



OCEANUS GROUP LIMITED

(the “**Company**”)

(Incorporated in the Republic of Singapore under Registration Number: 199805793D)

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RESPONSE TO SGX-ST'S QUERIES ON THE UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FULL YEAR ENDED 31 DECEMBER 2013

Oceanus Group Limited (the “**Company**” and collectively with its subsidiaries, the “**Group**”) would like to respond to the questions raised by the SGX on 11 March 2014 in relation to the unaudited financial statements announcement for the full year ended 31 December 2013 released by the Company on 28 February 2014.

SGX's Question (a):

Please disclose whether an IPT Mandate has been obtained. If no IPT mandate has been obtained, a statement to that effect should be made in the announcement.

Company's response:

No Interested Person Transaction (“**IPT**”) mandate has been obtained from shareholders of the Company for the full year ended 31 December 2013.

SGX's Question (b):

Please disclose person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13). If there are no such persons, the issuer must make an appropriate negative statement.

Company's response:

The Company confirms that for the full year ended 31 December 2013, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13).

SGX's Question (c):

Please disclose the use of proceeds from the previous Rights Issue. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed in the announcement as well.

Company's response:

The Company would like to clarify that the use of proceeds from the rights issue exercise completed in July 2013 (the "**Rights Issue**") has been disclosed in the unaudited third quarter financial statements and announcement for the 9 months ended 30 September 2013 released by the Company on 14 November 2013.

Further to the 14 November 2013 results announcement, the Company would like to further provide a breakdown with greater details on the use of proceeds that the Group has utilized the net proceeds of S\$28,253,000 raised from the Rights Issue, after deducting the related expenses of S\$800,000 as of 31 December 2013 as follows:

	Amount S\$'000
Payment of Company's subsidiaries expenses:	
- Repayment of trade payables	2,664
- Repayment of loan and borrowings	1,818
- Abalone breeding project expenditure	506
- Production and other operating expenses	4,672
Repayment of bank loans	557
Reconstruction of production facilities	1,640
Repayment of loan and advances taken for the working capital of the Company's subsidiaries	11,085
Payment of the Company's professional & legal fee	2,604
Payment of the Company's other operating expenses	1,806
	<hr/> 27,352
Balance unutilised	<hr/> 901
Total net proceeds	<hr/> 28,253 <hr/>

BY ORDER OF THE BOARD

Dr. Ng Cher Yew
Executive Chairman

14 March 2014