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(Incorporated in the Republic of Singapore under Registration Number: 199805793D)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE 6 MONTHS ENDED 30 JUNE 2021 OF OCEANUS GROUP LIMITED ("OCEANUS") AND ITS SUBSIDIARIES (COLLECTIVELY KNOWN AS THE "OCEANUS GROUP")

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	6 months ended		Increase / (Decrease) %
	30-06-21	30-06-20	
Profit and Loss	SGD'000	SGD'000	
Revenue	52,515	8,038	553%
Cost of goods sold	(49,260)	(7,073)	596%
Total Gross Profit	3,255	965	237%
Other operating income	6,639	3,241	105%
Other operating expenses	(2,444)	(1,896)	29%
EBITDA	7,450	2,310	222%
Depreciation	(1,598)	(1,548)	3%
Finance Costs	(504)	(49)	933%
Profit/(Loss) before income tax	5,348	714	649%
Income tax expense	(376)	(0)	94284%
Profit/(Loss) for the period	4,972	713	597%

(b) A Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	6 months ended		Increase / (Decrease) %
	30-06-21	30-06-20	
Other comprehensive income	SGD'000	SGD'000	
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences on consolidation of foreign entities (net)	(3,279)	(392)	736%
Total other comprehensive income/(loss) for the period	(3,279)	(392)	736%
Total comprehensive income/(loss) for the period	1,693	321	428%
Profit/(Loss) attributable to:			
- Owners of the Company	4,526	810	459%
- Non-controlling interests	446	(97)	560%
Total comprehensive income/(loss) attributable to:			
- Owners of the Company	1,196	418	186%
- Non-controlling interests	497	(97)	612%
Earnings per share for profit/(loss) for the period attributable to the owners of the Company during the year			
Basic (SGD in cent)	0.02	0.003	597%
Diluted (SGD in cent)	0.02	0.003	597%

1 (c)(i) A balance sheet (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-06-21	31-12-20	30-06-21	31-12-20
	SGD'000	SGD'000	SGD'000	SGD'000
Balance Sheet				
Assets				
Current assets				
Cash and bank balances	23,621	11,484	5,613	3,491
Trade receivables	21,453	16,223	-	-
Other receivables	981	345	11,071	3,744
Other current asset	7,001	8,328	6,800	7,002
Inventories	11	42	-	-
Goods in transit	15,624	14,649	-	-
Total current assets	68,691	51,071	23,484	14,237
Non-current assets				
Property, plant and equipment	139	132	29	35
Investment property	17,006	18,075	-	-
Right of use assets	121	121	-	-
Investment in subsidiaries	-	-	3	3
Other investment	583	368	-	7,560
Goodwill on consolidation	471	471	-	-
Total non-current assets	18,320	19,167	32	7,598
Total assets	87,011	70,238	23,516	21,835
Liabilities and Equity				
Current liabilities				
Trade payables	1,377	4,229	-	-
Other payables	10,652	10,218	22,103	22,117
Loans and borrowings	26,085	9,555	1,409	1,506
Other current liabilities	-	279	-	-
Progress billing	1,039	322	-	-
Lease liabilities	93	93	-	-
Current tax payable	5,486	5,307	-	-
Total current liabilities	44,732	30,003	23,512	23,623
Non-current liabilities				
Loan from bank	4,167	4,167	4,167	4,167
Lease liabilities	35	35	-	-
Amount due to related parties	7,691	7,560	-	-
Total non-current liabilities	11,893	11,762	4,167	4,167
Total liabilities	56,625	41,765	27,679	27,790
Capital and reserves				
Share capital	653,757	653,757	653,757	653,757
Capital reserve	(217,844)	(217,842)	2,254	2,254
Currency translation reserve	(3,502)	(223)	-	-
Statutory reserve	8,067	8,067	-	-
Accumulated losses	(413,828)	(418,525)	(660,174)	(661,966)
Company	26,650	25,234	(4,163)	(5,955)
Non-controlling interests	3,736	3,239	-	-
Total equity	30,386	28,473	(4,163)	(5,955)
Total liabilities and equity	87,011	70,238	23,516	21,835
Unsecured borrowings				
-Amount repayable in 1 year or less, or on demand	26,085	9,555		
-Amount repayable in after 1 year	11,858	11,727		
	37,943	21,282		

1(d) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	6 months ended	
	30-06-21	30-06-20
	SGD'000	SGD'000
Cash flows from operating activities		
Profit/(Loss) before income tax	5,345	732
Adjustments for:		
Depreciation of property, plant and equipment	1,597	1,589
Amortisation of prepaid leases	-	(3)
Unrealised currency (gain)/loss	(247)	(1,584)
Exchange differences on translation	(2,723)	-
Operating cash flows before changes in working capital	3,972	734
Change in trade receivables	(4,919)	439
Change in other receivables	(705)	477
Change in inventories	(944)	(10,033)
Change in trade payables	(2,872)	118
Change in other payables	422	274
Change in other current asset	1,126	-
Change in other liability	(630)	-
Change in other financial assets	(13)	-
Cash (used in)/from operations	(4,563)	(7,989)
Income taxes paid	(196)	-
Net cash flows (used in) operating activities	(4,759)	(7,989)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	(4)	-
Proceeds from divestment of subsidiary	-	726
Proceeds from divestment of investment	-	1,062
Decreased in PPE	(7)	-
Net cash flows generated/(used in) from investing activities	(11)	1,788
Cash flows from financing activities		
Proceeds on borrowings	16,530	5,014
Net movements in amounts due to related companies	130	-
Net cash flows generated/(used in) from financing activities	16,660	5,014
Net increase (decrease) in cash and cash equivalent	11,890	(1,188)
Effect of cash and cash equivalent denominated in foreign currency	247	(583)
Cash and cash equivalent at beginning of the period	11,484	16,954
Cash and cash equivalents at end of the period	23,621	15,183

1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Capital reserve	Currency translation reserve	Fair Value reserve	Statutory reserve	Accumulated losses	Total attributable to equity holders of the Company	Non controlling interest	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
At 1 January 2021	653,757	(217,842)	(223)	-	8,067	(418,525)	25,234	3,239	28,473
Issue of new shares	-	-	-	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	-	4,526	4,526	446	4,972
Other comprehensive income									
Foreign currency translation	-	(2)	(3,279)	-	-	171	(3,110)	51	(3,059)
Total comprehensive income/(loss) for the period	-	(2)	(3,279)	-	-	4,697	1,416	497	1,913
At 30 June 2021	653,757	(217,844)	(3,502)	-	8,067	(413,828)	26,650	3,736	30,386
At 1 January 2020	653,757	(217,842)	3,779	(26)	8,067	(425,795)	21,940	575	22,515
Adjustment for reserve	-	-	-	-	-	-	-	-	-
Issue of new shares	-	-	-	-	-	-	-	-	-
Non-controlling interest acquisition of a subsidiary	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	-	810	810	(97)	713
Other comprehensive income									
Foreign currency translation	-	-	(392)	26	-	-	(366)	-	(366)
Total comprehensive income/(loss) for the period	-	-	(392)	26	-	810	444	(97)	347
At 30 June 2020	653,757	(217,842)	3,387	-	8,067	(424,985)	22,384	478	22,862

Company	Share capital	Capital reserve	Currency translation reserve	Fair value reserve	Accumulated losses	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
At 1 January 2021	653,757	2,254	-	-	(661,966)	(5,955)
Issue of new shares	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	1,792	1,792
Other comprehensive income						
Foreign currency translation	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	1,792	1,792
At 30 June 2021	653,757	2,254	-	-	(660,174)	(4,163)
At 1 January 2020	653,757	2,254	-	-	(655,762)	249
Adjustment for reserve	-	-	-	-	-	-
Issue of new shares	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	2,909	2,909
Other comprehensive income						
Foreign currency translation	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	2,909	2,909
At 30 June 2020	653,757	2,254	-	-	(652,853)	3,158

1(e) Profit or loss from continuing operations and reconciliations

	Distribution	Services	Others	Total
	SGD'000	SGD'000	SGD'000	SGD'000
6 months ended 30 June 2021				
Revenue by segments	50,829	1,316	370	52,515
Results:				
Segment results	1,219	(86)	2,201	3,334
Finance costs	(426)	-	(78)	(504)
Foreign exchange gain	19	(1)	4,098	4,116
Depreciation and amortisation charges	(12)	(12)	(1,574)	(1,598)
Profit before income tax	800	(99)	4,647	5,348
Income tax expense	(278)	(7)	(91)	(376)
Profit for the period	522	(106)	4,556	4,972
6 months ended 30 June 2020				
Revenue by segments	7,498	328	212	8,038
Results:				
Segment results	(567)	(249)	1,584	768
Finance costs	(35)	-	(14)	(49)
Foreign exchange gain	(61)	(2)	1,603	1,540
Depreciation and amortisation charges	(11)	(14)	(1,521)	(1,546)
Profit before income tax	(674)	(265)	1,652	713
Income tax expense	-	-	-	-
Profit for the period	(674)	(265)	1,652	713

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Following the completion of the debt restructuring on 26 December 2017, there are no outstanding warrants as of 30 June 2021.

The Company does not have any treasury shares as at 30 June 2021.

(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at 30 June 2021 is 24,296,921,463 shares (31 December 2020: 24,296,921,463 shares).

(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been reviewed or audited by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements for the year ended 31 December 2020.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	6 months ended	
	30-06-21	30-06-20
a) EPS based on weighted average number of shares (SGD cents/share)	0.02	0.003
b) EPS based on fully diluted basis (SGD cents/share)	0.02	0.003
Weighted average number of shares applicable to earnings per share	24,296,921,463	24,296,921,463
Weighted average number of shares fully diluted basis	24,296,921,463	24,296,921,463

Basic earnings per share is calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares issued during the financial period under review.

The dilutive earning per share is shown as the same amount as the basic earnings per share because the warrants are considered anti-dilutive and ignored in the computation of diluted earnings per share.

7. Net asset value (for the Issuer and Group) per ordinary share based on issued share capital excluding treasury shares of the Issuer at the end of the: -
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	30-06-21	31-12-20	30-06-21	31-12-20
Net asset value per ordinary share based on issued share capital as at end of the period (SGD cents/share)	0.13	0.12	(0.01)	(0.02)

Net asset value for the Group and the Company as at 30 June 2021 and 31 December 2020 are computed based on 24,296,921,463 at the end of the financial period under review

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
 (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors.

TURNOVER

For the six-month financial period ended 30 June 2021 (“1H 2021”), the Group generated total revenue amounting to SGD52.5 million, a SGD44.5 million (or 553%) increase from SGD8.0 million recorded in the corresponding period of the preceding financial year (“1H 2020”). This represents the highest level of turnover for the Group on record.

This increase in revenue is mainly attributed to:

- i. the expansion of the Group’s Distribution segment in fast-moving consumer goods (“FMCG”) goods, which has contributed SGD50.8 million in revenue in 1H 2021 (SGD7.5 million in 1H 2020). This significant increase is part of the Group’s strategy to boost its global supply chain capabilities which would then benefit the growth strategies for its other three key segments of Food Production, Services and Innovation.
- ii. the increase in turnover from the Group’s Services segment, which has contributed SGD1.3 million in revenue in 1H 2021 (SGD0.2 million in 1H 2020). This is attributed to the broadening of its clientele base following the Group’s acquisition of Resolute Communications Pte Ltd who services long-standing reputable clients such as Hewlett-Packard.

With significant boosts to the level of turnovers across the Aquaculture, Distributions and Services segments, the Group’s total gross profit recorded a SGD3.3 million (or 237%) improvement in 1H 2021 as compared to SGD1.0 million in 1H 2020.

OTHER OPERATING COSTS

Other operating expenses increased SGD0.5 million or 29% from SGD1.9 million in 1H 2020 to SGD2.4 million in 1H 2021. This largely attributed increase in staff costs as a result of the Group’s increase in workforce size as part of its growth strategy to increase its talent pool.

OTHER OPERATING INCOME

The Group’s other operating income for 1H 2021 amounted to SGD6.6 million, an increase of 105% from SGD3.2 million recorded in 1H 2020. This increase is largely due to increase unrealised foreign exchange gains as well as government grants received under the Jobs Support Scheme

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

REVIEW OF BALANCE SHEET

The Group is in a positive **net asset** position of SGD30.4 million as at 30 June 2021, this represents a 6.7% (SGD1.9 million) increase from SGD28.5 million recorded in 31 December 2020. The Group’s working capital position (or net current asset position) has also improved, increasing by 13.7% (SGD2.9 million) from SGD21.1 million in 31 December 2020 to SGD24.0 million in 30 June 2021.

Total assets of the Group increased by SGD16.8 million from SGD70.2 million as at 31 December 2020 to SGD87.0 million as at 30 June 2021. This increase is attributed to an increase in FMCG stock on-route to customers, as well as the Group’s additional investments including a newly invested stake in a deep tech indoor shrimp producer, Universal Aquaculture Pte Ltd.

Total liabilities increased to SGD56.6 million as at 30 June 2021, compare to SGD41.8 million recorded as at 31 December 2020. This increase is attributed to the increased level of working capital loans acquired to fund the Group’s growing Distribution segment.

Total equity increased to SGD30.4 million as at 30 June 2020, compared to SGD28.5 as at 31 December 2020.

REVIEW OF CASH FLOW STATEMENT

The Group generated positive net cash outflow of SGD11.9 million, resulting in positive closing cash balance of SGD23.6 million for the year ended 30 June 2021. Net cash used in operating activities amounted to SGD4.8 million and this was mainly due to payment to suppliers for the expansion of the Group's Distribution segment. Net cash generated from financing activities amounted to SGD16.7 million and is largely attributed to the Group's proceeds from additional loan facilities, which included a working capital facility awarded from UOB Bank.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10.A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Oceanus successfully achieved another record increment in turnover for the period, and with significant progress made towards the Group's four synergistic growth pillars – Food Production, Distribution, Services and Innovation – Oceanus Group is poised to continue its growth path and drive further business expansion through strategic partnerships and the creation of new revenue streams across the four pillars.

Under innovation, the Group held our first Extend Reality Annual General Meeting which is organized and created by our subsidiaries AP Media and Resolute Communications. Being one of the first of its kind in the world, the innovative AGM was well received by industry experts and shareholders. On the ongoing development of its upcoming e-commerce platform, Oceanus is taking active steps to build our technology capabilities, which includes active engagement of industry partners and increasing talent pool.

As part of the Group's effort to increase its online distribution presence, the Singapore Farmer (SG Farmer) website was developed for the purpose of distributing products which includes Oceanus' canned abalones and bird's nest products in Singapore and China. By redirecting certain exports channels from China to Singapore, Group will also be increasing its local online product offerings across SG Farmer and various e-commerce platforms in the coming months, which will provide a boost to its revenue contributions.

Oceanus will be focusing on its digital transformation across its four key pillars, commencing with the build up of its talent pool, partnering with strategic partners, and identifying synergistic technology businesses suitable for acquisition or investment.

With regards to the SGX-ST Watchlist under the Financial Entry Criteria, the Company announced on 26 February 2021, that it has made an application to the SGX-ST for a further extension of time until 15 April 2021 to satisfy the Financial Exit Criteria, on the basis that the Company is in the processes of finalising its audited financial statements for the financial year ended 31 December 2020. On 13 April 2021, the Group announced that it has submitted an application to the SGX-ST to exit the Watch-List. The Group will make necessary announcements to update shareholders as to the results of its application.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared in respect of the current financial period in view of the Group's current accumulated losses position as at 30 June 2021.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no general mandate obtained from shareholders for the interested person's transactions.

14. Negative assurance confirmation on the interim financial results pursuant to Rule 705(5) of the listing manual.

The Board hereby confirms to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for the 6 months ended 30 June 2021 to be false or misleading in any material respect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Peter Koh Heng Kang,^{PBM}
Executive Director and Chief Executive Officer
12 August 2021