

TERM SHEET – 12 OCTOBER 2020



Ocean Sun AS | Private Placement | Approximately NOK 150 million

Please be aware that the placement of shares (the "Private Placement") in Ocean Sun AS (the "Company") will be completed based on an investor presentation, an application agreement and this term sheet (all dated 12 October 2020) as well as all currently available public information.

Issuer	<ul style="list-style-type: none"> Ocean Sun AS, a private limited company incorporated under the laws of Norway with registration number 917 619 751.
ISIN	<ul style="list-style-type: none"> Shares recorded in the VPS with ISIN NO 001 0887565.
Pre-money share capital	<ul style="list-style-type: none"> Shares outstanding prior to completion of the Private Placement: 39,430,700 shares (each with a par value of NOK 0.01). Market capitalization: Approximately NOK 700 – 800 million based on shares outstanding prior to completion of the Private Placement and the Offer Price. <i>For more information about the share capital and shares outstanding please see the investor presentation.</i>
Offering structure	<ul style="list-style-type: none"> Private Placement of new and existing shares in the Company
Offer price	<ul style="list-style-type: none"> The price (the "Offer Price") at which the Offer Shares (as defined below) will be sold is expected to be between NOK 17.75 and NOK 20.25 per Offer Share (the "Indicative Price Range"). The Offer Price may be set within, below or above the Indicative Price Range. The Offer Price and the number of Offer Shares to be sold will be determined through a bookbuilding process and will be set by the Company's board of directors (the "Board"), in consultation with the Manager.
Offering size	<ul style="list-style-type: none"> Primary Offering: A number of new shares ("New Shares") which will raise gross proceeds of approximately NOK 100 million. Secondary Offering: Up to 2,745,100 existing shares which will raise gross proceeds of up to NOK 50 million, to be determined by the Board following the bookbuilding process ("Sale Shares", and together with the New Shares, the "Offer Shares"). Total offering: Offer Shares to raise gross proceeds of between NOK 100 - 150 million. Total number of Offer Shares to be sold will depend on the final Offer Price and the number of Sale Shares sold in the Secondary Offering.
Selling shareholders	<ul style="list-style-type: none"> Børge Bjørneklett, Progressi AS, Ingulstad Holding AS and Sauar Invest AS (collectively, the "Selling Shareholders"). <i>For more information about the Selling Shareholders please see the investor presentation.</i>
Use of proceeds	<ul style="list-style-type: none"> The net proceeds from the Primary Offering are expected to be used to expand the organization, fund continued research and development, as well as working capital and general corporate purposes. The net proceeds from any sale of Sale Shares in the Secondary Offering will be for the benefit of the Selling Shareholders.
Listing	<ul style="list-style-type: none"> The Company has applied for its shares to be admitted to trading on Merkur Market, a multilateral trading facility (MTF) operated by Oslo Stock Exchange, in connection with the Private Placement. The Offer Shares are expected to commence trading on Merkur Market on or about 26 October 2020.
Lock-ups	<ul style="list-style-type: none"> Members of the Company's management and Board, as well as the Selling Shareholders and certain other existing large shareholders, have (subject to certain exemptions) entered into customary lock-up arrangements with the Manager, with a lock-up period of 6 months. <i>For more information about the lock-ups please see the investor presentation.</i>
Minimum order and allocation	<ul style="list-style-type: none"> NOK equivalent of EUR 100,000 per investor. <i>The Company may offer and allocate an amount below the NOK equivalent of EUR 100,000 in the Private Placement to the extent exemptions from prospectus requirements, in accordance with Regulation (EU) 2017/1129, are available.</i>
Application period (subject to changes)	<ul style="list-style-type: none"> Start of application period: 12 October 2020 at 09:00 CEST. Close of application period: 16 October 2020 at 16:30 CEST. <i>The Company may extend or shorten the application period at any time and for any reason on short notice. If the application period is extended or shortened, the other dates referred to herein might be changed accordingly.</i>
Settlement dates (subject to changes)	<ul style="list-style-type: none"> Notification of allocation: On or about 19 October 2020. Payment Date for the Private Placement: Expected on or about 20 October 2020. Delivery of Offer Shares to applicants in the Private Placement and first day of trading on Merkur Market: Expected on or about 26 October 2020.
Conditions for completion	<ul style="list-style-type: none"> Completion of the Private Placement is subject to: (i) all corporate resolutions of the Company required to implement the Private Placement being validly made, including the Board's resolution (and the general meeting of the Company if required) to proceed with the Private Placement and to issue the New Shares, (ii) payment being received for the Offer Shares, (iii) registration in the Norwegian Register of Business Enterprises (BRREG) of the share capital increase pertaining to the New Shares, and (iv) the Company's shares being approved for admission to trading on Merkur Market. <i>The Company reserves the right, at any time and for any reason, to cancel, and/or modify the terms of, the Private Placement. Neither the Company, the Selling Shareholders nor the Manager will be liable for any losses incurred by applicants if the Private Placement is cancelled, irrespective of the reason.</i>
Allocation criteria	<ul style="list-style-type: none"> The allocation of Offer Shares will be made at the sole discretion of the Board after consultation with the Manager. The Board may focus on criteria such as (but not limited to) timeliness of the application, relative order size, sector knowledge, perceived investor quality and investment horizon.
Investor documentation	<ul style="list-style-type: none"> The investor documentation comprises of an investor presentation, an application agreement and this term sheet (all dated 12 October 2020), as well as all currently available public information (the "Investor Documentation"). An admission document, to be prepared in connection with the application for admission of the Company's shares on Merkur Market, is expected to be published on or about 26 October 2020. This will take place after the application period in the Private Placement and the participants in the Private Placement will hence not be able to review or base their investment decision on such admission document. NOTE: Only limited legal due diligence investigations of the Company have been conducted prior to the Private Placement. Other than this, the Manager has not taken any steps to verify the information in the Investor Documentation other than obtaining certain customary written confirmations from the Company and its representatives, hereunder a declaration of completeness signed by the Company whereby the Company has confirmed, to the best of its knowledge, that the Investor Documentation in all material respect is correct and that there are no material omissions. Investors who apply for Offer Shares in the Private Placement will by making their application agree that they have made all the necessary investigations and analysis of the current publicly available information to arrive at an investment decision on their own.
Selling and transfer restrictions	<ul style="list-style-type: none"> The Company's shares, including the Offer Shares, are not freely transferable until (and subject to) listing on Merkur Market actually occurs. The Private Placement is directed towards investors subject to applicable exemptions from relevant prospectus requirements: (i) outside the United States in reliance on Regulation S under the US Securities Act of 1933 (the "US Securities Act") and (ii) in the US to "qualified institutional buyers" (QIBs) as defined in Rule 144A under the US Securities Act.
Target market	<ul style="list-style-type: none"> Non-professional, Professional and eligible counterparties. Negative Target Market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.
Managers	<ul style="list-style-type: none"> Fearnley Securities AS (the "Manager").

Please note that this term sheet only represents a summary of the transaction details and that it is qualified in its entirety by the more detailed information included in the Investor Documentation. Any decision to invest should be based on a consideration of the Investor Documentation as a whole by the investor. This term sheet is confidential and not for general distribution and shall not constitute an offer to buy, sell or subscribe for any securities. This term sheet is not for distribution in the United States, except in certain circumstances to Qualified Institutional Buyers, as defined in rule 144A under the US Securities Act. No public solicitations relating to a possible transaction in connection with the term sheet are being made or will be made, directly or indirectly, in the United States. Any securities that may be delivered in connection with the term sheet will not be registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.