



## **OCEANUS GROUP LIMITED**

(Incorporated in the Republic of Singapore under Registration Number: 199805793D)  
31 Harrison Road, Food Empire Building #11-03/04, Singapore 369 649  
Tel: +65 6285 0500 Fax: +65 6280 0822

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### **QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL**

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Oceanus Group Limited (the “**Company**”) has been placed on the watch list with effect from 14 December 2015, pursuant to Rule 1311 of the SGX-ST Listing Manual. In accordance with Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company would like to provide the following quarterly update on the Company, together with its subsidiaries (collectively, the ‘**Group**’).

#### **Update on Financial Situation**

The Group has on 13 August 2020 released its financial statement for the half-year ended 30 June 2020 (“**1H 2020**”). Shareholders should refer to the announcement for further details.

The Group reported a significant 110% year on year (“**YoY**”) increase in revenue to RMB40.4 million in 1H 2020. This was mainly lifted by the Group’s Distribution segment following the establishment of its new FMCG subsidiary, Season Global Trading Pte Ltd, which has contributed RMB33.4 million in revenue in 1H 2020, representing a RMB25.9 million (or 2.9 times) increase from RMB11.7 million recorded in 1H 2019. The surge in revenue resulted from the Group’s conscious efforts to diversify its overall revenue across the various segments.

Other operating income was lifted by the repayment of a long-outstanding balance arising from a sale of a processing facility in China amounting to RMB8.5 million, an increase of 5.6 times from RMB1.5 million recorded in 1H 2019, as well as interest income received.

In line with the significant increase in revenue and other operating income, the Group’s EBITDA increased to RMB11.6 million in 1H 2020, from RMB80,000 in 1H 2019. Net profit correspondingly rose to RMB3.6 million, from a loss of RMB6.2 million over the same period.

## **Update on Future Direction**

Oceanus has built a resilient business model with diversity and global geographical reach, and continues to focus on the smooth execution through its four key growth pillars – Aquaculture, Distribution, Services and Innovation. To better manage the volatilities brought on by the global pandemic, the Group seeks to strengthen the competencies and synergies across its key business segments to achieve greater cost efficiency and scale, achieving resilience in revenue for long-term sustainable growth.

Oceanus remains committed in its efforts towards addressing food security. Additionally, in September 2019, the Group upgraded its Aquaculture business model to contract farming and the leasing of aquaculture farm plots. This segment will continue to benefit from existing and prospective contracts with aquaculture farmers in China, as well as its recurring income. Additionally, the Group has established a new arm, Asia Fisheries Pte Ltd, that reaches further down the aquaculture value chain by bringing quality wild and farmed seafood from Indonesia and Thailand to Singapore, USA, Australia, China, and Japan. The Group will continue to identify potential business opportunities to expand its presence in the region.

In Distribution, the Group currently markets over 2,000 products ranging from beverages, cosmetics, snacks and baby products across its global distribution network, supported by a reliable supply chain. The Group will continue to leverage on its newly established subsidiary, Season Global Trading Pte. Ltd. (“SGTPL”), to further expand its FMCG distribution in the key markets of China and Southeast Asia. The Group will also continue to leverage upon its expanded FMCG and extensive end-to-end distribution network, to expand its global presence.

The Group’s services segment continues to provide a diversified revenue stream with growing contributions from the media and marketing consulting arm, AP Media, and aquaculture consultancy services arm, Oceanus Tech. Award-winning AP Media made significant headway in the multimedia space and secured projects with notable clients including the National Gallery Singapore, the Agency for Science, Technology and Research and the National Heritage Board. This division has established confirmed and prospective project pipelines with customers in Singapore, Malaysia, China and Cambodia, providing good earnings visibility.

Oceanus’ Innovation pillar continues to explore science and evidence-based farming techniques and cutting-edge aquaculture technology to boost productivity through its strategic partnerships with various educational institutions namely Temasek Polytechnic, Nanyang Technological University, Republic Polytechnic, James Cook University, Jimei University and National Taiwan Ocean University. The Group will continue to engage potential partners and educational institutions on research and development of innovative solutions to address key issues such as food scarcity and environmental sustainability.

With regards to the SGX-ST Watchlist under the Financial Entry Criteria, the Company has announced on 15 June 2020, that it received SGX-ST’s approval for its application for a further extension of time to 1 Mar 2021 to meet the Financial Exit Criteria.

## **BY ORDER OF THE BOARD**

Peter Koh Heng Kang, PBM  
Executive Director and Chief Executive Officer

13 August 2020