



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

**RECONCILIATION OF ANNOUNCED UNAUDITED FULL YEAR FINANCIAL INFORMATION ON
28 FEBRUARY 2020 AND AUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED 31
DECEMBER 2019**

The Board of Directors ("**Board**") of Oceanus Group Limited ("**Company**") refers to the unaudited full year results announcement for the financial year ended 31 December 2019 ("**FY2019**") released on 28 February 2020 ("**Unaudited Results**")

Pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, the Board would like to announce and clarify the reconciliation between the Unaudited Results and the audited financial statements of the Group for FY2019 ("**Audited Financial Statements**"), which is set out in the Company's annual report for FY2019 released via the SGXNET on 12 June 2020.

The reconciliation between the Audited Financial Statements and the Unaudited Results, and the explanation thereon, are set out below in this announcement:

BY ORDER OF THE BOARD

Peter Koh Heng Kang
Executive Director and Chief Executive Officer
12 June 2020

Reconciliation of announced unaudited full year financial information on 28 February 2020 and audited financial information for the year ended 31 December 2019

Consolidated Statement of Profit or Loss

	Announced results on 28 February 2020 RMB'000	Reconciliatio n (see note below) RMB'000	Audited results RMB'000
Revenue	49,038	–	49,038
Other operating income	4,018	2,551 PL1 1,106 PL2 418 PL3 4,804 PL6 233 PL4	13,130
Cost of inventories	(38,756)	–	(38,756)
Gain arising from changes in fair value less costs to sell biological assets	3,080	–	3,080
Employee benefits expense	(14,547)	(151) PL5 (22) PL9	(14,720)
Depreciation and amortisation expense	(12,560)	(62) PL8	(12,622)
Other operating expenses	(14,254)	(1,106) PL2 (1,212) PL4 49 PL7 62 PL8 (10) PL9 777 PL1 0 (3,368) PL1 1	(19,062)
Finance cost	–	(49) PL7	(49)
Share of loss from equity-accounted joint venture	(374)	374 B2	–
Loss before taxation	<u>(24,355)</u>		<u>(19,961)</u>
Income tax income	48	–	48
Loss for the year from continuing operations	<u>(24,307)</u>		<u>(19,913)</u>
Discontinued operations			
Profit for the year from discontinued operations	4,878	(4,804) PL6	74
Loss for the year	<u>(19,429)</u>	<u>(410)</u>	<u>(19,839)</u>

Reconciliation of announced unaudited full year financial information on 28 February 2020 and audited financial information for the year ended 31 December 2019 (cont'd)

Statement of Financial Position

	Announced results on 28 February 2020 RMB'000	Reconciliatio n (see note below) RMB'000		Audited results RMB'000
ASSETS				
<u>Non-current assets</u>				
Property, plant and equipment	97,474	2,551	PL1	100,025
Right-of-use assets	905	166	B1	1,071
Goodwill	5,278	(3,368)	B12	1,910
Investment in joint arrangements	–	–		–
Other financial assets, non-current	413	378	B2	791
Other assets, non-current	2,306	(166)	B1	1,137
		(30)	B3	
		(973)	PL4	
Total non-current assets	106,376			104,934
<u>Current assets</u>				
Biological assets	–	–		–
Inventories	2,818	127	B8	2,945
Trade and other receivables	14,732	(5,176)	B4	9,074
		(154)	B5	
		(328)	PL3	
Other assets, current	–	30	B3	184
		154	B5	
Other financial assets, current	–	5,176	B4	5,176
Cash and bank balances	87,752	–		87,752
Total current assets	105,302			105,131
Total assets	211,678			210,065
EQUITY AND LIABILITIES				
<u>Equity</u>				
Share capital	2,794,067	484,033	B6	3,278,100
Reserves	(2,679,292)	(484,033)	B6	(3,163,819)
		382	B2	
		2,551	PL1	
		418	PL3	
		(973)	PL4	
		(151)	PL5	
		777	PL1	
		0	0	
		(130)	B9	
		(3,368)	PL1	
			1	
Equity attributable to owners of the Company	114,775			114,281
Non-controlling interests	2,817	130	B9	2,947
Total equity	117,592			117,228
<u>Non-current liabilities</u>				
Deferred tax liabilities	52	–		52
Lease liabilities	409	(165)	B7	244
Total non-current liabilities	461			296

Reconciliation of announced unaudited full year financial information on 28 February 2020 and audited financial information for the year ended 31 December 2019 (cont'd)

Statement of Financial Position (cont'd)

	Announced results on 28 February 2020 RMB'000	Reconciliatio n (see note below) RMB'000	Audited results RMB'000
<u>Current liabilities</u>			
Income tax payable	23,948	–	23,948
Trade and other payables	64,779	(750) PL3 151 PL5 127 B8 (777) B10 (2,362) B11	61,168
Borrowings, current	4,232	–	4,232
Convertible loans, current	–	–	–
Lease liabilities	666	165 B7	831
Other non-financial liabilities	–	2,362 B11	2,362
Total current liabilities	<u>93,625</u>		<u>92,541</u>
Total liabilities	<u>94,086</u>		<u>92,837</u>
Total equity and liabilities	<u>211,678</u>		<u>210,065</u>

Note:

- PL1:** This adjustment represents reversal of impairment loss on property, plant and equipment.
- PL2:** This adjustment represents reclassification of foreign exchange gain from other operating expenses.
- PL3:** This adjustment represents correction of overstatement of trade payable and advance payment to supplier.
- PL4:** This adjustment represents loss on disposal of prepaid leases.
- PL5:** This adjustment represents correction of underprovision in salaries and CPF.
- PL6:** This adjustment represents reclassification of income from discontinued operations.
- PL7:** This adjustment represents reclassification of finance cost from other operating expenses.
- PL8:** This adjustment represents reclassification of amortisation of prepaid lease from other operating expenses.
- PL9:** This adjustment represents adjustment to the non-controlling interests during the year.
- PL10:** This adjustment represents bad debts written off other receivables from joint arrangement and reversal of impairment loss on investment in joint arrangement.
- PL11:** This adjustment represents allowance of impairment on goodwill.

Reconciliation of announced unaudited full year financial information on 28 February 2020 and audited financial information for the year ended 31 December 2019 (cont'd)

Note:

- B1:** This adjustment represents reclassification of right-of-use asset from other assets, non-current.
- B2:** This adjustment represents reversal of share of loss of joint arrangement wrongly recorded.
- B3:** This adjustment represents reclassification of prepaid lease, current from other assets, non-current to other assets, current.
- B4:** This adjustment represents reclassification of financial assets that is a debt asset instrument FVTOCI from trade and other receivables to other financial assets, current.
- B5:** This adjustment represents reclassification of prepayments from trade and other receivables to other assets, current.
- B6:** This represents prior year adjustments arising from revision of the audited financial statements for the financial year ended 31 December 2017
- B7:** This adjustment represents reclassification of lease liabilities, current from lease liabilities, non-current.
- B8:** This adjustment represents recording of inventories and trade payables as at year end.
- B9:** This adjustment is due to increase in subsidiary's profit for the year which in turn increase the non-controlling interest balance as at year end.
- B10:** This adjustment represents the cost of investment in joint venture was offset against payable to joint venture due to cost of investment was refunded for the year.
- B11:** This adjustment represents reclassification of other non-financial liabilities from trade and other payables.
- B12:** This adjustment represents allowance of impairment on goodwill.