



OCEANUS GROUP LIMITED

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NEWS RELEASE

OCEANUS ACHIEVES RECORD-HIGH REVENUE AND A PROFIT TURNAROUND FOR FY2020

- ***Oceanus' FY2020 revenue surged 9.5 times to S\$91.7 million¹, the highest turnover since Group's listing in 2008***
 - o ***Driven by the Group's successful business transformation across its four growth pillars***
- ***Achieves positive net profit growth to S\$8.6 million, a turnaround from a loss of S\$7.4 million in FY2019***
- ***To continue nurturing broadened revenue streams, and focusing on innovations in the food technology area***
- ***To move forward with extension of time to exit SGX-ST Watch-List, having achieved positive net income for FY2020²***
 - o ***Based on audited full-year consolidated accounts to be released on or before 15 April 2021***

Singapore, 26 February 2021 – Homegrown premium seafood and fast-moving consumer goods (“**FMCG**”) value chain manager, Oceanus Group Limited (“**Oceanus**”, 欧圣集团, and together with its subsidiaries, the “**Group**”), is pleased to announce that it has achieved a significant milestone on its journey, recording its highest turnover since the Group's listing in 2008. For the full-year period ending 31 December 2020 (“**FY2020**”), Oceanus' total revenue surged 9.5 times or 855% to S\$91.7 million, from S\$9.6 million in the corresponding period of the preceding financial year (“**FY2019**”).

¹ The Company announced on 14 January 2021 of the Group's decision to change its presentation currency from Chinese Renminbi to Singapore dollars (“SGD”) as the functional currency of the Group is in SGD.

² Unaudited FY2020 statement.

Financial Performance and Highlights

The Group's surge in its FY2020 revenue was attributable to several key factors. Approximately S\$4.0 million in revenue was contributed by its Aquaculture segment, where there was an increase in contract farming and rental revenue. The Group's decision to pivot its business model and strategy has proven effective, enabling Oceanus to maintain fixed income levels through contractual terms with other aquaculture farmers, while foregoing direct, high operating costs associated with full-scale farming.

In addition to the revamped Aquaculture segment, the Group's expansion in its Distribution segment in FMCG also played a significant role in Oceanus' turnaround, contributing approximately S\$84.7 million in sales. Lastly, the Services segment saw a contribution of approximately S\$2.9 million to the Group's topline.

In line with the above, the Group's gross profit for FY2020 stood at S\$9.1 million, a 318% increment from FY2019. EBITDA for FY2020 was S\$12.1 million, a 346% increment from a S\$4.9 million loss in FY2019.

Correspondingly, the Group achieved a turnaround in net profit for FY2020 to S\$8.6 million, from a S\$7.4 million loss in FY2019.

The Group's balance sheet remains healthy with a positive net asset position of S\$28.5 million as at 31 December 2020. This represents an increase of 26.7% from S\$22.5 million a year ago. The Group's net working capital position (or net current asset position) has also improved by 826% from S\$2.3 million as at 31 December 2019 to S\$21.1 million as at 31 December 2020.

Oceanus' Chief Executive Officer, Mr. Peter Koh, said, "We are encouraged to have crossed this significant milestone, achieving our highest ever turnover since listing way back in 2008. More importantly, it is heartening to see the fruits of our labour through achieving a positive turnaround in net income growth in this financial year.

“This is a testament to the success of our strategic diversification beyond aquaculture since 2018, and our business transformation. Through our four synergistic growth pillars, Aquaculture, Distribution, Services and Innovation, we are able to reap cross-selling opportunities. These highly scalable business segments also create new revenue streams along the aquaculture and FMCG value chain, allowing us to enjoy economies of scale with long-term revenue visibility.

“Overall, our agility has allowed us to react swiftly and effectively in response to unprecedented crisis. This includes our business transformation to embrace contract farming, leasing of aquaculture farm plots to third-party operators, and investing in deep tech indoor farming.”

Growth Strategies

Commenting on its next growth phase, Mr Koh added, “To ‘tech-up’ our operations for the next lap, Oceanus Group will focus on applying deep tech strategies to supplement our businesses, thereby creating additional growth for the Group, and enhancing food security in the process.

“Notably, in 2020, we have made good progress in the development of IPs and the building up of a good network of key partners for our next growth phase. Through partnerships with Hainan Raffles Group and Universal Aquaculture, we have set up the world’s first Oceanus FoodTech Hub in Hainan, and separately, invested in a deep tech farm in Singapore.”

In November 2020, Oceanus signed an agreement with Hainan Raffles Group (“海南莱佛士油田基地服务有限公司”), to set up the world’s first Oceanus FoodTech Hub in Hainan, China, a key aquaculture centre for shrimp and fish farming in the region. Hainan Raffles Group is a Chinese conglomerate which operates across diverse industries such as trading, real estate, offshore services, training and education. Oceanus FoodTech Hub will be located within the Hainan Laocheng Economic Development Zone, China’s fourth comprehensive free trade zone. During the first phase, Oceanus FoodTech Hub will produce approximately 200 tonnes of shrimp for the first year of production before gradually increasing to approximately 1,000 tonnes of shrimp in the following years.

In September 2020, Oceanus made an investment in Universal Aquaculture Pte Ltd (“**Universal Aquaculture**”) for deep tech indoor farming, in line with the Group’s forward strategies to drive business growth by further strengthening its Aquaculture pillar. Following the investment in Universal Aquaculture, Oceanus will continue to intensify its efforts to sustain leadership within the Food Security and Food Tech space, by proactively forging partnerships with like-minded, synergistic partners for mutual benefit.

Meanwhile, Oceanus is seeking an extension of time to exit the Watch-List. This is in line with SGX-ST’s Rule 1314 of the Listing Manual which sets out that the requirement for exit of the Watch-List is to be based on the audited full-year consolidated accounts of the Company for FY2020. Oceanus will be releasing its audited full-year consolidated accounts on or before 15 April 2021.

Mr Koh concluded, “We are pleased to have made good progress on our three year expansion plan which we embarked on in 2018, to build a resilient and profitable position for Oceanus. We are now focused on completing the final step in satisfying the Financial Exit Criteria.”

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About Oceanus Group Limited

Global premium seafood and FMCG value chain manager, Oceanus Group Limited (“**Oceanus**”, and together with its subsidiaries, the “**Group**”), is listed on the Mainboard of the SGX-ST since May 2008. It harnesses synergies from its ecosystem comprising diversified businesses across the aquaculture and FMCG value chain, with four growth pillars – Aquaculture, Distribution, Services and Innovation.

Working closely with the brightest minds and industry thought leaders, Oceanus strives to create a synergistic aquaculture ecosystem with a focus on food security and safety.

For more information, please visit: <http://oceanus.com.sg/>

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