



**OCEANUS GROUP LIMITED**

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**NEWS RELEASE**

**OCEANUS GOES AGAINST THE TIDE, ACHIEVES PROFIT ON STRONG 110% REVENUE GROWTH TO RMB40.4 MILLION FOR 1H 2020**

- ***EBITDA surges to RMB11.6 million from RMB80,000 in 1H 2019***
- ***Achieves net profit of RMB3.6 million in 1H 2019***

**Singapore, August 13, 2020** – 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 turnaround to report a net profit of RMB3.6 million for the six months ended June 30, 2020 (“**1H 2020**”), from a net loss of RMB6.2 million over the same corresponding period (“**1H 2019**”). This was on the back of a strong 110% surge in revenue to RMB40.4 million from RMB19.2 million over the same period.

Oceanus' Chief Executive Officer, Mr Peter Koh, said "We are pleased that our business transformation has yielded a good harvest and profitability for the Group. We are also encouraged that our collective efforts to build a synergistic business model along the aquaculture chain has gained traction, which will lead us into our next phase of growth. The company is confident that we will achieve our goals by end of the year despite of current global uncertainty.

“We would like to thank all our shareholders for standing by us. We will remain firmly focused on driving business growth through strategic partnerships and creation of new revenue streams to achieve long-term sustainable growth.”

## **Financial Performance**

Oceanus reported RMB40.4 million revenue in 1H 2020, a 110% rise from RMB19.2 million reported in 1H 2019 attributed mainly due to Oceanus' new business strategy through its 4 pillars of growth.

Gross profit margins saw an increase of 16% in 1H 2020 due to the strategic change of business model in the Group's Aquaculture segment to include farm lease-model as well as contract farming arrangements with other aquaculture farmers in the region. This change effectively allows the Group to maintain fixed income levels determined by contractual terms with other aquaculture farmers, whilst foregoing the high direct operating costs associated with a full-scale juvenile farming. This also allows the Group to hedge against risks of mortality and volatile abalone juvenile prices.

Mainly in line with the above, the Group recorded EBITDA of RMB11.6 million in 1H 2020, a significant 145 times surge from EBITDA of RMB80,000 in 1H 2019.

Correspondingly, net profit rose to RMB3.6 million for 1H 2020, a turnaround from a net loss of RMB6.2 million for 1H 2019.

The Group's balance sheet remains healthy, with cash and bank balances of RMB79.1 million as at 30 June 2020, and a net asset position of RMB111.8 million.

## **Oceanus' 4 Pillars of Growth**

Under the Aquaculture pillar, Oceanus has one of the world's largest land-based abalone farms, where the Group propagates aquaculture know-how by working closely with the farm plot lessees and contract-farming partners. Since 2018, Oceanus has expanded its aquaculture product beyond abalones. The Group has invested in a tuna fishing fishery business in Australia and a deep tech aquaculture farm in Singapore. Oceanus has also successfully started distributing tuna, dried sea cucumber and soft shell crab to Australia, USA, Japan and China.

In Distribution segment, the Group currently has more than 2,000 different products ranging from Oceanus abalone, Oceanus bird's nest, beverages, cosmetics, snacks, and baby products. The Group's distribution footprint can be found throughout Europe, America, Asia and Australia.

For the Group's Services segment, Oceanus offers services from consultation, business strategies, media solutions to corporate branding. This strategy boosts the overall productivity and profitability of the Group. Oceanus provides different services ranging from virtual conferencing, 360VR, video production, integrated marketing, and consultancy services. Already the Group has several high-profile events both internationally and locally in its portfolio.

In the modern world, innovation plays an important role in shaping the future business environment. Oceanus' Innovation segment allows the Group to stay ahead of the curve by pursuing cutting-edge research and development alongside their industry partners and institutions. Working closely with Temasek Polytechnic and Republic Polytechnic, the Group has commissioned further studies into juvenile abalone breeding.

## 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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