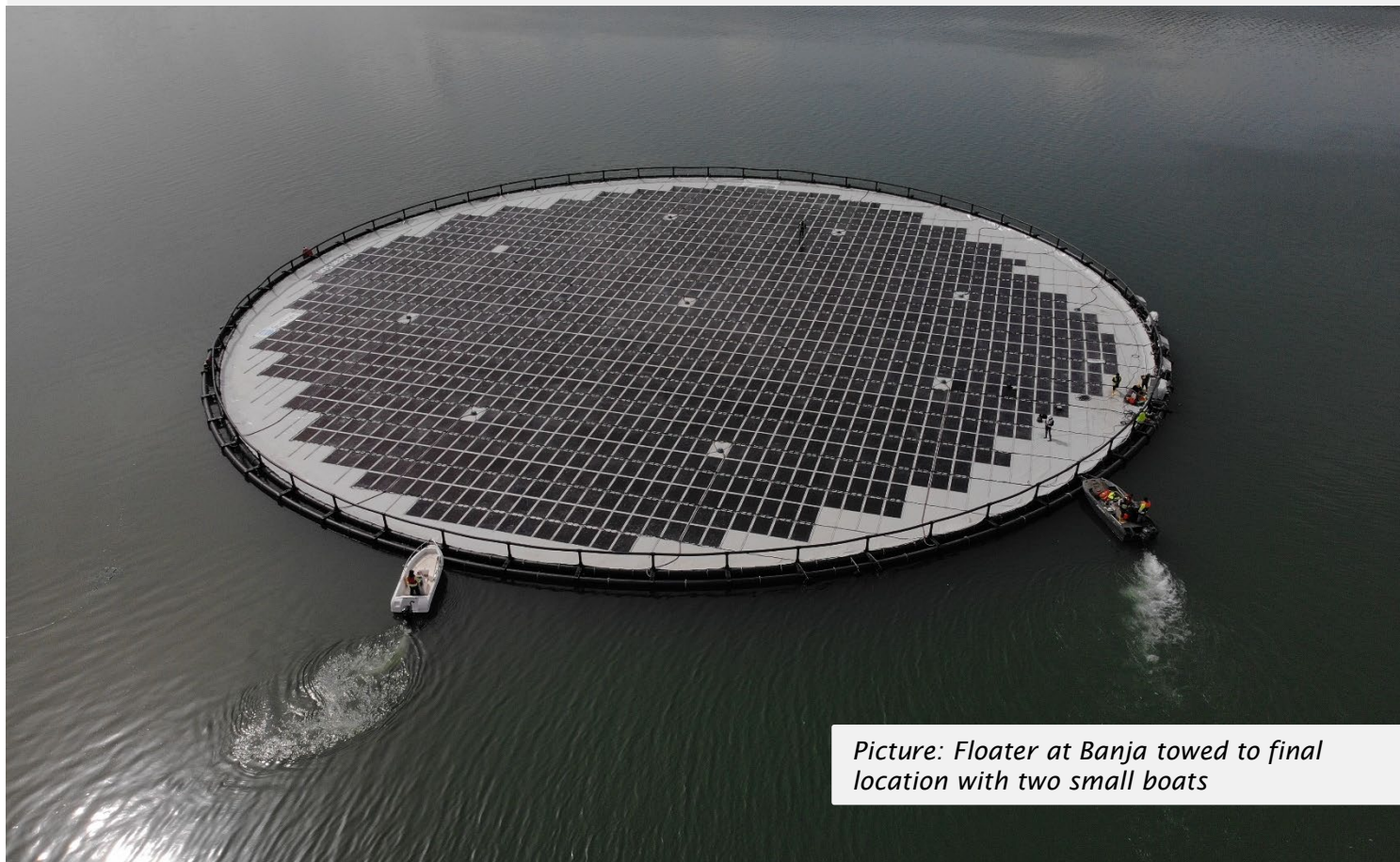
accommodate >2 GWp, for potential floating solar developments on Laguna Lake outside Manila. Floating solar is also being discussed at several other locations in the country. The Magat demonstration facility's increasing track record, together with the fact that there are no other FPV installations in the Philippines, due to the typhoons, puts Ocean Sun's technology in a very good position for projects in the country.

Both Singapore, with its nearshore environment, and the Philippines, with typhoons in addition to waves, are particularly challenging for alternative technologies and particularly attractive for Ocean Sun. Further demonstrating the Ocean Sun solution in these markets will make our technology more mainstream. It is likely that other countries in Southeast Asia will follow, as they face similar challenges. Developers in the region are struggling to find new locations for solar deployment and Ocean Sun unlocks significant new areas near shore, on hydropower reservoirs, in rivers and mangals.

Knowledge about floating solar in South America continues to develop rapidly, and interest in Ocean Sun's solution is strong, particularly in Brazil. The country's pipeline to grows steadily, with both developers and power-intensive businesses eyeing opportunities. In this market, Ocean Sun's collaboration with a local partner is progressing well. Together, we have targeted several smaller utility projects, of 5-20 MWp, as well as larger utility projects of +50 MWp, for development during 2023. In addition, discussions are being held with several large Norwegian companies for renewable developments in Brazil.

In relative term, the development of solar power in the US market, including floating solar, has so far lagged behind Europe and parts of Asia. However, with new political initiatives, Ocean Sun is noticing a positive shift in focus and increased interest in our solution.

Finally, Ocean Sun aims to deploy its first system in Africa at the end of 2022. This will be a small demonstration facility in South Africa.



Picture: Floater at Banja towed to final location with two small boats

A BOLD SOLUTION TO GLOBAL ENERGY NEEDS

Inspired by Norway's maritime heritage, Ocean Sun has developed a highly competitive solution for floating PV (FPV).

The core innovation, a floating power system with solar panels mounted on a thin hydroelastic membrane, offers a unique solution to the world's energy needs.

Ocean Sun's proprietary technology offers renewable energy at a world-beating cost. This is made possible by the low material use and the water body's cooling effect, which lowers the solar panels' operating temperature and increases their power output.

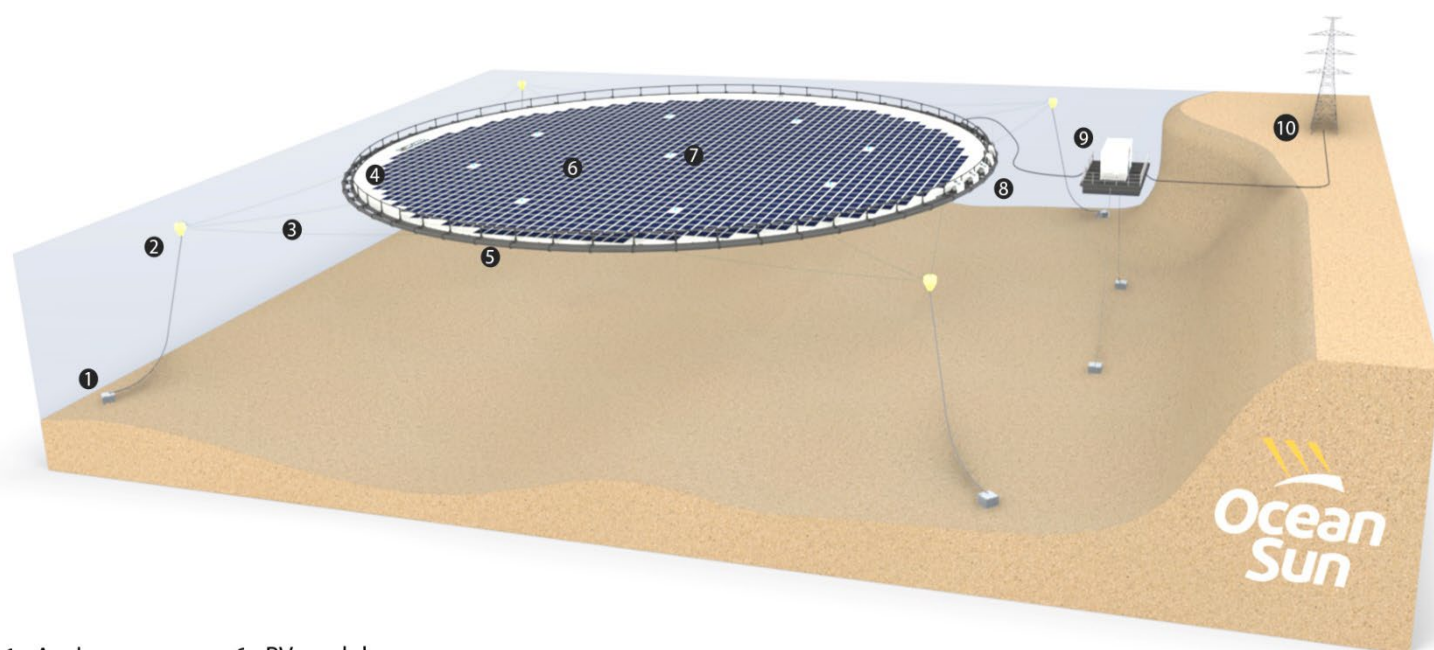
Ocean Sun owns an IPR portfolio, including patents and patent applications in all major markets. The company does not manufacture the components but offers licence agreements, whereby developers and independent power producers are granted rights to deploy the technology for their projects around the world.

OCEAN SUN'S HISTORY

Ocean Sun was founded in 2016 on the basis of a patent application by company CEO, Dr Børge Bjørneklett. After proving the concept for himself in a swimming pool in his backyard, Dr Bjørneklett founded Ocean Sun. In 2017, the company deployed its first pilot system in the sea off the coast of Bergen, Norway. Since then, the company has refined the technology, performed basin laboratory tests, achieved third-party certifications and deployed another five pilot systems around the world. Ocean Sun's technology is now ready for utility-scale installations.

In October 2020, Ocean Sun listed its shares on Euronext Growth Oslo under the ticker OSUN and acquired capital to fund its further expansion. This has resulted in project development with a geographic spread and a streamlining of the supply chain to gear up Ocean Sun's ability to move from smaller systems to utility scale.

With offices in Oslo, Singapore and Shanghai, Ocean Sun is working to realize its vision to be the world's leading technology provider of floating solar systems.



- | | |
|--------------------|---------------------------|
| 1 - Anchors | 6 - PV modules |
| 2 - Buoys | 7 - Bilge pumps |
| 3 - Mooring lines | 8 - Inverters & combiners |
| 4 - Membrane | 9 - Transformer platform* |
| 5 - Buoyancy rings | 10 - Transmission |

* Multiple floating units per transformer



Picture: Illustration of a double ring floater

THE NEED FOR FLOATING SOLAR

As the world is switching more and more to electrical power, there is a growing demand for, and dependence on, electricity. According to DNV, electricity's share of the total energy mix will more than double to 45% by 2050. Simultaneously, the Paris Agreement and other climate commitments stress the urgency for a transition to renewable energy sources.

Solar power is the most promising of all the renewable energy sources, with global installed capacity increasing by 95 GW in just 4 years to 140 GW in 2019. Due to rapidly declining costs, solar electricity generation is expected to grow 65-fold, from 1% of total electricity generation in 2016 to 40% in 2050, becoming the single largest provider of electricity in less than two decades.

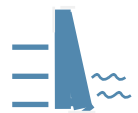
However, traditional ground-mounted solar systems require extensive areas of land. And land is often a scarce commodity, especially in proximity to demand centres where the alternative cost is high because land resources could be used for other applications, such as agriculture, recreational space, forest preservation or new building projects.

On the other hand, water covers 71% of our planet's surface, and a majority of the densely populated land areas, the electricity demand centres, are located close to water. By utilizing such water assets, floating PV opens a new era for large-scale solar power generation.

Application areas

Man-made reservoirs

Reservoirs represent a significant opportunity for floating solar. NREL has identified 7.6 Terawatts of FPV market potential, equivalent to ~50% of the worldwide electricity demand in 2018, on man-made reservoirs alone. Co-locating floating solar and hydropower offers numerous benefits, because adding FPV lowers the overall system LCOE, existing power grid infrastructure on site can be used, FPV and hydropower are complementary on a seasonal and daily basis, a baseload of FPV electricity enables hydropower capacity to be stored for peak periods, and floating solar arrays can reduce water evaporation from the water reservoir.



Ponds and lakes

Industrial and agricultural lakes can benefit from floating solar, as it can meet some of nearby industries' power consumption without occupying valuable land.



Nearshore

Nearly 2.4 billion people (~40% of the world's population) live within 100 km of the coast, often in densely populated areas with limited available land resources. In addition, island communities often lack a power connection to the mainland and therefore run on expensive and polluting diesel generators. As such, FPV enables clean power production closer to where the electricity is consumed, thereby reducing the price of the electricity.



Offshore

In offshore environments, floating solar can enable the realization of infrastructure and industrial projects, such as clean hydrogen, ammonia or other e-fuel production plants or desalination facilities. Increased focus is also put on the co-location with offshore wind.



Benefits with floating solar

- Land use advantage
- Improved yield from water cooling
- Co-sitting benefits with hydropower
- Aqua culture benefits
- Enables production closer to consumers
- Reduced evaporation

WORLD-LEADING TECHNOLOGY PROVIDER TO FLOATING SOLAR PV SYSTEMS

Ocean Sun is experiencing considerable interest in its solution on all continents. To meet this demand, the company has adopted a scalable business model which leverages Ocean Sun's unique expertise and patent portfolio. In this business model, Ocean Sun can be described as an architect of the floating solar power plant, providing the design of the system. The company earns its revenues from licence fees payable as a one-time fee per Wp installed and from Front End Engineering Design (FEED) services. The Ocean Sun solution uses readily available materials, with the flexibility to choose between several world-leading suppliers. Installation is carried out by third-party contractors and, as the solution is easy to install, this can be performed by a broad range of contractors worldwide.

Ocean Sun's contracting party, i.e., the customer, can be any party in the upstream value chain, but is typically the developer of the power system.



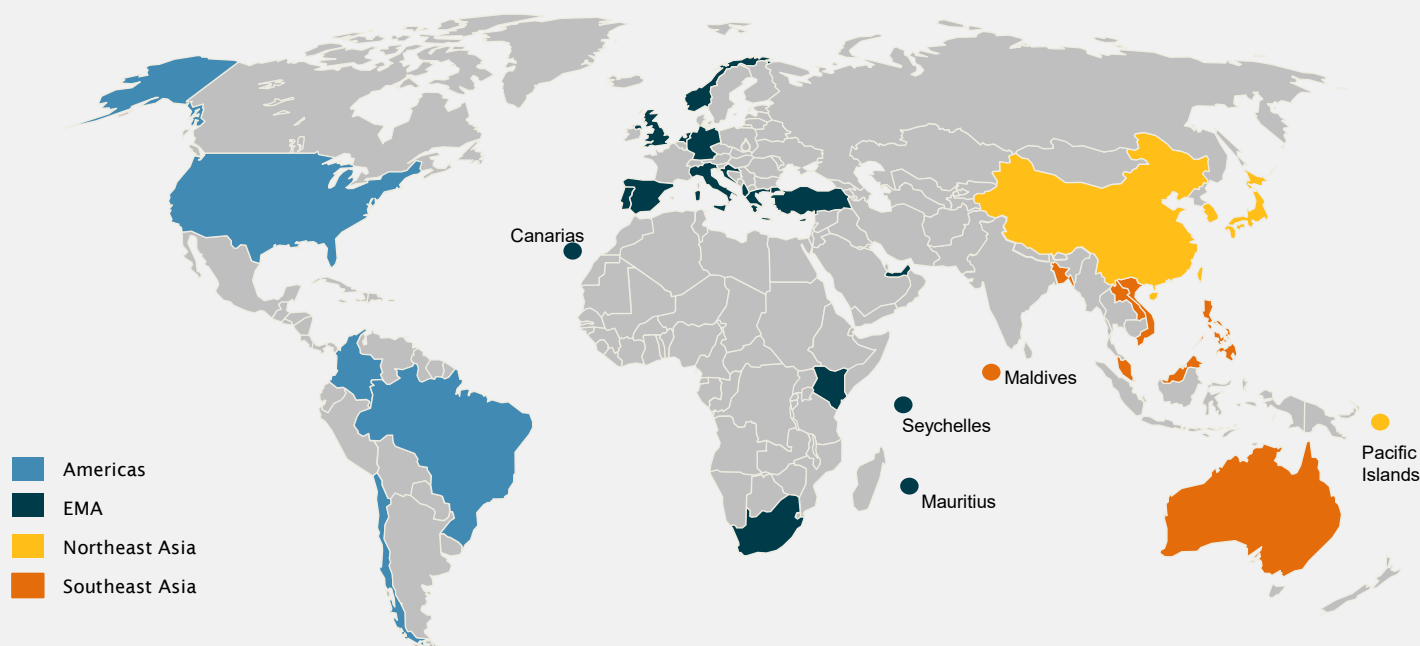
Illustration of Ocean Sun's value chain

Application areas

Ocean Sun's system uses less plastic, has a lower transportation volume and is faster to install than competing FPV systems. Consequently, Ocean Sun's system offers the lowest levelized cost of energy (LCOE) on the market and is therefore highly attractive for utility-scale installations. In the near term, Ocean Sun expects that such installations will predominantly be installed on hydropower reservoirs, where the benefits of installing floating solar arrays are vast. Due to the system's ability to withstand higher waves and stronger winds and currents, the solution is also well-suited for nearshore and offshore applications, as well as in areas with strong winds.

Geographical reach

The chosen business model enables rapid growth and large-scale installations worldwide. Operating as a technology provider, Ocean Sun can collaborate with developers and EPC companies possessing the required skills, experience and local knowledge needed to realize larger projects. Through its three offices, Ocean Sun is currently engaged in more than 65 ongoing discussions, amounting to more than 5 GWp of pipeline value, with potential clients worldwide.



Geographical spread of current project discussions

SHARE INFO

ABOUT THE SHARE

Ocean Sun is since 26th of October 2020 listed on Euronext Growth Oslo under the ticker OSUN. The listing price for Ocean Sun was NOK 18 kr per share and the price as of 30 June 2022 was NOK 11.98 kr per share.

The Company has 44,986,200 outstanding shares. The share capital as of June 30, 2022, amounted to NOK 449,862 kr.

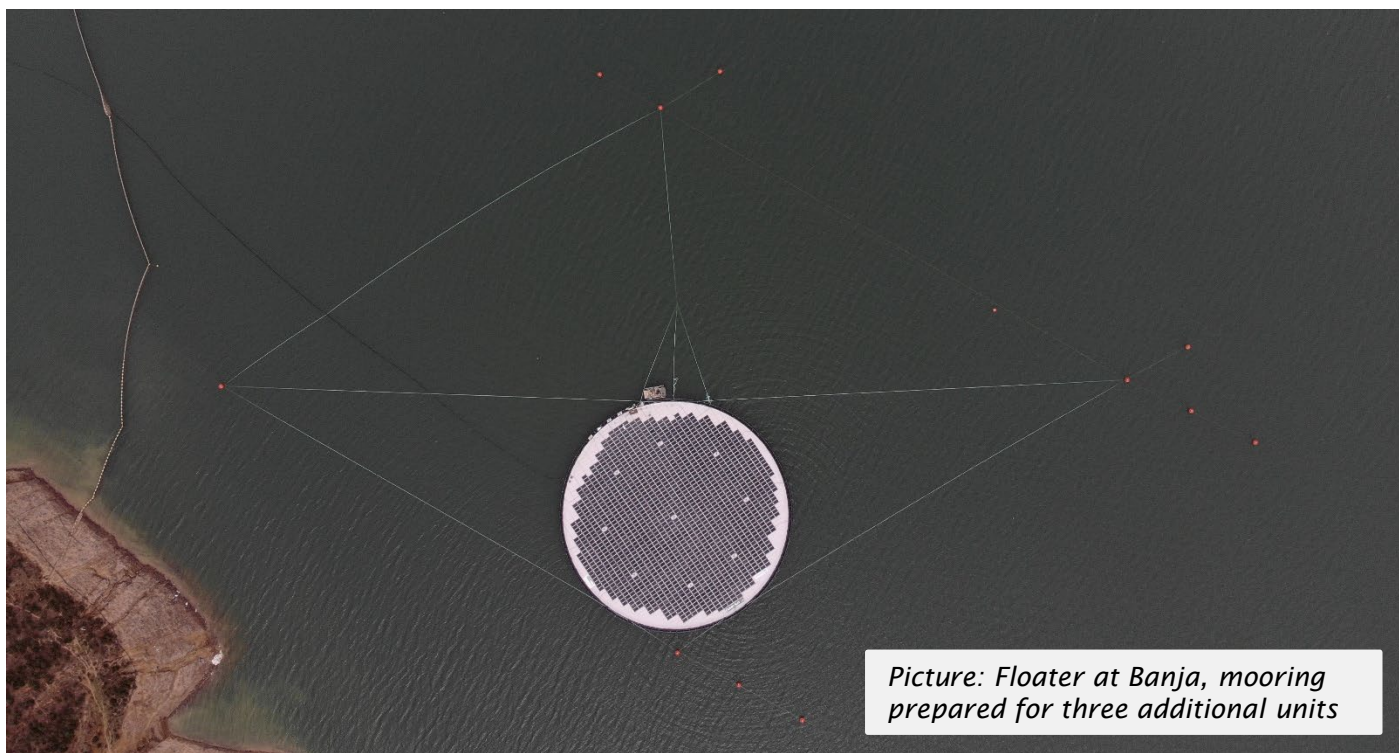
FINANCIAL CALENDAR

Event	Date
Q3 Report	09.11.2022
Q4 Report	09.02.2023

CONTACTS

Børge Bjørneklett, CEO +47 90195778
Karl Lawenius, CFO +47 45633881

Number of shares:	44,986,200
Votes:	44,986,200
Number of shareholders per 30.06.2022:	1400+
Listing price:	18.00 NOK
First half year highest price 2022:	16.2 NOK
First half year lowest price 2022:	7.76 NOK
Market cap per 30.06.2022:	538 934 676 NOK
Auditor:	Ernst & Young AS



TOP 20 SHAREHOLDERS

Name	Holding	Stake
DR.ING. BØRGE BJØRNEKLETT AS	9 242 500	20.5%
KVANTIA AS	7 264 100	16.1%
PROGRESSI AS	6 326 100	14.1%
UMOE AS	4 000 000	8.9%
MP PENSJON PK	2 017 966	4.5%
Citibank Europe plc	1 500 000	3.3%
SAUAR INVEST AS	1 398 584	3.1%
Goldman Sachs & Co. LLC	1 057 010	2.3%
Morgan Stanley & Co. Int. Plc.	1 023 789	2.3%
OPULENS INVEST AS	1 000 000	2.2%
UBS AG	959 000	2.1%
CACEIS Bank	828 112	1.8%
CAABY AS	535 700	1.2%
Bkraft Holding AS	389 000	0.9%
Saxo Bank A/S	372 030	0.8%
The Northern Trust Comp, London Br	356 620	0.8%
NORDNET LIVSFORSIKRING AS	350 245	0.8%
Nordnet Bank AB	290 824	0.6%
Morgan Stanley & Co. LLC	261 336	0.6%
J.P. Morgan Securities LLC	251 500	0.6%
Subtotal top 20 shareholders	39 424 416	87.6%
Other	5 561 784	12.4%
Total	44 986 200	100.0%

As at 30.06.2022

RESPONSIBILITY STATEMENT

The Board of Directors have considered and approved the consolidated interim financial statements of Ocean Sun AS ("the Company") for the quarter and half year ended 30 June 2022. 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 2022, as well as the results from the Company's operations during the quarter, including cash flows for the period ended 30 June 2022. 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 2021.

Fornebu, 25th of August 2022

Thomas Julius Moe Børseth
Chairman of the Board

Brian Glover
Board member

Anne Vera Skrivarhaug
Board member

Kristin Åbyholm
Board member

May Kristin Salberg
Board member

Børge Bjørneklett
CEO

INCOME STATEMENT

Consolidated financials
All numbers in NOK'000

	Note	Unaudited Q2'22	Unaudited Q2'21	Unaudited YTD 22	Unaudited YTD 21	Audited 2021
Income						
Revenue	2	811	25	1 755	25	238
Other income	2	2 350	2 006	3 129	3 585	6 370
Total operating income		3 161	2 031	4 884	3 610	6 608
Operating expenses						
Raw materials and consumables used		(402)	-	(402)	-	-
Employee cost		(3 541)	(2 614)	(8 035)	(5 477)	(13 889)
Depreciation		(5)	(5)	(9)	(9)	(18)
Other Operating expenses		(3 780)	(3 191)	(5 899)	(5 176)	(11 503)
Total operating expenses		(7 729)	(5 810)	(14 346)	(10 662)	(25 411)
Operating result		(4 568)	(3 779)	(9 462)	(7 053)	(18 802)
Financial income						
Interest income		155	0	216	0	141
Other financial income		115	1	164	4	22
Total financial income		270	1	380	4	163
Financial expenses						
Interest expenses		(4)	(1)	(4)	(2)	(4)
Other financial expenses		(32)	(39)	(73)	(62)	(118)
Total financial expenses		(35)	(39)	(76)	(64)	(122)
Net financial items		235	(38)	304	(60)	41
Result before taxes		(4 333)	(3 817)	(9 158)	(7 112)	(18 761)
Taxes		(1)	(0)	(1)	(0)	(4)
Result after taxes		(4 334)	(3 817)	(9 159)	(7 113)	(18 765)

BALANCE SHEET

Consolidated financials
All numbers in NOK'000

	Note	Unaudited 30.06.22	Audited 31.12.21
ASSETS			
Non-current assets			
Office equipment		29	38
Total non-current assets		29	38
Current assets			
Receivables			
Accounts receivables		1 981	-
Other receivables	3	8 346	10 761
Total receivables		10 326	10 762
Cash and equivalents			
Cash and cash equivalents	4	67 569	76 991
Total cash and equivalents		67 569	76 991
Total current assets		77 896	87 753
Total assets		77 925	87 790
EQUITY AND LIABILITIES			
Equity			
Paid in capital			
Share capital		450	450
Treasury shares		(0)	(0)
Share premium		128 023	128 023
Total paid in capital		128 472	128 472
Uncovered losses			
Translation reserves		33	51
Accumulated loss		(56 342)	(47 306)
Total uncovered losses		(56 309)	(47 255)
Total Equity		72 163	81 218
Current liabilities			
Accounts payables		1 811	2 455
Taxes and public duties		441	673
Other payables		3 510	3 445
Total current liabilities		5 761	6 573
Total liabilities		5 761	6 573
Total Equity and liabilities		77 925	87 790

CASH FLOW STATEMENT

Consolidated financials
All numbers in NOK'000

	Unaudited Q2'22	Unaudited Q2'21	Unaudited YTD 22	Unaudited YTD 21	Audited 2021
Operating activities					
Result before tax	(4 334)	(3 817)	(9 159)	(7 113)	(18 765)
Depreciations	5	5	9	9	18
Cost of share option program	82	-	82	-	7
Change in accounts receivables	(1 981)	1 282	(1 981)	(31)	(130)
Change in other current assets	738	(226)	2 415	216	(3 384)
Change in accounts payable	619	(139)	(644)	(144)	1 939
Change in other current liabilities	(1 184)	(1 975)	(224)	1 561	2 265
Cash flow from operating activities	(6 055)	(4 870)	(9 502)	(5 501)	(18 049)
Finance					
Change in other financing activities	-	(56)	-	(56)	(56)
Cash flow from financing activities	-	-	-	-	(56)
Foreign currency effects on cash	77	5	79	(13)	-
Net cash flow in the period	(5 978)	(4 865)	(9 422)	(5 515)	(18 105)
Cash and cash equivalents at the beginning of the period	73 548	94 445	76 991	95 095	95 096
Cash and cash equivalents at the end of the period	67 569	89 581	67 569	89 581	76 991

CHANGES IN EQUITY (UNAUDITED)

Consolidated financials
All numbers in NOK'000

	Share capital	Own shares	Share premium	Other equity	Uncovered losses	Total
At 1st of January 2022	450	(0)	128 023	-	(47 255)	81 218
Currency translation differences	-		-	-	22	22
Profit/Loss for the period	-		-	-	(4 825)	(4 825)
At 1 April 2022	450	(0)	128 023	-	(52 059)	76 414
Profit/Loss for the period	-		-	-	(4 334)	(4 334)
Share option program	-	-	-	-	89	89
Currency translation differences					(6)	(6)
At 30 June 2022	450	(0)	128 023	-	(56 309)	72 163

NOTES

Note 1 – Basis for preparation

The financial information is 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 2021. 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 2021. The Group presented consolidated financials for the first time in Q4 2021, however historical numbers have been consolidated in this report and are therefore not fully comparable with prior quarterly reports. As a result of rounding differences numbers or percentages may not add up to the total.

Note 2 – Operating income

	Q2'22	Q2'21	YTD 22	YTD 21	2021
Revenue					
License revenue	115	-	1 015	-	238
Service and engineering revenue	263	25	307	25	-
Product sales	433	-	433	-	-
Subtotal Revenue	811	25	1 755	25	238
Other income					
Grants from EU (BOOST Project)	-	1 358	53	2 523	3 536
Grants from Innovation Norway (Green Platform)	1 551	-	2 056	-	241
Grants from Forskningsrådet (SkatteFunn + IPN)	790	642	1 008	1 055	2 586
Other	9	6	12	6	6
Subtotal other revenue	2 350	2 006	3 129	3 585	6 370
Total operating income	3 161	2 031	4 884	3 610	6 608

Note 3 – Other receivables

	30.06.22	31.12.21
Statkraft*	5 590	7 518
Accrued income contribution projects	1 272	1 759
VAT	-	667
Other	1 484	818
Total	8 346	10 761

*Related with the project in Albania. Ocean Sun purchases some of the material on Statkraft's behalf. Statkraft pays based on actual cost for Ocean Sun.

Note 4 – Cash and cash equivalents

	30.06.22	31.12.21
Restricted cash*	605	605
Bank Guarantee **	222	222
Cash	66 742	76 165
Total cash and equivalents	67 569	76 991

*Restricted cash is reserved withholding tax related to employees

** Bank guarantee for Statkraft Albania project amounting to 22,201 Euro.



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