



**OCEANUS GROUP LIMITED**

(Incorporated in the Republic of Singapore under Registration Number: 199805793D)  
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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 12 August 2016 released its financial statement for the quarter ended 30 June 2016. Shareholders should refer to the announcement for further details.

For the first half of the year ended 30 June, the Group reported sales amounting to about RMB 5.6 million, almost 5 times of the RMB 1.0 million reported in the corresponding period of the preceding financial year.

The Group reported a loss of RMB 48.6 million in Q2 2016, against a loss of RMB9.2 million for the same quarter last year. This is mainly due to fluctuation in exchange difference, from a gain of RMB23.2million to loss of RMB13.9million, as well as, an absence of gain arising from changes in fair value of biological assets amounting to about RMB7.3million for the same quarter last year.

**Update on Future Direction**

Amidst macro-economic uncertainties, the Group is cautiously optimistic on the outlook of 12M 2016. The Group is committed to accelerate its turnaround strategies and cost cutting measures, as elaborated in Note 10 of the Group’s financial statement for the quarter ended 30 June 2016. It continues to execute its turnaround strategies as elaborated in a letter to shareholders released on January 25, 2016. The Group is also in the midst of active negotiations with its warrant holders to restructure its loans and warrants due in FY2016 to ensure that the Group is able to satisfy its financial obligations.

**BY ORDER OF THE BOARD**

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

12 August 2016