OCEANUS GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199805793D)

ACQUISITION OF MAJORITY STAKE IN AP MEDIA PTE. LTD.

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1. INTRODUCTION

The Board of Directors ("**Board**") of Oceanus Group Limited ("**Company**" and together with its subsidiaries, the "**Group**") wishes to announce, in accordance with Rule 704(17)(c) and Rule 1010 of the listing manual of the SGX-ST ("**Listing Manual**"), that its wholly owned subsidiary, Oceanus Investment Holdings Pte Ltd ("**OIH**"), had on 18 March 2019 entered into a sale and purchase agreement ("**SPA**") with Tan Guan Cheong ("**Vendor**") for the acquisition of 20,425 ordinary shares ("**Target Shares**") in the issued and paid up share capital of AP Media Pte. Ltd. ("**Target**") representing approximately 51% of the entire issued and paid up share capital of the Target (the "**Acquisition**").

The Board wishes to further announce that the Acquisition had been completed on 18 March 2019 ("**Completion Date**"), the same day on which the SPA was executed. The Target is now a subsidiary of OIH as OIH owns shares representing approximately 51% of the entire issued and paid up share capital of the Target.

2. INFORMATION ON THE TARGET

The Target is a private company incorporated in Singapore on 19 November 2012, and was formerly known as Digimatic Creatives Pte. Ltd. before it underwent a name change on 1 November 2018 to its present name.

The Target is principally engaged in the business of video marketing, content marketing, interactive media and marketing strategy consulting.

As at the date of this announcement, the Target has an issued and paid up share capital of $50,000 comprising 40,049 ordinary shares. The Vendor is the sole director of the Target and, prior to the Acquisition, was the registered owner of the entire issued and paid up share capital of the Target. Following the Acquisition, the Vendor now owns shares representing 49% of the entire issued and paid up share capital of the Target.

As at the date of this announcement, the Vendor owns approximately 15 million shares in the issued and paid up share capital of the Company, and is not related to any of the Company's Directors, chief executive officer or controlling shareholder, or their respective associates.

3. RATIONALE FOR THE ACQUISITION

The Acquisition is aligned with the Group's business plans to further establish its marketing capabilities, which would benefit not only the Group's growing fast-moving consumer goods segment, but also contribute to the Group's overall profitability through the provision of third-party marketing, media and consulting services.

4. SALIENT TERMS AND PURCHASE CONSIDERATION

4.1. CONDITIONS PRECEDENT

The Acquisition was conditional upon the following conditions precedent ("**Conditions Precedent**") having been satisfied or waived by OIH:

(a) the Vendor having transferred his 100% stake in the share capital of AP 360 Marketing Sdn. Bhd, a company incorporated under the Laws of Malaysia, to the Target; and

(b) Mr. Kee Wei Kai, who previously owned 49% of the total issued and paid up share capital of Capy Comm Pte. Ltd. ("**CCPL**"), having transferred all of such shares to the Target.

The Conditions Precedent were satisfied in full prior to the Completion Date.

4.2. PURCHASE CONSIDERATION

The total purchase consideration payable by the Company to the Vendor for the Acquisition comprises ("**Purchase Consideration**"):

(a) S$400,000, in cash, which was paid to the Vendor on the Completion Date ("**Cash Consideration**"); and

(b) S$1, which was satisfied by way of a transfer of the Company's 25,500 ordinary shares in the issued and paid up share capital of CCPL, comprising 51% of the total issued and paid up share capital of CCPL, to the Target.

It is noted that, following completion, the Company's effective shareholding interest in CCPL remains unchanged at 51% (as the Target currently owns 100% of the issued and paid up share capital of CCPL). Thus, CCPL continues to be a subsidiary of OIH.

The Purchase Consideration was arrived at on a willing buyer willing seller basis, taking into account the operating track record and future potential of the Target. The Cash Consideration was funded by the Company's internal resources.

5. VALUATION OF AND NET PROFITS ATTRIBUTABLE TO THE TARGET SHARES

5.1. NET ASSET VALUE OF THE TARGET SHARES

Based on the Target's unaudited financial statements as at 31 December 2018, the net asset value of the Target Shares is approximately S$250,446.

5.2. NET PROFITS ATTRIBUTABLE TO THE TARGET SHARES

Based on the Target's unaudited financial statements as at 31 December 2018, the net profits attributable to the Target Shares comprising approximately 51% of the entire issued and paid up share capital of the Target is approximately S$67,806.

6. FINANCIAL EFFECTS OF THE ACQUISITION

The financial effects of the Acquisition on the net tangible assets ("**NTA**") per share and earnings per Share ("**EPS**") of the Group as set out below are strictly for illustrative purposes and do not necessarily reflect the actual financial position and results of the Group following the completion of the Acquisition. The financial effects of the Acquisition are computed based on the Group's unaudited financial statements for the financial year ended 31 December 2018 ("**FY2018**").

6.1. NTA PER SHARE

Assuming that the Acquisition had been completed on 31 December 2018, the effects of the Acquisition on the NTA per share of the Group as at 31 December 2018, based on the Group's unaudited financial statements for FY2018 would be as follows:

	Before the Acquisition	**After the Acquisition**
NTA attributable to the shareholders of the Company (S$'000)	22,290	22,540

Number of shares ('000)	24,296,921,463	24,296,921,463
NTA per share (Singapore cents)	0.09	0.09

6.2. EPS

Assuming that the Acquisition had been completed on 31 December 2018, the effects of the Acquisition on the EPS of the Group, based on the Group's unaudited financial statements for FY2018 would be as follows:

	Before the Acquisition	After the Acquisition
Profit attributable to shareholders of the Company (S$'000)	998	1,066
Weighted average number of ordinary shares in issue ('000)	24,296,921,463	24,296,921,463
EPS (Singapore cents)	0.004	0.004

7. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

Based on the Group's unaudited financial statements for FY2018, the relative figures for the Acquisition computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006		
(a)	The net asset value of the assets to be disposed of compared with the Group's net asset value	Not Applicable(1)
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	6.79%(2)
(c)	The aggregate value of consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	0.41%(3)
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not Applicable(4)
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves	Not Applicable(5)

Notes:-

(1) This basis is not applicable as the Company did not dispose of any assets pursuant to the Acquisition.

(2) Under Rule 1002(3)(b) of the Listing Manual, "net profits" is defined as profit or loss before income tax, minority interests and extraordinary items.

(3) Based on the consideration of S$400,001 and the Company's market capitalisation of S$97,187,686 as at 15 March 2019 (being the full trading day immediately preceding the date of the execution of the SPA and the Acquisition).

(4) This basis is not applicable as the Company did not issue any equity securities as consideration for the Acquisition.

(5) This basis is not applicable as the Acquisition does not relate to the disposal of mineral, oil or gas assets and the Company is not a mineral, oil and gas company.

As the relative figures under Rule 1006 exceed 5% but do not exceed 20%, the Acquisition only constitutes a "Discloseable Transaction" as defined in Chapter 10 of the Listing Manual. Accordingly, shareholders' approval for the Acquisition is not required.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date hereof, none of the directors or controlling shareholders of the Company or their respective associates have any interest, direct or indirect, in the Acquisition, other than through their shareholdings in the Company.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the registered office of the Company at 31 Harrison Road, Food Empire Building #11-03/04, Singapore 369649 during normal business hours for a period of three (3) months from the date of this announcement.

10. TRADING CAUTION

Shareholders and potential investors should exercise caution when trading in the shares of the Company. People who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.

BY ORDER OF THE BOARD

Peter Koh Heng Kang
Executive Director and Chief Executive Officer
19 March 2019