



OCEANUS GROUP LIMITED

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

31 Harrison Road, Food Empire Building #11-03/04, Singapore 369649

Tel: +65 6285 0500 Fax: +65 6280 0822

NEWS RELEASE

OCEANUS BEGINS NEW YEAR ON CLEAN SLATE; SIGNS BINDING TERM SHEET WITH KEY CREDITORS TO ADVANCE WITH DEBT RESTRUCTURING

- *Oceanus to convert 76.4% of outstanding debt into new shares at S\$0.00395 per share*
- *Balance secured debt of S\$20.0 million after conversion will cease to accrue interest from July 1, 2016*
- *New investors will inject new funds of up to S\$6.0 million into Oceanus*

Singapore, January 25, 2017 – Homegrown premium seafood supply chain manager, Oceanus Group Limited (“**Oceanus**”, 欧圣集团, and together with its subsidiaries, the “**Group**”), announced today that it has entered into a binding term sheet with its key creditors in relation to a proposed debt restructuring (“**Proposed Restructuring**”), converting 76.4% of its total outstanding debt to equity, thereby substantially improving its balance sheet.

Oceanus’ Executive Director and Chief Executive Officer, Mr Peter Koh, said, “This is a great start to the new year – with this significant development, we have now obtained the co-operation of all our key creditors and we can begin the new year on a clean slate. This is a good outcome and signals the ‘revival’ of Oceanus. With our books in the process of being cleaned up, and the support of a committed management team, we can now drive new business initiatives and put in place the growth engines required to propel our turnaround.”

“We’d like to thank the creditors and new value investors for their strong support, and extend our appreciation to shareholders for their patience and faith in us as we work aggressively towards a renewed Oceanus,” Mr Koh added.

In connection with the Proposed Restructuring, Oceanus’ key creditors – BW Investment Limited (“**BWIL**”), Ocean Wonder International Limited (“**OWIL**”) and Ocean King Group Limited (“**OKGL**”) (collectively, the “**ICD Creditors**”) – have agreed to transfer approximately S\$31.87 million of the outstanding debt to a consortium consisting new value investors and Oceanus’ management (“**New Investors**”) (“**Debt Rebalancing Exercise**”).

To assist with the general corporate purposes and the ongoing working capital requirements of Oceanus, the New Investors will inject new funds of up to S\$6.0 million, of which S\$5.0 million will be contributed by new value investors and S\$1.0 million from the management (“**New Funds**”).

Following the Debt Rebalancing Exercise, a further S\$29.57 million of outstanding debt due to the ICD Creditors will be converted to new shares at S\$0.00395 each, while the remaining S\$20.0 million will not be repayable until December 31, 2018, and interest shall cease to accrue on and from July 1, 2016.

As agreed in the Term Sheet, this S\$20.0 million remaining debt will also be free of any redemption premium, make-whole amount or adjustment rights. Following certain other warrant adjustment steps, corresponding outstanding convertible warrants held by the ICD Creditors can be executed at a new strike price of S\$0.004.

The Proposed Restructuring is subject to shareholders approval at an extraordinary general meeting to be convened.

The Proposed Restructuring is subject to, *inter alia*, (a) if the Proposed Restructuring is to be implemented by way of a scheme of arrangement (“**Scheme**”), the approval of the Scheme by the requisite majority of creditors of the Company at a duly convened Court meeting and the approval of the Scheme by the Court; (b) the approval-in-principle of the SGX-ST for the listing and quotation of the debt to equity conversion shares and the other new shares to be issued pursuant to the implementation of the Proposed Restructuring (together, the “**New Shares**”) on the Official List of the Mainboard of the SGX-ST having been obtained from the SGX-ST and not being revoked or amended, and where such approval is subject to conditions, to the extent that any such conditions are required to be fulfilled on or before the effective date of the Proposed Restructuring, they are so fulfilled; (c) the issue of the New Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Term Sheet by any legislative, executive or regulatory body or authority of Singapore or elsewhere; (d) all applicable clearances and waivers being obtained from the Securities Industry Council of Singapore (the “**SIC**”) including (if required) a waiver in writing from the SIC waiving the requirement of any creditor of the Company to make a mandatory takeover offer under Rule 14 of the Code of Takeovers and Mergers of Singapore arising from the issuance of the New Shares (the “**Whitewash Waiver**”) and where such waiver is subject to conditions, to the extent that any such conditions are required to be fulfilled on or before the effective date of the Proposed Restructuring, they are so fulfilled; (e) the approval of the requisite majority of shareholders at a general meeting of Oceanus for (among other things): (i) the allotment and issuance of the New Shares pursuant to the terms of any definitive agreement executed in connection with the Proposed Restructuring; (ii) the Whitewash Waiver (if required); and (iii) (as may be required under applicable laws and regulations, the SGX-ST and the SIC) the transactions contemplated by the Proposed Restructuring and any definitive agreement executed in connection with the Proposed Restructuring; (f) all other approvals and consents that are necessary or desirable for the implementation of the Proposed Restructuring having been obtained by the Company and/or each creditor of the Company under all applicable laws and regulations and under any agreement to which the Company or the relevant creditor is a party (as the case may be), and where such approvals and consents are subject to conditions, to the extent that any such conditions are required to be fulfilled on or before the effective date of the Proposed Restructuring, they are so fulfilled; (g) the consummation of the Debt Rebalancing Exercise; (h) the consummation of the certain warrant adjustment steps as set out in the Term Sheet; (i) the execution of the relevant document(s) in a form acceptable to the Company, OWIL and BWIL, in relation to the New Funds and the conversion of such New Funds into equity; and (j) there being no injunction or other order being issued by any court or tribunal of competent jurisdiction or other legal or regulatory restraint, prohibition or condition preventing the consummation or the implementation of the Proposed Restructuring

This news release should be read in conjunction with the full text of the announcement by the Company dated January 25, 2017 (the “**Announcement**”). A copy of the Announcement is available on www.sgx.com.

About Oceanus Group Limited

Oceanus Group Limited (“**Oceanus**”, and together with its subsidiaries, the “**Group**”), a company listed on the Mainboard of the SGX-ST, is the world’s largest land-based abalone producer with a vision to be a global premium seafood supply chain manager. Oceanus takes on a science-and-evidence-based approach to farming, embracing technology to monitor and analyse breeding parameters and statistics for effective farming. Working closely with leading institutions and universities, Oceanus is committed to producing quality and affordable premium seafood products through sustainable farming practices, innovation and research and development.

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

ISSUED ON BEHALF OF	:	Oceanus Group Limited
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 55 Market Street #02-01 SINGAPORE 048941
CONTACT	:	Ms Dolores Phua / Ms Amelia Lee at telephone
DURING OFFICE HOURS	:	6534-5122 (Office)
AFTER OFFICE HOURS	:	9750-8237 / 9008-6114 (Handphone)
EMAIL	:	dolores.phua@citigatedrimage.com amelia.lee@citigatedrimage.com

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