

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See instruction 1(b).

| | | | | | | | | |
|--|---------|----------|---|--|--|---|--|--|
| 1. Name and Address of Reporting Person* <u>AJJARAPU SURENDRA K</u> | | | 2. Issuer Name and Ticker or Trading Symbol <u>Ocean Biomedical, Inc. [OCEA]</u> | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 02/14/2023 | | | 6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person | | |
| 515 MADISON AVENUE, SUITE 8078 | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | |
| (Street) NEW YORK NY 10022 | | | | | | | | |
| (City) (State) (Zip) | | | | | | | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|------------|----------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Class A Common Stock, par value \$0.0001 | 02/14/2023 | | A ⁽¹⁾ | | 1,365,000 ⁽²⁾ | A | ⁽²⁾ | 1,365,000 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Class A Common Stock, par value \$0.0001 | 02/14/2023 | | C | | 2,625,000 | A | ⁽⁴⁾ | 3,990,000 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Class A Common Stock, par value \$0.0001 | 02/14/2023 | | J ⁽⁷⁾ | V | 3,990,000 | D | ⁽⁷⁾ | 0 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Common Stock, par value \$0.0001 | 02/14/2023 | | J ⁽⁷⁾ | V | 3,990,000 | A | ⁽⁷⁾ | 3,990,000 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Class B Common Stock, par value \$0.0001 | ⁽⁴⁾ | 02/14/2023 | | C | | | 2,625,000 | ⁽⁴⁾ | ⁽⁴⁾ | Class A Common Stock | 2,625,000 | \$0 | 0 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Earnout Rights ⁽⁵⁾ | ⁽⁶⁾ | 02/14/2023 | | J ⁽⁶⁾ | | | 3,000,000 | ⁽⁶⁾ | 02/14/2026 | Class A Common Stock | 3,000,000 | ⁽⁶⁾ | 3,000,000 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Earnout Rights | ⁽⁸⁾ | 02/14/2023 | | J ⁽⁸⁾ | V | | 3,000,000 | ⁽⁸⁾ | 02/14/2026 | Class A Common Stock | 3,000,000 | ⁽⁸⁾ | 0 | I | By Aesther Healthcare Sponsor, LLC ⁽³⁾ |
| Earnout Rights | ⁽⁸⁾ | 02/14/2023 | | J ⁽⁸⁾ | V | | 3,000,000 | ⁽⁸⁾ | 02/14/2026 | Common Stock | 3,000,000 | ⁽⁸⁾ | 3,000,000 | I | By Aesther Healthcare Sponsor, LLC ^{(3)q} |
| Stock Option (right to buy) | \$10 | 02/15/2023 | | A | | | 75,000 | ⁽⁹⁾ | 02/15/2033 | Common Stock | 75,000 | \$0 | 75,000 | D ⁽¹⁰⁾ | |

| | | |
|--|---------|----------|
| 1. Name and Address of Reporting Person* <u>AJJARAPU SURENDRA K</u> | | |
| (Last) | (First) | (Middle) |
| 515 MADISON AVENUE, SUITE 8078 | | |
| (Street) | | |

| | | |
|--|---------|----------|
| NEW YORK | NY | 10022 |
| (City) | (State) | (Zip) |
| 1. Name and Address of Reporting Person* | | |
| <u>Aesther Healthcare Sponsor, LLC</u> | | |
| (Last) | (First) | (Middle) |
| 515 MADISON AVENUE, SUITE 8078 | | |
| (Street) | | |
| NEW YORK | NY | 10022 |
| (City) | (State) | (Zip) |

Explanation of Responses:

- An Agreement and Plan of Merger was entered into on August 31, 2022 and amended on December 5, 2022 (as amended, the "Business Combination Agreement"; such transactions contemplated thereby, collectively, the "Business Combination") between Ocean Biomedical Holdings, Inc., formerly known as Ocean Biomedical, Inc. ("Legacy Ocean"), Aesther Healthcare Acquisition Corp. ("AHAC"), AHAC Merger Sub, Inc. ("Merger Sub"), and certain other parties thereto. In accordance with the Business Combination Agreement, on February 14, 2023 (the "Closing Date"), (i) Merger Sub merged with and into Legacy Ocean (such transaction, the "Merger"), (ii) Legacy Ocean continued as the surviving entity of the Merger and a wholly-owned subsidiary of AHAC, and (iii) AHAC changed its name to Ocean Biomedical, Inc. (such post-Business Combination entity, the "Issuer"). Capitalized terms that are used but not defined in this Form 4 have the meanings given to them in the Business Combination Agreement.
- Represents shares of the Issuer's Class A Common Stock, par value \$0.0001 per share ("Issuer Class A Common Shares"), issued to Aesther Healthcare Sponsor, LLC (the "Sponsor") as consideration for the Sponsor exercising two three-month extensions of a loan to AHAC, pursuant to which AHAC was originally required to complete an initial business combination by September 16, 2022.
- These securities are owned directly by the Sponsor. Suren Ajjarapu, a director of the Issuer, is the managing member of the Sponsor and therefore may be deemed to have beneficial ownership of the securities held directly by the Sponsor. Mr. Ajjarapu disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- The Sponsor owned 2,625,000 shares of Class B Common Stock, par value \$0.0001 per share, of AHAC (the "Class B Founder Shares") prior to the Merger. In connection with the closing of the Business Combination (the "Closing"), the Class B Founder Shares automatically converted into Issuer Class A Common Shares on a one-for-one basis on the Closing Date. The Class A Common Stock has no expiration date.
- Pursuant to the Business Combination Agreement, as additional consideration for the Merger, the former stockholders of Legacy Ocean (the "Pre-Merger Stockholders") have the contingent right (the "Earnout Right") to receive additional Issuer Class A Common Shares (the "Earnout Shares"), distributed in three Earnout Share Payments, if, for 20 out of any 30 consecutive trading days during the period from the Closing Date until the 36-month anniversary of the Closing Date (the "Earnout Period"), the Issuer's VWAP equals or exceeds: (i) \$15.00 per share, (ii) \$17.50 per share, and (iii) \$20.00 per share.
- In addition to the Pre-Merger Stockholders' Earnout Right to receive up to three Earnout Share Payments if the Issuer's VWAP equals or exceeds the required Share Price Target for 20 out of any 30 consecutive trading days during the Earnout Period, the Business Combination Agreement grants the Sponsor an Earnout Right to receive an additional 1,000,000 Issuer Class A Common Shares for each Earnout Share Payment issued to the Pre-Merger Stockholders. Accordingly, the Sponsor is entitled to receive up to 3,000,000 Earnout Shares, 1,000,000 of which will be issued in connection with each of the three Earnout Share Payments. The Sponsor's right to receive Earnout Shares pursuant to the Earnout Right granted in the Business Combination Agreement became fixed and irrevocable on the Closing Date of the Merger.
- Pursuant to the Issuer's Third Amended and Restated Certificate of Incorporation filed in connection with the Closing of the Business Combination, the Issuer completed a reclassification exempt under Rule 16b-7 (the "Reclassification"). In accordance with the Reclassification, each Issuer Class A Common Share was reclassified on a one-for-one basis into a share of the Issuer's common stock, par value \$0.0001.
- Pursuant to the Reclassification that was effected in connection with the Closing of the Business Combination, each Issuer Class A Common Share underlying the Earnout Rights of the Sponsor was reclassified on a one-for-one basis into a share of the Issuer's common stock, par value \$0.0001.
- Represents a right to purchase 75,000 shares of the Issuer's common stock, par value \$0.0001 per share (collectively, the "Option Shares"), upon the exercise of a ten-year option granted to Mr. Ajjarapu as a non-employee director of the Issuer on February 15, 2023 under the Issuer's 2022 Stock Option and Incentive Plan. This option becomes exercisable in 36 monthly installments beginning on March 15, 2023, with 2,083 Option Shares becoming exercisable on each of the first 35 installments and the remaining 2,095 Option Shares becoming exercisable on the final installment, subject to Mr. Ajjarapu remaining in service as a member of the Issuer's board of directors on each installment date. This option is exercisable at an exercise price per Option Share equal to the greater of (i) \$10, or (ii) the closing trading price of the Issuer's common stock on February 15, 2023, which was \$6.06.
- These securities are owned directly by Mr. Ajjarapu, a director of the Issuer.

Remarks:

Exhibit List - Exhibit 24.1: Power of Attorney (Surendra K. Ajjarapu) Exhibit 24.2: Power of Attorney (Aesther Healthcare Sponsor, LLC)

/s/ Katherine E. Spiser, as
attorney-in-fact for Surendra K. Ajjarapu 02/16/2023
/s/ Katherine E. Spiser, as
attorney-in-fact for Surendra K. Ajjarapu, as Manager of Aesther Healthcare Sponsor, LLC 02/16/2023

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

Know all by these presents, that the undersigned hereby constitutes and appoints each of Kate L. Bechen, Thomas S. Vaughn, Joseph R. DeHondt, Timothy B. Caprez, Robin K. Lehninger, Julie A. D'Angelo, Katherine E. Spiser, or Hallie D. Heath, or any of them acting singly and with full power of substitution, as the undersigned's true and lawful attorney-in-fact to:

- (1) prepare and execute for and on behalf of the undersigned Forms 3, 4, and 5 and Schedules 13D and 13G in accordance with Sections 13 and 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules promulgated thereunder, as applicable, and any other forms or reports the undersigned may be required to file in connection with the undersigned's ownership, acquisition, or disposition of securities of Ocean Biomedical, Inc. (the "Company");
- (2) do and perform any and all acts for and on behalf of the undersigned that may be necessary or desirable to complete and execute any such Form 3, 4, or 5, Schedule 13D or 13G, or other form or report, and to timely file such form or report with the United States Securities and Exchange Commission and any stock exchange or similar authority; and
- (3) take any other action of any type whatsoever in connection with the foregoing, which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorney-in-fact, in serving in such capacity at the request of the undersigned, is not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 13 or Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, or 5 or Schedules 13D or 13G with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of January 30, 2023.

/s/ Surendra K. Ajjarapu
Surendra K. Ajjarapu

[Signature Page to Power of Attorney]

POWER OF ATTORNEY

Know all by these presents, that the undersigned hereby constitutes and appoints each of Kate L. Bechen, Thomas S. Vaughn, Joseph R. DeHondt, Timothy B. Caprez, Robin K. Lehninger, Julie A. D'Angelo, Katherine E. Spiser, or Hallie D. Heath, or any of them acting singly and with full power of substitution, as the undersigned's true and lawful attorney-in-fact to:

- (1) prepare and execute for and on behalf of the undersigned Forms 3, 4, and 5 and Schedules 13D and 13G in accordance with Sections 13 and 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules promulgated thereunder, as applicable, and any other forms or reports the undersigned may be required to file in connection with the undersigned's ownership, acquisition, or disposition of securities of Ocean Biomedical, Inc. (the "Company");
- (2) do and perform any and all acts for and on behalf of the undersigned that may be necessary or desirable to complete and execute any such Form 3, 4, or 5, Schedule 13D or 13G, or other form or report, and to timely file such form or report with the United States Securities and Exchange Commission and any stock exchange or similar authority; and
- (3) take any other action of any type whatsoever in connection with the foregoing, which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorney-in-fact, in serving in such capacity at the request of the undersigned, is not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 13 or Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, or 5 or Schedules 13D or 13G with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of February 16, 2023.

AESTHER HEALTHCARE SPONSOR, LLC

By: */s/ Suren Ajjarapu*

Suren Ajjarapu
Manager

[Signature Page to Power of Attorney]
