



OCEANUS GROUP LIMITED

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NEWS RELEASE

OCEANUS ACHIEVES STRONG REVENUE AND PROFIT GROWTH IN Q3 2020, SETS UP WORLD'S FIRST OCEANUS FOODTECH HUB IN HAINAN, CHINA

- ***Oceanus' Q3 2020 revenue surges to RMB175.3 million, a 364% increase from Q3 2019 revenue, the highest turnover since FY2011***
- ***Sets up the world's first Oceanus FoodTech Hub in Hainan with joint venture partner, Hainan Raffles Group ("HRG"), a Chinese conglomerate***

Singapore, 9 November 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 total revenue amounting to RMB175.3 million for the nine-month period ended 30 September 2020 ("**9M 2020**"), a RMB137.5 million (or 3.6 times) increase from RMB37.8 million recorded in the corresponding period of the preceding financial year ("**9M 2019**"). This represents the highest level of turnover for the Group since FY2011.

Financial Performance

Following the Group's successful restructuring in December 2017, Oceanus unveiled its four pillars of growth – Aquaculture, Distribution, Services and Innovation. Over the last three years, Oceanus focused on the execution of its growth strategy and worked towards improving the Group's overall profitability and business resilience.

The Group's business strategy has proven effective, as evident from the global pandemic where the Group was able to react effectively in response to the

unprecedented crisis. Through the competencies and synergies across its key business segments, Oceanus continues to enjoy the economies of scale with a long-term revenue visibility.

As a testament to the successful growth strategy, Oceanus reported an EBITDA of RMB20.1 million in financial quarter ended 30 September 2020 (“**3Q 2020**”), a 384% jump from RMB4.2 recorded in the previous corresponding period (“**3Q 2019**”). Correspondingly, net profit rose to RMB6.1 million in Q3 2020, a turnaround from a net loss of RMB7.5 million in 3Q 2019.

The Group’s balance sheet remains healthy with a positive net asset position of RMB119.0 million as at 30 September 2020, an increase of 1.5% from RMB117.3 million in 3Q 2019. The Group’s net working capital position (or net current asset position) has also improved by 435.7% (RMB54.7 million) to RMB67.3 million as at 30 September 2020 from RMB12.6 million 3Q 2019.

Oceanus’ Chief Executive Officer, Mr. Peter Koh, said, “During the 2018 Annual General Meeting, after the successful restructuring, we reassured our shareholders that Oceanus is no longer in any danger of sinking. However, we were like a big ship drifting without an engine because the Group did not have a real profitable business. Therefore, we turned our focus to the next step of our growth strategy, towards building our fundamentals in the next three years, bearing in mind that we cannot afford to be a one product, one country company.

“Three years later, I am pleased to share that we have successfully built our foundation for profitability and growth. Oceanus now harness the synergies from our ecosystem spanning across four pillars of growth, Aquaculture, Distribution, Services, and Innovation, ensuring sustainable long-term growth for our shareholders and stakeholders. As of November 2020, Oceanus has 13 offices spanned over seven countries, with over 2,000 products and service offerings.”

Oceanus, the FoodTech Company



(From left to right: Representing Oceanus, Mr Peter Koh; Representing Hainan Raffles Group, Mr Kenny Cai)

In November 2020, Oceanus signed an agreement with Hainan Raffles Group (“海南莱佛士集团”), 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 at 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 and gradually increase to approximately 1,000 tonnes of shrimp in the following years.

During the COVID-19 pandemic, many major cities around the world experienced disruptions in domestic food supply chains and other shocks which affected food

production. This instability created strong tensions and food security risks worldwide. To address this challenge, Oceanus FoodTech Hub is focused on bringing sustainable food supply through deep technologies and strong distribution capabilities to cities which do not have their own food source.

In 2019, China was Asia's top shrimp importer with approximately 520,000 tonnes imported from January-September 2019. The current top five exporters to the Chinese market are Ecuador, India, Thailand, Saudi Arabia and Vietnam.



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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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