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

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE 9 MONTHS ENDED 30 SEPTEMEBER 2019 OF OCEANUS GROUP LIMITED ("OCEANUS") AND ITS SUBSIDIARIES (COLLECTIVELY KNOWN AS THE "OCEANUS GROUP")

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), 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.

	3 months ended		Increase /	9 months ended (YTD)		Increase /
	30/9/2019	30/9/2018	(Decrease)	30/9/2019	30/9/2018	(Decrease)
Profit and Loss	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	18,590	4,006	364%	37,828	13,781	174%
Cost of goods sold	(16,175)	(3,201)	405%	(31,236)	(5,633)	455%
Total Gross Profit	**2,415**	**805**	**200%**	**6,592**	**8,148**	**-19%**
Gain/(Loss)from changes in fair value less cost to sell of bio assets	549	(1,387)	-140%	(269)	(2,068)	-87%
Other operating income	1,204	252	378%	2,710	875	210%
Other operating expenses	(6,251)	(3,850)	62%	(16,227)	(10,392)	56%
Operating Profit/(Loss)	**(2,083)**	**(4,180)**	**-50%**	**(7,194)**	**(3,437)**	**109%**
Non-Operating						
Other non-operating income	-	-	0%	-	2,266	-100%
Reversal of/(impairment loss)	(500)	-	0%	(500)	-	0%
Impairment of investment in subsidiary/Disposal	-	-	0%	(232)	-	0%
Foreign exchange gain/(loss)	2,525	3,112	-19%	7,373	2,633	180%
Profit/(Loss) for discontinued operations	4,139	1,954	112%	4,714	6,724	-30%
EBITDA	**4,081**	**886**	**361%**	**4,161**	**8,186**	**-49%**
Depreciation	(5,517)	(1,386)	298%	(11,764)	(4,121)	185%
Profit before income tax	**(1,436)**	**(500)**	**187%**	**(7,603)**	**4,065**	**-287%**
Income tax expense	65	-	0%	65	-	0%
Profit for the period	**(1,371)**	**(500)**	**174%**	**(7,538)**	**4,065**	**-285%**

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

	3 months ended		9 months ended	
	30/9/2019	**30/9/2018**	**30/9/2019**	**30/9/2018**
Comprehensive Income	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Profit/(Loss) for the period	(1,371)	(500)	(7,538)	4,065
Other comprehensive income				
Exchange differences on translation of foreign operations	(5,819)	(3,942)	(4,720)	(7,655)
Total comprehensive income for the period	**(7,190)**	**(4,442)**	**(12,258)**	**(3,590)**
Total comprehensive profit/(loss) attributable to:				
Owners of the Company	(7,173)	(4,482)	(12,688)	(3,594)
Non-controlling interests	(17)	40	430	4
	(7,190)	**(4,442)**	**(12,258)**	**(3,590)**

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	
	30/9/2019	**31/12/2018**	**30/9/2019**	**31/12/2018**
Balance Sheet	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Assets				
Current assets				
Cash and bank balances	91,224	96,367	47,244	16,382
Trade receivables	2,931	2,188	-	-
Other receivables	21,895	6,548	(21,297)	5,409
Inventories	3,410	3,315	-	
Biological assets	1,851	1,816	-	-
	121,311	110,234	25,947	21,791
Non-current assets				
Property, plant and equipment	101,219	108,664	275	289
Prepaid leases	2,156	2,203	-	-
Investment in subsidiaries	-	-	81,498	86,537
Other investment	1,189	-	-	-
Goodwill on consolidation	5,278	3,368	-	-
	109,842	114,235	81,773	86,826
Total assets	**231,153**	**224,469**	**107,720**	**108,617**
Liabilities and Equity				
Current liabilities				
Trade payables	10,197	23,420	-	-
Other payables	68,555	35,757	114,218	113,645
Loans and borrowings	3,475	3,395	3,475	3,395
Current tax payable	23,948	23,948	-	-
	106,175	86,520	117,693	117,040
Non-current liabilities				
Deferred tax liabilities	49	-	-	-
	49	-	-	-
Total liabilities	106,224	86,520	117,693	117,040
Capital and reserves				
Share capital	2,794,067	2,794,067	2,794,067	2,794,067
Capital reserve	(1,137,504)	(1,137,504)	11,229	11,229
Currency translation reserve	1,369	6,089	(11,329)	(9,212)
Statutory reserve	39,262	39,262	-	-
Accumulated losses	(1,574,626)	(1,566,692)	(2,803,940)	(2,804,507)
Equity attributable to equity holders of the Company	122,568	135,222	(9,973)	(8,423)
Non-controlling interests	2,361	2,727	-	-
Total equity	124,929	137,949	(9,973)	(8,423)
Total liabilities and equity	**231,153**	**224,469**	**107,720**	**108,617**

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			
	3 months ended		9 months ended	
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
Cash Flows	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Cash Flows from Operating Activities				
Profit/(Loss) before income tax	(1,801)	(500)	(7,968)	4,065
Adjustments for:				
(Gain)/loss arising from changes in fair value less cost to sell of biological assets	(1,087)	1,387	(269)	2,068
Depreciation of property, plant and equipment	5,517	1,386	11,764	4,121
(Gain)/loss on disposal of property, plant and equipment	-	(2,097)	-	(2,890)
Amortisation of prepaid leases	16	17	47	3,798
Unrealised currency (gain)/loss	(2,512)	-	(7,373)	-
Interest income	-	(661)	-	(1,281)
Audit Adjustment FY 2018	239	-	239	-
Net foreign exchange difference	-	(4,399)	-	(7,949)
Operating profit/(loss) before working capital changes	372	(4,867)	(3,560)	1,932
Change in trade receivables	2,433	(448)	(18)	(966)
Change in other receivables	(4,123)	(4,419)	1,253	(4,691)
Change in inventories	(13,390)	(165)	(13,489)	(190)
Change in biological assets	518	-	235	(420)
Change in trade payables	(19,468)	1,342	(13,675)	273
Change in other payables	42,924	314	27,285	(12,222)
Cash used in/(from) operations	9,266	(8,243)	(1,969)	(16,284)
Interest received	-	661	-	1,281
Net cash used in/(from) operating activities	9,266	(7,582)	(1,969)	(15,003)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	-	-	-	(251)
Proceeds from disposal of property, plant and equipment	(3,728)	-	(3,830)	-
Disposal of subsidiary	-	-	(827)	-
Acquisition of Subsidiary/other investment	(21)	(1,505)	(2,060)	(1,505)
Net cash generated/(used in) from investing activities	(3,749)	(1,505)	(6,717)	(1,756)
Cash Flows from Financing Activities				
Capital contributions from NCI in a subsidiary	-	(3)	-	117
Net cash (used in)/generated from financing activities	-	(3)	-	117
Net increase (decrease) in cash and cash equivalent	5,517	(9,090)	(8,686)	(16,642)
Effect of cash and cash equivalent denominated in foreign currency	(2,508)	959	3,543	736
Cash and cash equivalent at beginning of the period	88,215	106,389	96,367	114,164
Cash and cash equivalents at end of the period	91,224	98,258	91,224	98,258

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 RMB'000	Capital reserve RMB'000	Currency translation reserve RMB'000	Statutory surplus reserve funds RMB'000	Accumulated losses RMB'000	Total attributable to equity holders of the Company RMB'000	Non controlling interest RMB'000	Total RMB'000
At 1 January 2019	2,794,067	(1,137,504)	6,089	39,262	(1,566,692)	135,222	2,727	137,949
		-			34	34	-	34
Issue of new shares	-	-	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	(796)	(796)
Profit/(Loss) for the period	-	-	-	-	(7,968)	(7,968)	430	(7,538)
Other comprehensive income								
Foreign currency translation	-	-	(4,720)	-	-	(4,720)	-	(4,720)
Total comprehensive income/(loss) for the period	-	-	(4,720)	-	(7,968)	(12,688)	430	(12,258)
At 30 September 2019	**2,794,067**	**(1,137,504)**	**1,369**	**39,262**	**(1,574,626)**	**122,568**	**2,361**	**124,929**
At 1 January 2018	2,794,067	(1,120,438)	13,294	39,262	(1,615,474)	110,711	829	111,540
Adjustment for reserve	-	-	-	-	184	184		184
Issue of new shares	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	117	117
acquisition of a subsidiary								
Profit/(Loss) for the period	-	-	-	-	4,061	4,061	4	4,065
Other comprehensive income								
Foreign currency translation	-	-	(7,655)	-	-	(7,655)	-	(7,655)
Total comprehensive income/(loss) for the period	-	-	(7,655)	-	4,061	(3,594)	4	(3,590)
At 30 September 2018	**2,794,067**	**(1,120,438)**	**5,639**	**39,262**	**(1,611,229)**	**107,301**	**950**	**108,251**

Company	Share capital RMB'000	Capital reserve RMB'000	Currency translation reserve RMB'000	Warrant reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2019	2,794,067	11,229	(9,212)	-	(2,804,507)	(8,423)
		-				-
Issue of new shares	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	567	567
Other comprehensive income						
Foreign currency translation	-	-	(2,117)	-	-	(2,117)
Total comprehensive income/(loss) for the period	-	-	(2,117)	-	567	(1,550)
At 30 September 2019	**2,794,067**	**11,229**	**(11,329)**	**-**	**(2,803,940)**	**(9,973)**
At 1 January 2018	2,794,067	28,295	(6,215)	-	(2,800,196)	15,951
Adjustment for reserve		-		-	-	-
Issue of new shares	-	-	-	-	-	-
Issue of new warrants	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	(1,537)	(1,537)
Other comprehensive income						
Foreign currency translation	-	-	(2,082)	-	-	(2,082)
Total comprehensive income/(loss) for the period	-	-	(2,082)	-	(1,537)	(3,619)
At 30 September 2018	**2,794,067**	**28,295**	**(8,297)**	**-**	**(2,801,733)**	**12,332**

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 September 2019.

The Company does not have any treasury shares as at 30 September 2019

(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 September 2019 is 24,296,921,463 shares (31 December 2018: 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 2018.

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.

	3 months ended		9 months ended (YTD)	
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
a) EPS based on weighted average number of shares (RMB cents/share)	(0.01)	0.02	(0.03)	(0.00)
b) EPS based on fully dilutd basis (RMB cents/share)	(0.01)	0.02	(0.03)	(0.00)
Weighted average number of shares applicable to earnings per share	24,296,921,463	24,296,921,463	24,296,921,463	24,296,921,463
Weighted average number of shares fully diluted basis	24,296,921,463	24,296,921,463	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	
	30/9/2019	31/12/2018	30/9/2019	31/12/2018
Net asset value per ordinary share based on issued share capital as at end of the period (RMB cents/share)	0.50	0.56	(0.04)	(0.03)

Net asset value for the Group and the Company as at 30 September 2019 and 31 December 2018 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.

For the nine-month financial period ended 30 September 2019 ("**9M 2019**"), the Group generated total revenue amounting to RMB37.8 million, a RMB24.0 million increase from RMB13.8 million recorded in the corresponding period of the preceding financial year ("**9M 2018**"). This is mainly due to the new revenue streams contributed by Alps Group Pte Ltd ("**Alps Group**"), AP Media Pte Ltd ("**AP Media**") as well as Oceanus Feed Pte Ltd ("**Oceanus Feed**").

The Group continues to forge ahead with its strategy to increase its capabilities across the four key pillars of growth – Aquaculture, Distribution, Service and Innovation. The Group's overall revenue in 9M 2019 has more than doubled (2.74 times) compared to revenue 9M 2018, which is largely attributable to ramp up of its Distribution and Services segments.

The Group's Distribution segment generated total revenue amounting to RMB27.8 million in 9M 2019, which represents a RMB26.6 million (or 23.2 times) increase from RMB1.2 million recorded in 9M 2018. This was mainly attributed to the Group's establishment of its fish meal trading arm, Oceanus Feed, in April 2019. Other key contributors of this segment's revenue in 9M 2019 includes sales of eco-friendly FMCG products by subsidiary Alps Group that was acquired in December 2018 ; as well as the ramp up of e-commerce sales and retail presence of the Group's canned mini abalone and "Babylone" products that were launched in October 2018.

The Group's services segment recorded a growth in revenue to RMB7.2 million in 9M 2019 as compared to RMB1.9 million in 9M 2018, largely lifted by contributions from the newly-acquired media and marketing consulting arm, AP Media.

Notably, the Group's award-winning subsidiary, AP Media, broke new grounds, having secured projects in respect of the 2019 National Day Parade and the Singapore Bicentennial multimedia exhibition project at the National Gallery of Singapore.

The higher other operating expenses including non-cash items - depreciation, amortisation, interest expense, were more than offset by increased unrealised exchange gain/loss. However, due to a significant increase in business expansion costs and increased overall staff sizing, the Group derived an EBITDA of RMB4.2 million for 9M 2019, as compared to an EBITDA of RMB8.2 million for the same period last year. The Group will continue to grow its various segments, while optimising the cost structures of its new businesses to improve margin efficiencies.

Despite increased revenue from the Group's non-core segments, 9M 2019 registered an overall net loss of RMB7.5 million (net profit of RMB4.1 million in 9M 2018) mainly due to business expansion costs and a reduction in contributions from the aquaculture pillar as a result of the Group's conscious efforts to diversify its overall revenue across the various segments.

GROUP OPERATING ITEMS

Other operating income

Other operating income comprises mainly government grants received by the Group.

(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 **net asset** positive position of RMB125 million as at 30 September 2019.

Total assets of the Group increased by RMB6.7 million from RMB224.5 million as at 31 December 2018 to RMB231.2 million as at 30 September 2019. This increase is mainly attributed to the depreciation charges for this quarter and a decrease in cash and bank balances.

Total current liabilities increased to RMB106.2 million as at 30 September 2019, compare to RMB86.5 million recorded as at 31 December 2018.

Non-current liabilities increased by RMB0.05 million for deferred tax liabilities as at 30 September 2019 due to the acquisition of AP Media.

Total equity decreased to RMB125 million as at 30 September 2019, compared to RMB138 as at 31 December 2018.

REVIEW OF CASH FLOW STATEMENT

The Group generated net cash outflow of RMB8.7 million, resulting in positive closing cash balance of RMB91.2 million for the nine months ended 30 September 2019.

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.

The Group continues to execute its strategy of building an ecosystem of synergistic businesses across the aquaculture value chain beyond its farming business, as it reorganised its businesses into four key growth pillars – Aquaculture, Distribution, Services and Innovation – establishing new and diversified revenue streams. Moving on from the laying of foundation for future growth, the Group will thereafter focus its strategy on strengthening the synergy between its key growth pillars to achieve greater efficiency and scale, with the objective of ramping up each of the segment's business and revenue sizes.

Recognising the importance of food security and sustainability, Oceanus will also continue its efforts in addressing Singapore's food security. Through strategic investments in various aquaculture and seafood businesses, Oceanus will grow together with its partners, while addressing ongoing food security concerns through the propagation of sustainable farming practices.

The Group will leverage upon its expanded FMCG and extensive end-to-end distribution network, to identify potential business and continuously expand on its product lines and trading presence in the region. It will actively engage leading retail brands and e-commerce platforms to reach out to a wider range of consumers. In addition, the Group's Distribution segment is also looking to build upon its fish meal distribution business to include other quality seafood products.

The Group's services segment continues to provide a diversified revenue stream with growing contributions from the newly-acquired media and marketing consulting arm, AP Media, and aquaculture consultancy services arm, Oceanus Tech. AP Media continues to gain momentum in the multimedia space and was recently engaged in the multimedia exhibition at the National Gallery Singapore.

Through strategic partnerships with educational institutions, Oceanus' Innovation pillar has developed a range of science and evidence-based farming techniques and cutting-edge aquaculture technology for to boost productivity. The Group will continue to engage educational institutions on research and development of innovative solutions to address key issues such as food scarcity and environmental sustainability. In June 2019, the Group entered into a memorandum of understanding ("**MOU**") with Temasek Polytechnic to collaborate with the Aquaculture Innovation Centre ("**AIC**") consortium in aquaculture research activities in areas such as joint research, intellectual assets enhancement projects and providing student training opportunities in Oceanus' farms.

With regards to the SGX-ST Watchlist under the Financial Entry Criteria, the Group is on track to complete the revision of the Company's FY 2017 Statements by 15 November 2019 and the revision of the Company's FY 2018 Statements within three months thereafter. Oceanus will be in a position to make an application to the SGX-ST to exit the Watchlist after the revision of the Company's FY 2017 Statements and FY 2018 Statements.

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/recommended, 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 September 2019.

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 9 months ended 30 September 2019 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

14 November 2019