



OCEANUS GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199805793D)

RECONCILIATION OF ANNOUNCED UNAUDITED RESULTS ON 1 MARCH 2019 AND AUDITED RESULTS FOR THE YEAR AS OF 31 DECEMBER 2018

The Board of Directors ("**Board**") of Oceanus Group Limited ("**Company**") refers to the unaudited full year results announcement for the financial year ended 31 December 2018 ("**FY2018**") released on 1 March 2019 ("**Unaudited Results**")

Pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, the Board would like to announce and clarify the reconciliation between the Unaudited Results and the audited financial statements of the Group for FY2018 ("**Audited Financial Statements**"), which is set out in the Company's annual report for FY2018 released via the SGXNET and despatched to the Company's shareholders on 16 July 2019.

The reconciliation between the Audited Financial Statements and the Unaudited Results, and the explanation thereon, are set out below in this announcement:

BY ORDER OF THE BOARD

Peter Koh Heng Kang
Executive Director and Chief Executive Officer
16 July 2019

Reconciliation of announced unaudited results on 1 March 2019 and audited results for the year as of 31 December 2018

Consolidated Statement of Profit or Loss

	Announced results on 1 March 2019	Reconciliatio n (see note below)		Audited results RMB'000
	RMB'000	RMB'000		
Revenue	21,140	(123)	A	21,017
Other operating income	19,925	6,520	B	63,292
		36,847	K	
Cost of inventories	(20,097)	1,929	C	(18,168)
Gain arising from changes in fair value less costs to sell biological assets	17,898	(3,512)	D	14,386
Employee benefits expense	(9,021)	725	E	(8,296)
Depreciation and amortisation expense	(5,725)	(6,444)	N	(12,169)
Other operating expenses	(21,461)	(8,450)	F	(12,967)
		17,066	G	
		1,413	K	
		394	E	
		(1,929)	C	
Profit before taxation	2,659			47,095
Income tax expense	–	–		–
Profit for the year from continuing operations	2,659			47,095
Discontinued operations				
Profit for the year from discontinued operations	2,198	(436)	H	1,762
Profit for the year	4,857	44,000		48,857

Reconciliation of announced unaudited results on 1 March 2019 and audited results for the year as of 31 December 2018 (cont'd)

Statement of Financial Position

	Announced results on 1 March 2019	Reconciliatio n (see note below)		Audited results RMB'000
	RMB'000	RMB'000		
ASSETS				
<u>Non-current assets</u>				
Property, plant and equipment	76,848	38,260 (6,444)	K N	108,664
Goodwill	2,482	886	L	3,368
Other receivable, non current	–	5,043	I	5,043
Other financial assets	–	–		–
Other assets, non-current	2,203	(227)	M	1,976
Total non-current assets	81,533			119,051
<u>Current assets</u>				
Biological assets	5,328	(3,512)	D	1,816
Inventories	3,580	441 (706)	L O	3,315
Trade and other receivables	18,531	(123) (5,043) (8,450) (1,087) (2,103) 706 175	A I F J L O P	2,606
Other assets, current	–	1,087 227	J M	1,314
Cash and bank balances	96,606	(239)	L	96,367
Total current assets	124,045			105,418
Total assets	205,578			224,469
EQUITY AND LIABILITIES				
<u>Equity</u>				
Share capital	2,794,067	–		2,794,067
Reserves	(2,685,590)	(17,066) 44,000 (189)	G P	(2,658,845)
Equity attributable to owners of the Company	108,477			135,222
Non-controlling interests	3,576	(880) 31	L P	2,727
Total equity	112,053			137,949
<u>Non-current liabilities</u>				
Borrowings	–	–		–
Convertible loans	–	–		–
Total non-current liabilities	–			–

Reconciliation of announced unaudited results on 1 March 2019 and audited results for the year as of 31 December 2018 (cont'd)

Statement of Financial Position (cont'd)

	Announced results on 1 March 2019	Reconciliatio n (see note below)		Audited results RMB'000
	RMB'000	RMB'000		
<u>Current liabilities</u>				
Trade and other payables	66,182	(6,520)	B E L H P	59,177
		(1,119)		
		(135)		
		436		
		333		
Borrowings	3,395	–		3,395
Convertible loans	–	–		–
Derivative liability	–	–		–
Current tax payable	23,948	–		23,948
Total current liabilities	<u>93,525</u>			<u>86,520</u>
Total liabilities	<u>93,525</u>			<u>86,520</u>
Total equity and liabilities	<u>205,578</u>			<u>224,469</u>

Note:

- A:** This adjustment represents revenue cut off error.
- B:** This adjustment represents the derecognition of long outstanding unclaimed trade and other payables.
- C:** This represents reclassification of consultancy fee expenses from cost of inventories to other expenses.
- D:** This adjustment represents changes in fair value less cost to sell of biological assets based on independent valuer's report which was finalised after announcement date.
- E:** This represents reversal of over-accrued post-employment benefits and other operating expenses.
- F:** This represents additional allowance for impairment on other receivables.
- G:** This represents reversal of impairment loss on other investment (see Note 15).
- H:** This represents correction of foreign exchange differences.
- I:** This adjustment represents reclassification of other receivables from current to non-current.
- J:** This represents reclassification from trade and other receivables to other assets.
- K:** This adjustment represents reversal of impairment loss on property, plant and equipment.
- L:** This adjustment represents changes to the book value of the subsidiary acquired during the year (Note 32).
- M:** This adjustment represents reclassification from non-current portion to current portion of other assets.

Reconciliation of announced unaudited results on 1 March 2019 and audited results for the year as of 31 December 2018 (cont'd)

Note:

- N:** This represents understatement of depreciation charges.
- O:** This represents reclassification of inventories to other receivables.
- P:** This represents reclassification of accounts.