

# ANNUAL REPORT 2024





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## Key financials

**18.9** MNOK

Operating income  
2024

**-17.0** MNOK

Result 2024

**-17.2** MNOK

Net cash flow 2024

**29.6** MNOK

Cash and cash equivalents  
at 31 December 2024



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 licence 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 licence 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 profitable projects and focus on the Tier 2 markets
2. Focused technology improvement to enhance competitiveness and durability
3. Establish project execution excellence and enable high performance standards

## FPV market segments

Tier I	Tier II – Market focus		Tier III
Benign waters	Reservoir	Nearshore	Offshore
	Segment positives		
Lion’s share of installed capacity -> established market	Rising interest from HPP-operators, unlimited potential	Proximity to demand, island nations (smaller scale)	Strong interest from O&G and offshore wind for FEED
	Segment negatives		
Multiple suppliers, primarily pontoon-based	Few installations on HPP to date	Undefined market regulation, scattered demand	Challenging operational environment
	Segment potential		
Low/medium	High	High	Medium (wind farms, Power to X)
	Segment readiness		
Established	Expanding but not mature near/mid-term	Expanding but not mature near/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	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 10 MWp Ocean Sun FPV plant in SEA would:

**Save 15 700 tonnes of CO<sub>2</sub> per year**

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

**~ 3 400 Cars**



**Save 30 hectares of land**

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

**~ 40 football pitches**



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



Sierra Brava dam, Spain, 250 kWp



# Letter from the CEO

## Dear Shareholders and Stakeholders,

As I look back on my first year as CEO of Ocean Sun, I'm proud of what our team has achieved and optimistic about where we're heading. 2024 brought significant changes and important lessons that have made us better prepared for the future.

We've expanded our reach this year with meaningful projects. In Brazil, we won a pilot project that lets us test our floating solar solution in new conditions. Our work with Acciona on the 250kWp single-ring pilot has shown promising results, while our 2MWp project with Canopy Power in the Maldives will help Soneva Secret Resort reduce their diesel use and cut costs. Our coastal projects with Alotta have also proven successful.

We faced some difficulties this year. The Magat Floating Solar pilot in the Philippines was damaged by Typhoon Nika, and our BOOST project in La Palma met unexpected hurdles. These setbacks have led to important improvements in our technology and approach.

Our organization has expanded its leadership team as part of our efforts to build a stronger foundation for further growth in the coming years. Carl Petter Lehne has joined as Chief Operating Officer, and David Mikal Knutsen has taken on the new Chief Product Officer role. Finally, Kristin Husby Mork will join as new Chief Commercial Officer starting first of April 2025.

The floating solar market is developing steadily, with several countries introducing new rules for reservoir installations. This fits well with our focus on reservoirs and nearshore projects. New research, particularly the report from NIVA, SINTEF and IFE on environmental and social effects, gives us solid data to improve our designs.

Our 2MW installation in Banja, Albania continues to provide valuable insights. We've used these lessons to improve our cleaning methods, cable management, and water management systems in newer designs.

Our finances remain stable, with operating income of NOK 18.9 million and NOK 29.6 million in cash by 31 December 2024. Looking ahead to 2025, we're focusing on making our technology more competitive and durable, improving project execution, and increasing sales in markets with clear regulations. This strategic focus should result in increased pipeline, and technology sales in the coming months.

As we move into the new year, I'm confident in our direction. With an excellent team and practical approach, we're well-positioned to contribute to the growing floating solar market.

Thank you for your support of Ocean Sun and looking forward to a successful 2025!

Sincerely,  
Kristian Tørvold, CEO



# 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 31 December 2024 was NOK 1.5 per share.

The company has 44,986,200 outstanding shares. The share capital as at 31 December 2024, amounted to NOK 449,862.

Number of shares:	44,986,200
Votes:	44,986,200
Shareholders 31 Dec 2023:	1300+
Listing price:	NOK 18.00
Highest price 2024:	NOK 4.40
Lowest price 2024:	NOK 1.50
Market cap 31 Dec 2024:	NOK 67 479 300
Auditor:	Ernst & Young AS

## Contacts

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

## Financial calendar

Event	Date
AGM	6 May 2025
Q1 Report	8 May 2025
Half yearly report	28 August 2025
Q3 Report	6 November 2025
Q4 Report	12 February 2026



La Palma, 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	5 303 018	11,79%
MP PENSJON PK	1 967 966	4,37%
SAUAR INVEST AS	1 330 738	2,96%
OPULENS INVEST AS	1 000 000	2,22%
SCHIØLL	832 509	1,85%
Bank Pictet & Cie (Europe) AG	617 493	1,37%
CLEARSTREAM BANKING S.A.	566 813	1,26%
NORDNET LIVSFORSIKRING AS	564 339	1,25%
CAABY AS	535 700	1,19%
Bkraft Holding AS	400 000	0,89%
VESTFOLD ØKONOMI AS	368 704	0,82%
SELACO AS	360 290	0,80%
Saxo Bank A/S	328 595	0,73%
Nordnet Bank AB	279 247	0,62%
SVEUM	254 100	0,56%
IMPACT ALPHA AS	220 000	0,49%
The Bank of New York Mellon SA/NV	218 178	0,48%
<b>Subtotal top 20 shareholders</b>	<b>38 843 178</b>	<b>86.34%</b>
Other	6 143 022	13.66%
<b>Total</b>	<b>44 986 200</b>	<b>100.00%</b>

As at 31 December 2024

# Management



## KRISTIAN TØRVOLD

### CEO

Kristian brings over 15 years of valuable experience in manufacturing, energy and offshore industries in Europe and Asia. His past focus on building and scaling startups aligns seamlessly with our vision for Ocean Sun's global prominence.

- Master of Science in Finance & Economics, Fudan University
- No. of shares: 252,900
- No. of share options: 200,000



## KARL LAWENIUS

### CFO

10 years of experience form working with M&A and business development related to growth companies on consulting and corporate level.

- Master of Science in Industrial Engineering, Chalmers University of Technology
- No. of shares: 201,900
- No. of share options: 116,277



## Carl Petter Lehne

### COO

Carl Petter brings a wealth of experience from his time at Metier, where he led the Industry and Infrastructure Group. With a strong background in managing complex infrastructure projects, including roles at Multiconsult, his skills in project development and execution will be vital as we scale up.

- Master of Science in Civil Engineering (Marine Technology and Geotechnical engineering), Technical University of Denmark.
- No. of shares: 946
- No. of share options: 115 000



## ARE GLØERSEN

### Director SE Asia

10+ years of experience from the solar industry as part of REC Solar. 5+ years of executive experience in SE Asia, including Director of Tronrud Engineering and CEO of Commlight.

- Master of Science in Astronautical Engineering, Nord University.
- No. of shares: 200,660
- No. of share options: 130,758



## David Mikal Knutsen

### CPO

With over a decade of experience in the maritime industry, David co-founded and served as CTO at EConnect Energy AS, where he was instrumental in developing the world's first floating LNG transfer system. His deep expertise in marine technology and product innovation will be a game-changer as we continue to expand our offerings.

- Master of Science in Marine Technology from NTNU.
- No. of share options: 115,000



# Board of Directors



**MAY KRISTIN SALBERG**

**Chairperson**

Strategic and operational management experience from the food industry, IT and the transportation industry. Skilled in organisational and business process development in addition to ISO-standards related to the environment, information security and quality management. Previous board positions as chairperson and board member in both professional companies and non-profit organisations.

- No. of shares: 10,113



**Trond Moengen**

**Board member**

Head of Energy and Society at Digital Norway since 2017. Extensive experience from research, energy authorities and national consulting within the energy sector, with a strong focus on research and strategy development on renewables (PV), hydrogen and zero emission transport in maritime. Management of larger multidisciplinary research programmes. Current and former positions as chairman and board member in different companies.

# Board of Directors



## Tron Engebretsen

### Board member

Was Senior Vice President of Statkraft from 1996 until 2021, except for four years as Executive Vice President at SN Power. He served 17 years as director of Power Generation, responsible for all Operation, maintenance and rehabilitation at Statkraft's generation facilities in Norway, Sweden, Finland, Germany and UK.

Mr Engebretsen has broad international experience in the energy sector. He worked in the Philippines, India, Brazil, Peru, Chile, Turkey and Albania. He also had the responsibility for the construction of Moglice HPP. He was a Board member and Chairman of the Board of Finnmark Energi AS, Board member of Trondheim Energi AS, he served in the Boards of KVO (Kraftverne i Orkla), Oslo Energi and several others. Tron is a Board member of TEJV in Chile and AGL in Georgia



## KRISTIN ÅBYHOLM

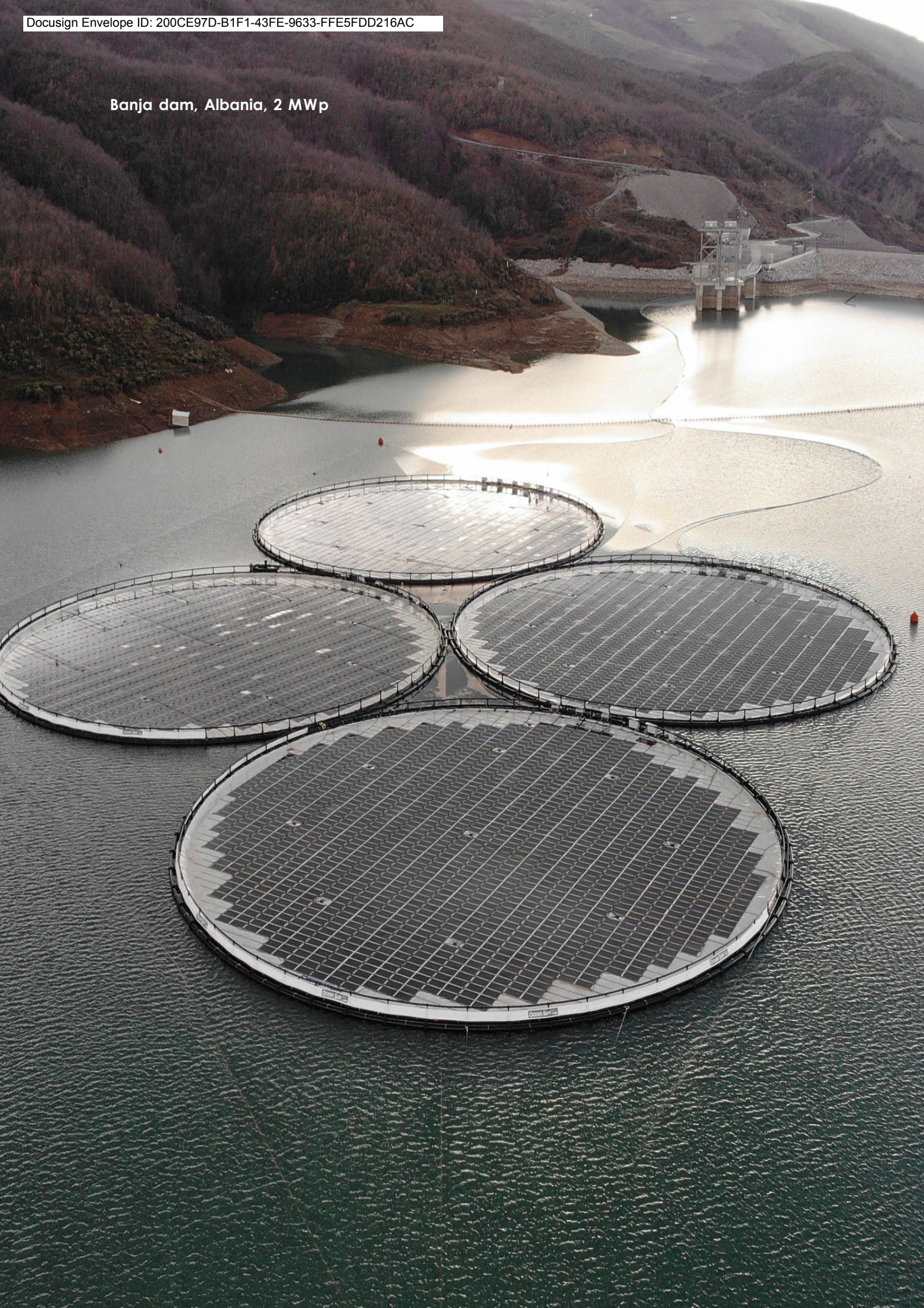
### Board member

15+ years of experience from IT-tech companies. At Confront ASA she worked with global 500 brands, working at the Oslo, London and San Francisco offices. Then working for Cicero Consulting, she helped create platforms and solutions for the Norwegian financial industry. Experienced board executive. MSc in Computer Science from NTNU, and Executive Master of Management from BI.

- No. of shares: 12,000 Representing Kvantia (8,126,888) and Caaby (585,700 of which 50,000 are lent out)



Banja dam, Albania, 2 MWp





# Board of Directors report

During 2024 Ocean Sun embarked on a transformative journey, laying a new foundation to build on in the coming years. Starting in February, Kristian Tørvold replaced founder Børge Bjørneklett as CEO. With that followed major changes to the management team as well as a more refined strategy with clearer focus and priorities.

Already less than a year in, the Board can see results and is confident that the strategic priorities that have been laid out for 2025 will take us further in the right direction. By focusing on:

- Increased revenue through profitable projects with focus on the Tier 2 markets (ref page 7).
- Focused technology improvement to enhance competitiveness and durability.
- Establish project execution excellence and enable high performance standards.

Ocean Sun can grow its pipeline and enable floating solar installations in new locations.

## Financial results

Ocean Sun's revenue in 2024 totalled NOK 7.2 million (NOK 3.2 million), growing with 129% year on year. Of this, NOK 0.2 million relates to licence fees for projects in Norway. NOK 2.1 million relates to service and engineering fees from nine different customers, NOK 1.5 million relates to revenue from a turnkey EPC (engineering, procurement and construction) contract for Acciona in Spain. The project started with engineering and sourcing in 2023, while construction work started in March 2024 and was successfully completed in the beginning of April the same year. Revenue from this contract has been recognised over 2023 and 2024 based on percentage of completion.

Further, Ocean Sun recorded 3.5 million in revenue from product sales to other Ocean

Sun projects. Total recognised contributions from research grants amounted to NOK 11.7 million (NOK 13.7 million). Of this, NOK 3.5 million relates to the Horizon 2020 project BOOST that ended at year end 2023 and was financially closed in Q1 2024. NOK 2.1 million and NOK 6.0 million relate to the Green Platform project HydroSun and grant from the Research Council of Norway, respectively.

The Group posted an operating loss of NOK 18.9 million in 2024 (NOK -21.8 million). This includes a non-recurring cost of approx. NOK 4.3 million for severance pay paid out in 2024 as well as provisions for payments to be made in 2025. Adjusting for non-recurring costs, the operating loss is NOK 5.6 million lower in 2024 compared to 2023.

Ocean Sun reported a net financial income of NOK 1.9 million in 2024 (NOK 3.1 million), mainly relating to interest income from cash and cash equivalents and foreign exchange gains. Net cash flow for the year came in at NOK -17.2 million (NOK -16.0 million). This is primarily attributable to the period's operating loss and increased by a slight negative effect on the working capital.

Cash and cash equivalents amounted to NOK 29.6 million as at 31 December 2024, of which NOK 0.9 million were restricted funds. The equity ratio was 76 per cent and the company had no interest-bearing debt. With this cash position Ocean Sun has sufficient funds to continue its operation in the coming year even in case of limited revenue and continued deficits.

The deficit for 2024 has been allocated to the share premium reserve.

## Completed projects

Throughout 2024, the full-scale demonstrator for Statkraft in Albania (Banja) has received considerable attention. The project, which is a 2 MWp floating solar installation, has been actively tested and improved to ensure ongoing production meets expectations. Efforts have been focused on testing and enhancing the module cleaning solution to mitigate the impact of frequent Sahara sandstorms affecting the region. Large steps have been taken in terms of improving the O&M procedure, however work with an automated solution for cleaning will continue in 2025.

In April 2024, Ocean Sun 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 larger projects. The installation has been performing well, providing valuable insights into construction, operation, and maintenance.

The Magat project in the Philippines, owned by SNAP/Scatec, turned five years old in June 2024 and has performed well over its life. However, during Q4, the Magat demonstrator experienced a direct hit from Typhoon Nika, with wind speeds up to 210 km/h. After withstanding the wind for several hours, the mooring was compromised, and the system sustained structural damage. A root cause analysis indicated that learnings and improvements made over the past five years could have mitigated the situation. These findings have been communicated to SNAP, who is now evaluating the next steps.

During 2024, two projects were installed in combination with fish farming in Norway under the Alotta (previously Inseanrgy) partnership. Although small, the installations demonstrate the viability of floating solar technology and provide good learning and data.

## Ongoing projects

The Soneva Secret project in the Maldives represented a significant milestone for Ocean Sun when signed in June 2024. It is Ocean Sun's first fully commercial project and hopefully the first of many installations connected to a resort. The project, carried out in partnership with Canopy Power, involves the installation of a 2 MWp floating solar power system at the luxurious Soneva Secret resort. While engineering and sourcing for the project is completed, construction is slightly delayed with estimated completion during Q2 2025.

The R&D initiative BOOST, involving a 250 kWp demonstrator in rough seas at La Palma, Spain formally ended in December 2023. The project, supported by the European Union, was a three-year-long R&D initiative focused on validating a solution for ocean-based floating PV. The demonstrator was structurally completed and anchored in December 2023 but shortly after experienced problems and was brought to shore. During 2024, work has been ongoing to understand causes for failure and improve the design. This work is now being conclude with uplifting results as independent modeling suggest that updated design can withstand significantly higher waves.

## Backlog

Ocean Sun's current backlog consists of three projects, totaling 6.3 MWp where license agreements have been signed. Apart from above mentioned Soneva project, the backlog includes a project in Greece. Ocean Sun has been waiting for this project a long time, but it finally appears as if it will progress as all permits and permission has been granted.

## Engineering and feasibility studies

Engineering and site optimised designs are an integral part of an Ocean Sun delivery and for many projects a key milestone in the sales process. Before each project, Ocean Sun prepares a feasibility study and a detailed design for the site. This is either covered by the licence agreement or sold as a separate prefeasibility study, to frontload cash flows and stress test customer interest. In 2024, Ocean Sun delivered such engineering reports to nine different customers.

## Contribution projects

Governmental grants have been and continue to be important for Ocean Sun's continuous technology development and innovation. During 2024, Ocean Sun was awarded two new SkatteFunn projects. Additionally, we secured financing from Innovation Norway in relation with a project focusing on the operation and performance of Ocean Sun's FPV systems. The project, which started in Q2 2024, has a duration of two years and is supported by NOK 3.9 million.

Moreover, we were awarded funding from the Research Council of Norway for a project called Rio One. This project involves the development of a 250 kWp demo system in Brazil and the creation of a new solution for module fixation. Ocean Sun will receive NOK 4 million for R&D related to establishing a new method for module fixation, while our Brazilian partners in the project will receive funding from RCN's Brazilian counterpart to develop the pilot project outside of Rio de Janeiro. The pilot is expected to be constructed early 2026.

## Organisation and working environment

During 2024, Ocean Sun made significant changes to its management team. In February, Kristian Tørvold was promoted to CEO,

replacing the company's founder Børge Bjørneklett. Under Kristian's leadership, Ocean Sun has focused on a more defined and targeted strategy, emphasizing employee empowerment and Ocean Sun's values.

The management team was further strengthened with the onboarding of Carl Petter Lehne as Chief Operating Officer (COO) in mid-September and David Knutsen as Chief Product Officer (CPO) in November. Carl Petter brings extensive experience in managing complex infrastructure projects, while David's expertise in marine technology and proven product development skills will be invaluable as Ocean Sun continues to expand.

Additionally, Kristin Husby Mork was appointed as Chief Commercial Officer (CCO), effective April 2025. Kristin's background in new energy business areas and commercial strategy will be crucial for Ocean Sun's growth.

In the opinion of the Board of Directors, the company's working environment is good. The company had no work-related injuries in 2024.

The number of full-time equivalents (FTEs) in the Group was 13 (14) during 2024. Of these, all are male. The Board consists of four members, two women and two men.

## Going concern

The renewable energy transition and year-on-year records for solar deployment provides a positive macro environment for Ocean Sun to continue its scale-up. Although Ocean Sun is currently presenting negative operating results and will most likely continue to do so during 2025, there is strong interest in the technology. The company also has a sound liquidity position to finance operations in 2025, even with minimal revenue contribution.



Despite this, the board monitors the cash situation of the company closely.

In view of this financial position, the Board confirms the going concern assumption and that the 2024 financial statements have been prepared based on the assumption of a going concern.

### Corporate governance

Ocean Sun's corporate governance policy exists to ensure an appropriate division of roles among the company's owners, Board of Directors, and executive management. An appropriate division of responsibilities and satisfactory internal controls will contribute to the greatest possible value creation over time, to the benefit of shareholders and other stakeholders.

The governance policy sets the framework for how we manage our company. We set the highest standard for honesty, integrity and compliance and Ocean Sun has defined and documented the key processes in our business. Although we are not formally certified, we comply with the central elements of ISO certifications by having documented processes, fostering continuous development and facilitating reporting and follow-up procedures for deviations, accidents and improvements.

Based on the relatively simple business model and the company's small staff, the Board believes that adequate steps have been taken to mitigate the internal control risk. Good corporate governance, that is, proper Board conduct and company management, are key to Ocean Sun's efforts to build and maintain trust. Ocean Sun has compared the corporate governance requirements and recommendations for companies listed on

Euronext Growth and are similar in size to Ocean Sun, with the company's own corporate governance procedures and practice. The findings show that Ocean Sun complies with these requirements and recommendations.

The company's Board is elected at the company's annual shareholders' meeting for a term of one year.

At Ocean Sun, our CSR policy defines corporate social responsibility as achieving commercial profitability in a way that is consistent with fundamental ethical values and with respect for individuals, the environment and society. Our work with CSR, reflects all elements within ESG and helps us make sustainable and responsible choices throughout the value chain. The main pledges of our ESG work are:

**Governance:** We set the highest standard for honesty, integrity and compliance

**HSE:** We have zero-tolerance for injuries on humans and damage to the environment.

**Environmentally responsible:** We develop sustainable solutions in harmony with nature.

**Human rights and equality:** We ensure that all employees are treated with respect and have proper working conditions.

During 2023, Ocean Sun compiled an ESG review, which was published on the company's web page. In addition, we have compiled a report according to the Norwegian transparency Act.

## Environmental commitment

Ocean Sun was founded on the concept of being a bold solution to our global energy needs and this concept is still deeply vested in everything we do. Ultimately, we are an enabler of the increased adoption of renewable energy.

The concept of floating solar has several inherent environmental benefits as it allows for renewable energy production with low interference with agriculture and forestry minimizing the environmental footprint. In many places, it also provides the only affordable alternative to fossil power plants, thereby reducing greenhouse gas emissions. As indicated by the illustration on pages 8 and 9, there are many environmental benefits with an Ocean Sun installation.

Potential negative effects, such as UV shading for some seabed species, that the deployment of our systems can have on local eco-systems are carefully monitored and as far as possible mitigated. As we continue to develop our system, we always have the environmental aspect in mind, giving careful consideration to reducing the climate impact of our design. We consider the full life cycle of all the materials we use and examine the possibility of using recycled or reused material.

## Directors and officers liability insurance

The company has international insurance policy for its directors and executives




Alida, Voldsfjorden, Norway, 160 kWp

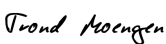



# Responsibility Statement


The Board of Directors has considered and approved the consolidated financial statements of Ocean Sun AS (“the Company”) for the full year ending 31 December 2024. We confirm that, to the best of our knowledge, the financial statements for the period have been prepared in accordance with applicable accounting standards and give a true and fair view of the Company’s assets, liabilities, financial position and profit and loss, and that the directors’ report includes a fair review of the development and performance of the business and the position of the company as a whole, together with a description of the principal risks and uncertainties facing the company.

Lysaker, 26 March 2025

Signed by:  
  
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May Kristin Salberg  
Chairperson of the Board

Signed by:  
  
8505FFB8B77C45F...  
Trond Moengen  
Board member

DocuSigned by:  
  
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Kristin Abyholm  
Board member

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CA1900FDB91C4B4...  
Tron Engebretsen  
Board member

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Kristian Tørvold  
CEO



# Group Financials

- Income statement
- Balance sheet
- Cash flow statement
- Accounting principles
- Notes



# Income Statement

Consolidated financials  
All figures in NOK'000

	Note	2024	2023
<b>Income</b>			
Revenue	2	7 213	3 153
Other income	2	11 694	13 673
<b>Total operating income</b>		<b>18 906</b>	<b>16 827</b>
<b>Operating expenses</b>			
Raw materials and consumables used		(3 764)	(5 732)
Employee cost	3	(21 905)	(20 735)
Depreciation		(7)	(13)
Other Operating expenses	4,5	(12 139)	(12 115)
<b>Total operating expenses</b>		<b>(37 814)</b>	<b>(38 595)</b>
<b>Operating result</b>		<b>(18 908)</b>	<b>(21 768)</b>
<b>Financial income</b>			
Interest income	6	1 609	2 150
Other financial income	6	1 256	1 275
<b>Total financial income</b>		<b>2 865</b>	<b>3 425</b>
<b>Financial expenses</b>			
Interest expenses	6	(1)	(11)
Other financial expenses	6	(922)	(307)
<b>Total financial expenses</b>		<b>(923)</b>	<b>(318)</b>
<b>Net financial items</b>		<b>1 941</b>	<b>3 107</b>
<b>Result before taxes</b>		<b>(16 966)</b>	<b>(18 661)</b>
Taxes	7	(1)	(4)
<b>Result after taxes</b>		<b>(16 967)</b>	<b>(18 665)</b>
Profit/loss attributable to owners of the parent		(16 967)	(18 665)
<b>Total Profit/loss attributable to owners of the parent</b>		<b>(16 967)</b>	<b>(18 665)</b>

# Balance sheet

Consolidated financials  
All figures in NOK'000

	Note	31.12.24	31.12.23
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Tangible non-current assets</b>			
Office equipment		3	26
<b>Total tangible - non current assets</b>		<b>3</b>	<b>26</b>
<b>Total non-current assets</b>		<b>3</b>	<b>26</b>
<b>Current assets</b>			
Inventories*	10	600	1 714
Accounts receivables	11	2 198	944
Other receivables	11	4 778	3 413
<b>Total receivables</b>		<b>7 576</b>	<b>6 070</b>
<b>Cash and equivalents</b>			
Cash and cash equivalents	12	29 556	46 745
<b>Total cash and equivalents</b>		<b>29 556</b>	<b>46 745</b>
<b>Total current assets</b>		<b>37 132</b>	<b>52 815</b>
<b>Total assets</b>		<b>37 135</b>	<b>52 841</b>

\*Inventories was presented under other receivables in the financial statement for 2023 but separated out on its own line in 2024.





# Balance sheet

Consolidated financials  
All figures in NOK'000

	Note	31.12.24	31.12.23
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Paid in capital</b>			
Share capital	15,16	450	450
Treasury shares	16	(0)	(0)
Share based payment reserves	16,17	1 145	933
Share premium	16	26 710	43 786
<b>Total Equity</b>		<b>28 305</b>	<b>45 169</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
		-	-
<b>Total long-term liabilities</b>		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
Accounts payables		1 831	2 483
Taxes and public duties		775	848
Other current liabilities	14	6 224	4 341
<b>Total current liabilities</b>		<b>8 830</b>	<b>7 672</b>
<b>Total liabilities</b>		<b>8 830</b>	<b>7 672</b>
<b>Total Equity and liabilities</b>		<b>37 135</b>	<b>52 841</b>

Lysaker, 26 March 2025

Signed by:  
  
74244C34279246D...  
May Kristin Salberg  
Chairperson of the Board

Signed by:  
  
8303FFD6877C45F...  
Trond Moengen  
Board member

DocuSigned by:  
  
8D113C258CE7442...  
Kristin Abyholm  
Board member

Signed by:  
  
CA1900FDB91C4B4...  
Tron Engebretsen  
Board member

Signed by:  
  
4657A74E0F0B4A1...  
Kristian Tørvold  
CEO

# Cash flow statement

Consolidated financials  
All figures in NOK'000

	2024	2023
<b>Operating activities</b>		
Result before tax	(16 966)	(18 665)
Depreciations	7	13
Cost of share option program	183	803
Change in inventories*	1 114	(1 714)
Change in accounts receivables	(1 254)	2 679
Change in other current assets	(1 366)	1 346
Change in accounts payable	(652)	1 724
Change in other current liabilities	1 671	(2 267)
<b>Cash flow from operating activities</b>	<b>(17 263)</b>	<b>(16 081)</b>
<b>Investments</b>		
Other investments	(17)	20
<b>Cash flow from investment activities</b>	<b>(17)</b>	<b>20</b>
Foreign currency effects on cash	92	39
<b>Net cash flow in the period</b>	<b>(17 188)</b>	<b>(16 022)</b>
<b>Cash and cash equiv., start of period</b>	<b>46 745</b>	<b>62 766</b>
<b>Cash and cash equiv., end of period</b>	<b>29 556</b>	<b>46 745</b>

\*Inventories was presented under other receivables in the financial statement for 2023 but separated out on its own line in 2024.



# Notes

## Note 1 – Accounting principles

### **Basis for preparations**

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles. The financial statements are consolidated and contains the parent entity, Ocean Sun AS as well as the wholly owned subsidiaries: Ocean Sun Systems AS (Norway), Ocean Sun China Co. Ltd (China) and Ocean Sun Pte. Ltd (Singapore). All intercompany transactions have been eliminated for both 2024 and 2023. As a result of rounding differences numbers or percentages may not add up to the total.

### **Sales revenue**

The company's main revenue will be licence fees from technology licensing agreements and service revenues related to design, analysis and training. Revenue from license fee is recognized when the license agreement is signed and there is full visibility on whether or not the project will be executed. Services are recognised as revenue as they are provided. In the case of any sales of goods, the revenue is recognised at the time of delivery. For turnkey projects revenue is recognised based on guidelines in NRS 2, where revenue is recognized on an ongoing basis based on percent of completion of the underlying contract.

### **Raw materials and consumables**

The company occasionally buy material for specific projects, based on agreements with customers, either for re-sale or as part of turnkey deliveries.

### **Classification and assessment of balance sheet items**

Current assets and current liabilities comprise items related to the ongoing business and development projects. For items other than accounts receivable, items that fall due within one year of the transaction date are included. Fixed assets are assets intended for permanent ownership and use. Current assets are valued at the lower of cost and fair value. Short-term debt is recognised in the balance sheet at the nominal amount at the time of establishment.

Fixed assets are valued at cost. Fixed assets are depreciated according to a reasonable depreciation plan. Fixed assets are written down to fair value in the event of impairment that is not expected to be temporary.

### **Receivables**

Accounts receivable and other receivables are stated in the balance sheet at nominal value less provisions for expected losses. Provisions for losses are made on the basis of individual assessments of the individual receivables.

### **Fixed assets**

Tangible fixed assets are capitalized and depreciated over the useful life of the fixed assets if they have assumed a useful life of more than 3 years and have a cost price exceeding NOK 15,000. Direct maintenance of fixed assets is expensed under operating costs on an ongoing basis, while costs or improvements are added to the cost of the fixed asset and depreciated in line with the fixed asset.

### **Cash flow statement**

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.

## Note 1 – Accounting principles, continued

### Government grants

Ocean Sun has several R&D project running over 1-3 years where parts of the R&D costs are supported by government grants. Government grants are accounted for when there is reasonable assurance that the company will meet the conditions associated with the grants, and the grants will be received. For the operating grant, the grant is recognised in the income statement at the same time as, and is classified as, the income it is to increase. The company spends significant resources on R&D activities related to developing its novel technology. For such activities, the company partly relies on grants, which is why such grants are recognised on a gross basis. The recognition of government grants is based on the principle of Percentage of Completion (PoC) on estimated cost to complete and presented as Other Income.

### In addition, the following accounting principles have been applied:

Deposits in foreign currency are valued at the exchange rate at the end of the financial year and the cost method is used for investments in subsidiaries. Own expenses for research and development and for the development of rights are expensed.

### Share-based payments

Employees of the company receive remuneration in the form of share-based options, whereby employees render services as consideration for equity instruments. This programme is measured at fair value at the date of the grant. The fair value at the grant date is expensed over the vesting period, based on the company's estimate of the shares that will eventually vest, adjusted for the effect of non-market-based vesting conditions. The fair value share-based program is measured using the Black-Scholes pricing model and is expensed to employee costs over the vesting period. The expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

### Tax

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at 22 per cent on the basis of the temporary differences that exist between accounting and tax values. Tax-increasing and tax-reducing temporary differences that reverse or can reverse in the same period are offset and the tax effect is calculated on the net basis.

## Note 2 – Operating income

	2024	2023
<b>Revenue</b>		
Licence revenue	150	167
Service and engineering revenue	1 808	1 027
Turnkey projects	1 490	1 959
Product sales	3 765	-
<b>Subtotal Revenue</b>	<b>7 213</b>	<b>3 153</b>
<b>Other income</b>		
Grants from EU (BOOST Project)	3 502	8 196
Grants from Innovation Norway (Green Platform)	2 146	2 229
Grants from the Research Council of Norway (SkatteFunn + IPN)	5 995	2 695
Other	51	553
<b>Subtotal other income</b>	<b>11 694</b>	<b>13 673</b>
<b>Total operating income</b>	<b>18 906</b>	<b>16 827</b>



## Note 2 – Operating income (continued)

	2024	2023
<b>Geographical spread of revenue</b>		
Europe and Middle East	4 581	2 451
North East Asia (incl China)	376	72
South East Asia	2 111	630
Americas	145	-
<b>Total revenue</b>	<b>7 213</b>	<b>3 153</b>

## Note 3 – Remuneration

	2024	2023
<b>Salary and personnel cost</b>		
Salary	16 234	17 120
Employer's contribution	1 993	2 081
Pension	594	611
Recognized cost for share option scheme	183	614
Provision for severance pay	2 386	-
Other related benefits	516	308
<b>Total Salary and personnel cost</b>	<b>21 905</b>	<b>20 735</b>

Ocean Sun AS pension scheme is 4 % of annual salary up to 7.1 G (G was NOK 124 028 from 01.05.2024) and 10% of salary between 7.1 G and 12 G

	2024	2023
<b>Full- time equivalents</b>		
Ocean Sun AS	11	11
Subsidiaries	2	3
<b>Total</b>	<b>13</b>	<b>14</b>

	Salary	Pension	Share option cost	Other remuneration
<b>Remuneration for CEO</b>				
Kristian Tørvold*	1 667	89	114	15
Børge Bjørneklett (previous CEO)**	1 165	63	-	2 478
<b>Remuneration for board members</b>				
May Kristin Salberg (Chairperson)***	196	-	-	53
Kristin Åbyholm (Board member)	160	-	-	-
Trond Moengen (Board member)	-	-	-	-
Tron Engebretsen (Board member)	-	-	-	-
Brian James Glover (Board member)****	160	-	-	-
Thomas Moe Børseth****	93	-	-	-
Erik Løkke Øvre****	67	-	-	-
<b>Total remuneration for board members</b>	<b>675</b>	<b>-</b>	<b>-</b>	<b>53</b>

\* Mr. Tørvold has been granted 200,000 share options, with a calculated cost of NOK 114 thousand in 2024. Non of the options have vested. Please refer to note 17 for more information on the share option program. Mr Tørvold is entitled to 6 months of severance pay, should the company terminate his agreement.

(Continues on the following page)

\*\* According to agreement Mr Bjørneklett will receive 15 months severance pay starting September 2024. Severance payment paid out in 2024 as well as provision for severance pay in 2025 is included under other remuneration.

\*\*\* May Kristin Salberg has delivered consultancy services amounting to NOK 53 thousand plus travel expenses in relation to facilitating the Company's work with updated business processes.

\*\*\*\* Mr Glover left the Board in relation with the AGM in 2024. Mr Børseth and Mr Løkke Øvre left the board during 2023.

Board remuneration represents what has been paid out during 2024. The remuneration for the period from the annual general meeting in 2024 to the annual general meeting in 2025 was set to NOK 195,000 for the chair and NOK 140,000 for board members on the AGM in 2024.

## Note 4 – Remuneration to Auditor

The company had the following costs (excluding VAT) related to auditor Ernst & Young AS

	2024	2023
<b>Auditor's fee Ocean Sun AS</b>		
Audit services	335	335
Other attestation services	248	109
Other services	27	-
<b>Total auditor's fee Ocean Sun AS</b>	<b>610</b>	<b>444</b>

## Note 5 – Other operating expenses

Expense type	2024	2023
Legal, auditors, accounting, etc	4 139	1 487
Consultants, testing and patents	3 741	6 286
Facility cost, IT, etc	1 613	1 686
Interim CFO	627	-
Materials for development and testing	66	-
Other	1 952	2 655
<b>Total Other Operating Expenses</b>	<b>12 138</b>	<b>12 115</b>

## Note 6 – Financial items

	2024	2023
<b>Finance income</b>		
Interest income	1 609	2 150
Agio	1 256	1 275
<b>Total finance income</b>	<b>2 865</b>	<b>3 425</b>
<b>Finance expenses</b>		
Interest Expenses	(1)	(11)
Disagio	(922)	(307)
<b>Total finance expenses</b>	<b>(923)</b>	<b>(318)</b>

## Note 7 – Taxes

	2024	2023
<b>Ocean Sun AS</b>		
This year's loss	(16 903)	(18 419)
+/- Permanent differences	(1 757)	(1 785)
+/- This years change in temporary differences	10	(171)
<b>Tax base of the year</b>	<b>(18 650)</b>	<b>(20 375)</b>
<b>Tax expenses in the income statement</b>	<b>-</b>	<b>-</b>
<b>Tax payable in the balance sheet</b>	<b>-</b>	<b>-</b>
<b>Ocean China</b>		
Ocean Sun China Comp. Ltd., Tax expenses in the income statement	(1)	(4)

	31.12.2024	31.12.2023	Change
<b>Temporary differences</b>			
Fixed assets	3	12	9
Current assets	-	-	-
Loss carried forward	(115 739)	(97 089)	18 650
<b>Net temporary differences</b>	<b>(115 736)</b>	<b>(97 077)</b>	<b>18 659</b>
Loss carried forward (not recognised as DTA)	115 736	97 077	(18 659)
Total temporary differences	-	-	-
<b>Deferred tax assets 31.12.2024 based on 22% tax rate</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Group has NOK 115.7 million (2023: NOK 97.1 million) of tax losses carried forward. These losses relate to a history of losses, do not expire, and may not be used to offset taxable income in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward. Deferred tax assets related to losses carried forward can be recognized when there is convincing evidence of future usage.

Permanent differences in the comparable amount where wrongfully stated as 16 thousand. It is corrected in the current year report.

## Note 8 – Subsidiaries

Company name	Office	Share	Equity Net profit	
Ocean Sun Systems AS	Norway	100%	44	32
Ocean Sun China Co. Ltd China	China	100%	159	(73)
Ocean Sun Pte. Ltd Singapore*	Singapore	100%	135	(103)

\*Ocean Sun Pte. Ltd is owned 100 % by Ocean Sun Systems AS.



## Note 9 – Transactions with related parties

	Type	Amount	Net profit
<b>Invoices to Ocean Sun AS, from:</b>			
Salberg MASA	Related party	53	n.a

Salberg MASA is a sole proprietorship of Chairperson of the Board May Kristin Salberg. Please refer to note 3 remuneration for more information regarding these transactions.

## Note 10 – Inventories

	31.12.24	31.12.23
<b>Inventories</b>		
Membrane raw materials	600	1 714
<b>Total inventories</b>	<b>600</b>	<b>1 714</b>

Inventories consist of membrane raw material purchased by Ocean Sun and stored at our confection partner. The material was purchased to shorten the lead-time of the membrane and is used to confection the finished circular membrane. The inventory is measured at cost and has been assessed for obsolescence.

## Note 11 – Accounts receivables and other receivables

	31.12.24	31.12.23
<b>Accounts receivables</b>		
Customer receivables	1 197	446
BOOST project receivables	1 001	479
Statkraft material	-	19
<b>Total accounts receivables</b>	<b>2 198</b>	<b>944</b>
<b>Other Receivables</b>		
Material for projects	227	314
Accrued income from government grants	4 333	2 464
Other	218	635
<b>Total</b>	<b>4 778</b>	<b>3 413</b>

## Note 12 – Cash and cash equivalents

	31.12.24	31.12.23
Restricted cash*	860	860
Bank Guarantees	-	1 158
Cash	28 697	44 727
<b>Total cash and equivalents</b>	<b>29 556</b>	<b>46 745</b>

\*Restricted cash is reserved withholding tax related to employees

## Note 13 – Patents and trademarks

Ocean Sun AS has put considerable effort into patenting its key technology. The patent portfolio currently consist of more than 150 patent applications for four patent families with applications in 51 countries/patent organisations. The main patent has already been accepted in several key states including the US, United Kingdom, China, India, European Patent Organization (EPO) and Norway.

Ocean Sun has also filed for Design registration and Trademark Registration in selected countries.

## Note 14 – Other current liabilities

	31.12.24	31.12.23
Prepayments from customers	805	1 262
Prepayment BOOST Project	1 464	989
Holiday allowance	1 111	1 108
Provision for severance pay	2 386	-
Provision for board remuneration*	409	630
Other	49	353
<b>Total Other payables</b>	<b>6 224</b>	<b>4 341</b>

\*Was included as part of Other in 2023 annual report

## Note 15 – Share capital and shareholders information

	Number of shares
<b>Ocean Sun AS</b>	
Share capital	44 986 200
Ocean Sun AS stock of treasury shares pr. 31.12.2024	30 000
Nominal value per share	0,01

Shareholders pr 31.12.2024	Holdings	Ownership %	Voting rights %
DR.ING. BØRGE BJØRNEKLETT AS	9 242 500	21%	21%
KVANTIA AS	8 126 888	18%	18%
PROGRESSI AS	6 326 100	14%	14%
UMOE AS	5 303 018	12%	12%
MP PENSJON PK	1 967 966	4%	4%
SAUAR INVEST AS	1 330 738	3%	3%
OPULENS INVEST AS	1 000 000	2%	2%
SCHIØLL	832 509	2%	2%
Bank Pictet & Cie (Europe) AG	617 493	1%	1%
CLEARSTREAM BANKING S.A.	566 813	1%	1%
Other	9 672 175	22%	22%
<b>Total</b>	<b>44 986 200</b>	<b>100%</b>	<b>100%</b>

## Note 16 – Equity

	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	-	-	-	-	(18 665)	(18 665)
Share option program	-	-	-	803	-	803
Currency translation differences	-	-	-	(7)	(99)	(105)
Transfer to share premium	-	-	(18 764)	-	18 764	-
<b>At 31 December 2023</b>	<b>450</b>	<b>(0)</b>	<b>43 786</b>	<b>933</b>	<b>-</b>	<b>45 169</b>
Profit/Loss for the period	-	-	-	-	(16 967)	(16 967)
Share option program	-	-	-	183	-	183
Currency translation differences	-	-	-	29	(108)	(80)
Transfer to share premium	-	-	(17 076)	-	17 076	-
<b>At 31 December 2024</b>	<b>450</b>	<b>(0)</b>	<b>26 710</b>	<b>1 145</b>	<b>-</b>	<b>28 305</b>



## Note 17 – Share based payments

Share-based compensation benefits are provided to employees through the Long-term incentive program approved by the extraordinary general meeting held on the 11th of October 2021.

Equity-settled, share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the grant date. The fair value is expensed over the vesting period as an employee benefit expense, with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest, based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The fair value at the grant date is determined using the Black-Scholes-Merton option pricing model, which takes into account the exercise price, the life of the option, the current price of the underlying shares, the expected volatility of the share price, any dividends expected on the shares and risk-free interest rate for the life of the option. The expected share price volatility is based on historical volatility for a selection of comparable listed companies. The risk-free interest rate is based on zero-coupon government bonds with a term equal to the expected term of the option being valued.

Social security contributions payable in connection with an option grant are considered an integral part of the grant itself. The charges are treated as cash settled, share-based payments and re-measured at each reporting date.

On 7 November 2024, the board of directors granted a total of 473 383 new share options to employees. In addition, 546 357 share options were reissued, meaning that employees with outstanding options were offered a chance to reduce the strike price of their options on the condition that the vesting period was reset. All existing option holders accepted this offer.

### Total costs and Social Security Provisions

	2024
Employee cost 2024	183
Total Social security provisions 2024	-

### Granted instruments 2024

Instrument	Option
Quantity 31.12.2024 (instruments)	1 019 740
Quantity 31.12.2024 (shares)	1 019 740
Contractual life*	5,00
Strike price*	2,12
Share price*	1,83
Expected lifetime*	3,60
Volatility*	74,6%
Interest rate*	3,7%
Dividend*	-
FV per instrument*	0,70

\*Weighted average parameters at grant of instrument

## Note 17 – Share based payments (continued)

### Outstanding instruments Year End (Options)

#### Quantity and weighted average prices

	Number of instruments	Weighted Average Strike Price
	01.01.2024 - 31.12.2024	
Outstanding OB (01.01.2024)	1 010 048	7,99
Granted	1 019 740	2,12
Exercised	-	-
Released	-	-
Adjusted	-	-
Performance Adjusted	-	-
Modification Adjusted	(546 357)	7,99
Cancelled	-	-
Terminated	(463 691)	7,98
Expired	-	-
Moved in	-	-
Moved Out	-	-
Outstanding CB (31.12.2024)	1 019 740	2,12
Vested CB	-	-

#### Outstanding Instruments Overview

Strike price	Number of instruments	Weighted Average remaining contractual life	Vested instruments 31.12.2024
1,66	115 000	4,71	-
2,12	115 000	4,84	-
2,19	789 740	4,85	-
<b>Total</b>	<b>1 019 740</b>		<b>-</b>



# Parent Company Financials

- Income statement
- Balance sheet
- Cash flow statement
- Accounting principles
- Notes



# Income statement

Parent company financials  
All figures in NOK'000

	Note	2024	2023
<b>Income</b>			
Revenue	2	6 906	3 081
Other income	2	11 662	13 664
<b>Total operating income</b>		<b>18 568</b>	<b>16 745</b>
<b>Operating expenses</b>			
Raw materials and consumables used		(3 340)	(5 749)
Employee cost	3	(17 766)	(16 013)
Depreciation		(7)	(13)
Other Operating expenses	4,5	(16 297)	(16 420)
<b>Total operating expenses</b>		<b>(37 410)</b>	<b>(38 195)</b>
<b>Operating result</b>		<b>(18 842)</b>	<b>(21 450)</b>
<b>Financial income</b>			
Interest income	6	1 608	2 129
Other financial income	6	1 165	1 195
<b>Total financial income</b>		<b>2 773</b>	<b>3 324</b>
<b>Financial expenses</b>			
Interest expenses	6	(1)	(11)
Other financial expenses	6	(832)	(282)
<b>Total financial expenses</b>		<b>(834)</b>	<b>(293)</b>
<b>Net financial items</b>		<b>1 939</b>	<b>3 031</b>
<b>Result before taxes</b>		<b>(16 903)</b>	<b>(18 419)</b>
Taxes	7	-	-
<b>Result after taxes</b>		<b>(16 903)</b>	<b>(18 419)</b>
Transferred to share premium		(16 903)	(18 419)
<b>Total transfers and allocations</b>		<b>(16 903)</b>	<b>(18 419)</b>

# Balance sheet

Parent company financials  
All figures in NOK'000

	Note	31.12.24	31.12.23
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Tangible non-current assets</b>			
Office equipment		3	26
<b>Total tangible - non current assets</b>		<b>3</b>	<b>26</b>
<b>Other non-current assets</b>			
Investments in Subsidiaries	8	280	280
<b>Total other non-current assets</b>		<b>280</b>	<b>280</b>
<b>Total non-current assets</b>		<b>283</b>	<b>306</b>
<b>Current assets</b>			
Inventories*	10	600	1 714
Accounts receivables	11	2 198	874
Other receivables	11	4 654	3 331
<b>Total receivables</b>		<b>7 451</b>	<b>5 917</b>
<b>Cash and equivalents</b>			
Cash and cash equivalents	12	29 173	46 559
<b>Total cash and equivalents</b>		<b>29 173</b>	<b>46 559</b>
<b>Total current assets</b>		<b>36 625</b>	<b>52 478</b>
<b>Total assets</b>		<b>36 908</b>	<b>52 784</b>


\*Inventories was presented under other receivables in the financial statement for 2023 but separated out on its own line in 2024.

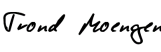
# Balance sheet

Parent company financials  
All figures in NOK'000


	Note	31.12.24	31.12.23
<strong>EQUITY AND LIABILITIES</strong>			
<strong>Equity</strong>			
<strong>Paid in capital</strong>			
Share capital	15,16	450	450
Treasury shares	16	(0)	(0)
Share based payment reserves	16,17	661	689
Share premium	16	27 152	44 055
<strong>Total Equity</strong>		<strong>28 263</strong>	<strong>45 193</strong>
<strong>Liabilities</strong>			
<strong>Non-current liabilities</strong>			
Other long term liabilities		-	-
<strong>Total long-term liabilities</strong>		<strong>-</strong>	<strong>-</strong>
<strong>Current liabilities</strong>			
Accounts payables		1 831	2 860
Taxes and public duties		640	742
Other current liabilities	14	6 175	3 989
<strong>Total current liabilities</strong>		<strong>8 646</strong>	<strong>7 591</strong>
<strong>Total liabilities</strong>		<strong>8 646</strong>	<strong>7 591</strong>
<strong>Total Equity and liabilities</strong>		<strong>36 908</strong>	<strong>52 784</strong>

Lysaker, 26 March 2025

Signed by:  
  
74244C54279246D...  
May Kristin Salberg  
Chairperson of the Board

Signed by:  
  
8505FED6B77C45F...  
Trond Moengen  
Board member

DocuSigned by:  
  
8D113C258CE7442...  
Kristin Abyholm  
Board member

Signed by:  
  
CA1900FDB97C4B4...  
Tron Engbrethsen  
Board member

Signed by:  
  
4657A74E0F0B4A1...  
Kristian Tørvold  
CEO



# Cash flow statement

Parent company financials  
All figures in NOK'000

	2024	2023
<b>Operating activities</b>		
Result before tax	(16 903)	(18 419)
Depreciations	7	13
Cost of share option program	(27)	614
Change in inventories	1 114	(1 714)
Change in accounts receivables	(1 324)	2 734
Change in other current assets	(1 324)	1 311
Change in accounts payable	(1 029)	1 855
Change in other current liabilities	2 117	(2 365)
<b>Cash flow from operating activities</b>	<b>(17 369)</b>	<b>(15 970)</b>
<b>Investments</b>		
Other investments	(17)	20
<b>Cash flow from investment activities</b>	<b>(17)</b>	<b>20</b>
<b>Net cash flow in the period</b>	<b>(17 386)</b>	<b>(15 950)</b>
<b>Cash and cash equiv., start of period</b>	<b>46 559</b>	<b>62 509</b>
<b>Cash and cash equiv., end of period</b>	<b>29 173</b>	<b>46 559</b>

\*Inventories was presented under other receivables in the financial statement for 2023 but separated out on its own line in 2024.

# Notes

## Note 1 – Accounting principles

### Basis for preparations

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles. The financial statements are consolidated and contains the parent entity, Ocean Sun AS as well as the wholly owned subsidiaries: Ocean Sun Systems AS (Norway), Ocean Sun China Co. Ltd (China) and Ocean Sun Pte. Ltd (Singapore). All intercompany transactions have been eliminated for both 2024 and 2023. As a result of rounding differences numbers or percentages may not add up to the total.

### Sales revenue

The company's main revenue will be licence fees from technology licensing agreements and service revenues related to design, analysis and training. Revenue from license fee is recognized when the license agreement is signed and there is full visibility on whether or not the project will be executed. Services are recognised as revenue as they are provided. In the case of any sales of goods, the revenue is recognised at the time of delivery. For turnkey projects revenue is recognised based on guidelines in NRS 2, where revenue is recognized on an ongoing basis based on percent of completion of the underlying contract.

### Raw materials and consumables

The company occasionally buy material for specific projects, based on agreements with customers, either for re-sale or as part of turnkey deliveries.

### Classification and assessment of balance sheet items

Current assets and current liabilities comprise items related to the ongoing business and development projects. For items other than accounts receivable, items that fall due within one year of the transaction date are included. Fixed assets are assets intended for permanent ownership and use. Current assets are valued at the lower of cost and fair value. Short-term debt is recognised in the balance sheet at the nominal amount at the time of establishment.

Fixed assets are valued at cost. Fixed assets are depreciated according to a reasonable depreciation plan. Fixed assets are written down to fair value in the event of impairment that is not expected to be temporary.

### Receivables

Accounts receivable and other receivables are stated in the balance sheet at nominal value less provisions for expected losses. Provisions for losses are made on the basis of individual assessments of the individual receivables.

### Fixed assets

Tangible fixed assets are capitalized and depreciated over the useful life of the fixed assets if they have assumed a useful life of more than 3 years and have a cost price exceeding NOK 15,000. Direct maintenance of fixed assets is expensed under operating costs on an ongoing basis, while costs or improvements are added to the cost of the fixed asset and depreciated in line with the fixed asset.

### Shares in subsidiaries

Shares in subsidiaries are accounted for at cost. Ongoing assessments are made regarding potential impairment.

### Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.

## Note 1 – Accounting principles, continued

### Government grants

Ocean Sun has several R&D project running over 1-3 years where parts of the R&D costs are supported by government grants. Government grants are accounted for when there is reasonable assurance that the company will meet the conditions associated with the grants, and the grants will be received. For the operating grant, the grant is recognised in the income statement at the same time as, and is classified as, the income it is to increase. The company spends significant resources on R&D activities related to developing its novel technology. For such activities, the company partly relies on grants, which is why such grants are recognised on a gross basis. The recognition of government grants is based on the principle of Percentage of Completion (PoC) on estimated cost to complete and presented as Other Income.

### In addition, the following accounting principles have been applied:

Deposits in foreign currency are valued at the exchange rate at the end of the financial year and the cost method is used for investments in subsidiaries. Own expenses for research and development and for the development of rights are expensed.

### Share-based payments

Employees of the company receive remuneration in the form of share-based options, whereby employees render services as consideration for equity instruments. This programme is measured at fair value at the date of the grant. The fair value at the grant date is expensed over the vesting period, based on the company's estimate of the shares that will eventually vest, adjusted for the effect of non-market-based vesting conditions. The fair value share-based program is measured using the Black-Scholes pricing model and is expensed to employee costs over the vesting period. The expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

### Tax

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at 22 per cent on the basis of the temporary differences that exist between accounting and tax values. Tax-increasing and tax-reducing temporary differences that reverse or can reverse in the same period are offset and the tax effect is calculated on the net basis.

## Note 2 – Operating income

	2024	2023
<b>Revenue</b>		
Licence revenue	150	167
Service and engineering revenue	1 808	954
Turnkey projects	1 490	1959
Product sales	3 458	-
<b>Subtotal Revenue</b>	<b>6 906</b>	<b>3 081</b>
<b>Other income</b>		
Grants from EU (BOOST Project)	3 502	8 196
Grants from Innovation Norway (Green Platform)	2 146	2 229
Grants from the Research Council of Norway (SkatteFunn + IPN)	5 995	2 695
Other	19	544
<b>Subtotal other income</b>	<b>11 662</b>	<b>13 664</b>
<b>Total operating income</b>	<b>18 568</b>	<b>16 745</b>



**Note 2 – Operating income (continued)**

	2024	2023
<b>Geographical spread</b>		
Europe and middle east	4 581	2 451
North East Asia (inc China)	69	-
South East Asia	2 111	630
Americas	145	-
<b>Total revenue</b>	<b>6 906</b>	<b>3 081</b>

**Note 3 – Remuneration**

	2024	2023
<b>Salary and personnel cost</b>		
Salary	12 306	12 399
Employer's contribution	1 993	2 081
Pension	594	611
Recognized cost for share option scheme	(27)	614
Provision for severance pay	2 386	-
Other related benefits	516	308
<b>Total Salary and personnel cost</b>	<b>17 766</b>	<b>16 013</b>

Ocean Sun AS pension scheme is 4 % of annual salary up to 7.1 G (G was NOK 118 620 from 01.05.2023) and 10 % of salary between 7.1 G and 12 G

	2024	2023
<b>Full- time equivalents</b>		
Ocean Sun AS	11	11
<b>Total</b>	<b>11</b>	<b>11</b>

	Salary	Pension	Share option cost	Other remuneration
<b>Remuneration for CEO</b>				
Kristian Tørvold*	1 667	89	114	15
Børge Bjørneklett (previous CEO)**	1 165	63	-	2 478
<b>Remuneration for board members</b>				
May Kristin Salberg (Chairperson)***	196	-	-	53
Kristin Åbyholm (Board member)	160	-	-	-
Trond Moengen (Board member)	-	-	-	-
Tron Engebretsen (Board member)	-	-	-	-
Brian James Glover (Board member)****	160	-	-	-
Thomas Moe Børseth****	93	-	-	-
Erik Løkke Øvre****	67	-	-	-
<b>Total remuneration for board members</b>	<b>675</b>	<b>-</b>	<b>-</b>	<b>53</b>

\* Mr. Tørvold has been granted 200,000 share options, with a calculated cost of NOK 114 thousand in 2024. Non of the options have vested. Please refer to note 17 for more information on the share option program. Mr Tørvold is entitled to 6 months of severance pay, should the company terminate his agreement.

(Continues on the following page)

\*\* According to agreement Mr Bjørneklett will receive 15 months severance pay starting September 2024. Severance payment paid out in 2024 as well as provision for severance pay in 2025 is included under other remuneration.

\*\*\* May Kristin Salberg has delivered consultancy services amounting to NOK 53 thousand plus travel expenses in relation to facilitating the Company's work with updated business processes.

\*\*\*\* Mr Glover left the Board in relation with the AGM in 2024. Mr Børseth and Mr Løkke Øvre left the board during 2023.

Board remuneration represents what has been paid out during 2024. The remuneration for the period from the annual general meeting in 2024 to the annual general meeting in 2025 was set to NOK 195,000 for the chair and NOK 140,000 for board members on the AGM in 2024.

## Note 4 – Remuneration to Auditor

The company had the following costs (excluding VAT) related to auditor Ernst & Young AS

	2024	2023
<b>Auditor's fee Ocean Sun AS</b>		
Audit services	335	335
Other attestation services	248	109
Other services	27	-
<b>Total auditor's fee Ocean Sun AS</b>	<b>610</b>	<b>444</b>

## Note 5 – Other operating expenses

Expense type	2024	2023
Cost for subsidiaries	4 759	5 025
Legal, auditors, accounting, etc	4 008	1 366
Consultants, testing and patents	3 681	6 286
Facility cost, IT, etc	1 477	1 510
Interim CFO	627	-
Materials for development and testing	66	-
Other	1 677	2 233
<b>Total Other Operating Expenses</b>	<b>16 297</b>	<b>16 420</b>

## Note 6 – Financial items

	2024	2023
<b>Finance income</b>		
Interest income	1 608	2 129
Agio	1 165	1 195
<b>Total finance income</b>	<b>2 773</b>	<b>3 324</b>
<b>Finance expenses</b>		
Interest Expenses	(1)	(11)
Disagio	(832)	(282)
<b>Total finance expenses</b>	<b>(834)</b>	<b>(293)</b>

## Note 7 – Taxes

	2024	2023
<b>Ocean Sun AS</b>		
This year's loss	(16 903)	(18 419)
+/- Permanent differences	(1 757)	(1 785)
+/- This years change in temporary differences	10	(171)
<b>Tax base of the year</b>	<b>(18 650)</b>	<b>(20 375)</b>
<b>Tax expenses in the income statement</b>	<b>-</b>	<b>-</b>
<b>Tax payable in the balance sheet</b>	<b>-</b>	<b>-</b>

	31.12.2024	31.12.2023	Change
<b>Temporary differences</b>			
Fixed assets	3	12	9
Current assets	-	-	-
Loss carried forward	(115 739)	(97 089)	18 650
<b>Net temporary differences</b>	<b>(115 736)</b>	<b>(97 077)</b>	<b>18 659</b>
Loss carried forward (not recognised as DTA)	115 736	97 077	(18 659)
Total temporary differences	-	-	-
<b>Deferred tax assets 31.12.2024 based on 22% tax rate</b>	<b>-</b>	<b>-</b>	<b>-</b>

The parent company has NOK 115.7 million (2023: NOK 97.1 million) of tax losses carried forward. These losses relate to a history of losses, do not expire, and may not be used to offset taxable income in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward. Deferred tax assets related to losses carried forward can be recognized when there is convincing evidence of future usage.

Permanent differences in the comparable amount where wrongfully stated as 16 thousand. It is corrected in the current year report.

## Note 8 – Subsidiaries

Company name	Office	Share	Equity Net profit	
Ocean Sun Systems AS	Norway	100%	44	32
Ocean Sun China Co. Ltd China	China	100%	159	(73)
Ocean Sun Pte. Ltd Singapore*	Singapore	100%	135	(103)

\*Ocean Sun Pte. Ltd is owned 100 % by Ocean Sun Systems AS.



## Note 9 – Intercompany transactions and transactions with related parties

	Type	Amount	Net profit
<b>Invoices to Ocean Sun AS, from:</b>			
Ocean Sun Systems AS	Intercompany	61	32
Ocean Sun China Co. Ltd	Intercompany	2 190	(73)
Ocean Sun Pte. Ltd	Intercompany	2 508	(103)
Salberg MASA	Related party	53	n.a

Salberg MASA is a sole proprietorship of Board Member May Kristin Salberg. Please refer to note 3 remuneration for more information regarding these transactions.

## Note 10 – Inventories

	31.12.24	31.12.23
<b>Inventories</b>		
Membrane raw materials	600	1 714
<b>Total inventories</b>	<b>600</b>	<b>1 714</b>

Inventories consist of membrane raw material purchased by Ocean Sun and stored at our confection partner. The material was purchased to shorten the lead-time of the membrane and is used to confection the finished circular membrane. The inventory is measured at cost and has been assessed for obsolescence.

## Note 11 – Accounts receivables and other receivables

	31.12.24	31.12.23
<b>Accounts receivables</b>		
Customer receivables	1 197	376
BOOST project receivables	1 001	479
Statkraft material	-	19
<b>Total accounts receivables</b>	<b>2 198</b>	<b>874</b>
<b>Other Receivables</b>		
Material for projects	227	314
Accrued income from government grants	4 333	2 464
Other	94	553
<b>Total</b>	<b>4 654</b>	<b>3 330</b>

## Note 12 – Cash and cash equivalents

	31.12.24	31.12.23
Restricted cash*	860	860
Bank Guarantee **	-	1 158
Cash	28 313	44 541
<b>Total cash and equivalents</b>	<b>29 173</b>	<b>46 559</b>

\*Restricted cash is reserved withholding tax related to employees

\*\* Bank guarantee for Statkraft Albania project,.

## Note 13 – Patents and trademarks

Ocean Sun AS has put considerable effort into patenting its key technology. The patent portfolio currently consist of more than 150 patent applications for four patent families with applications in 51 countries/patent organisations. The main patent has already been accepted in several key states including the US, United Kingdom, China, India, European Patent Organization (EPO) and Norway.

Ocean Sun has also filed for Design registration and Trademark Registration in selected countries.

## Note 14 – Other current liabilities

	31.12.24	31.12.23
Prepayments from customers	805	1 262
Prepayment BOOST Project	1 464	989
Holiday allowance	1 111	1 108
Provision for severance pay	2 386	-
Provision for board remuneration*	409	630
<b>Total Other payables</b>	<b>6 175</b>	<b>3 989</b>

## Note 15 – Share capital and shareholders information

### Number of shares

#### Ocean Sun AS

Share capital	44 986 200
Ocean Sun AS stock of treasury shares pr. 31.12.2024	30 000
Nominal value per share	0,01

#### Shareholders pr 31.12.2024

	Holdings	Ownership %	Voting rights %
DR.ING. BØRGE BJØRNEKLETT AS	9 242 500	21%	21%
KVANTIA AS	8 126 888	18%	18%
PROGRESSI AS	6 326 100	14%	14%
UMOE AS	5 303 018	12%	12%
MP PENSJON PK	1 967 966	4%	4%
SAUAR INVEST AS	1 330 738	3%	3%
OPULENS INVEST AS	1 000 000	2%	2%
SCHIØLL	832 509	2%	2%
Bank Pictet & Cie (Europe) AG	617 493	1%	1%
CLEARSTREAM BANKING S.A.	566 813	1%	1%
Other	9 672 175	22%	22%
<b>Total</b>	<b>44 986 200</b>	<b>100%</b>	<b>100%</b>

## Note 16 – Equity

NOK'000	Share capital	Own shares	Share premium	Share based payment reserves	Uncovered losses	Total
At 1st of January 2023	450	(0)	62 474	74	-	62 999
Profit/Loss for the period	-	-	-	-	(18 419)	(18 419)
Share option program	-	-	-	614	-	614
Transfer to share premium	-	-	(18 419)	-	18 419	-
<b>At 31 December 2023</b>	<b>450</b>	<b>(0)</b>	<b>44 055</b>	<b>689</b>	<b>-</b>	<b>45 193</b>
Profit/Loss for the period	-	-	-	-	(16 903)	(16 903)
Share option program	-	-	-	(27)	-	(27)
Transfer to share premium	-	-	(16 903)	-	16 903	-
<b>At 31 December 2023</b>	<b>450</b>	<b>(0)</b>	<b>27 152</b>	<b>661</b>	<b>-</b>	<b>28 263</b>

## Note 17 – Share based payments

Share-based compensation benefits are provided to employees through the Long-term incentive program approved by the extraordinary general meeting held on the 11th of October 2021.

Equity-settled, share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the grant date. The fair value is expensed over the vesting period as an employee benefit expense, with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest, based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The fair value at the grant date is determined using the Black-Scholes-Merton option pricing model, which takes into account the exercise price, the life of the option, the current price of the underlying shares, the expected volatility of the share price, any dividends expected on the shares and risk-free interest rate for the life of the option. The expected share price volatility is based on historical volatility for a selection of comparable listed companies. The risk-free interest rate is based on zero-coupon government bonds with a term equal to the expected term of the option being valued.

Social security contributions payable in connection with an option grant are considered an integral part of the grant itself. The charges are treated as cash settled, share-based payments and re-measured at each reporting date.

On 7 November 2024, the board of directors granted a total of 473 383 new share options to employees. In addition, 546 357 share options were reissued, meaning that employees with outstanding options were offered a chance to reduce the strike price of their options on the condition that the vesting period was reset. All existing option holders accepted this offer.

### Total costs and Social Security Provisions

	2024
Employee cost 2024	(27)
Total Social security provisions 2024	-

### Granted instruments 2024

Instrument	Option
Quantity 31.12.2024 (instruments)	813 485
Quantity 31.12.2024 (shares)	813 485
Contractual life*	5,00
Strike price*	2,12
Share price*	1,83
Expected lifetime*	3,60
Volatility*	74,59%
Interest rate*	3,74%
Dividend*	-
FV per instrument*	0,70

\*Weighted average parameters at grant of instrument



## Note 17 – Share based payments (continued)

### Outstanding instruments Year End (Options)

#### Quantity and weighted average prices

	Number of instruments	Weighted Average Strike Price
	01.01.2024 - 31.12.2024	
Outstanding OB (01.01.2024)	803 793	7,99
Granted	813 485	2,10
Exercised	-	-
Released	-	-
Adjusted	-	-
Performance Adjusted	-	-
Modification Adjusted	(340 102)	7,99
Cancelled	-	-
Terminated	(463 691)	7,98
Expired	-	-
Moved in	-	-
Moved Out	-	-
Outstanding CB (31.12.2024)	813 485	2,10
Vested CB	-	-

#### Outstanding Instruments Overview

Strike price	Number of instruments	Weighted Average remaining contractual life	Vested instruments 31.12.2024
1,66	115 000	4,71	-
2,12	115 000	4,84	-
2,19	583 485	4,85	-
<b>Total</b>	<b>813 485</b>		<b>-</b>



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