

ENTRY INTO MEMORANDUM OF UNDERSTANDING WITH WSRC HOLDING PTE LTD

1. ENTRY INTO MEMORANDUM OF UNDERSTANDING

The Board of Directors (the “**Board**” or the “**Directors**”) of Oceanus Group Limited (the “**Company**”) wishes to announce that the Company has on 13 June 2017 entered into a Memorandum of Understanding (the “**MOU**”) with WSRC Holding Pte Ltd (“**WSRC**”), to which the parties have agreed *inter alia* to cooperate and facilitate the expansion of the Company’s abalone and seafood business in the western region of the People’s Republic of China (“**PRC**”). The collaboration between the Company and WSRC under the terms of MOU will be in three phases:

- (i) setting up a premium retail outlet in WSRC-Chengdu Integrated Business & Halal Center (the “**WSRC CENTER**”) (situated in Chengdu, PRC) to sell the Company’s abalone and other processed seafood products;
- (ii) expanding the distribution of the Company’s abalone and other processed seafood products in other western regions of PRC; and
- (iii) setting up a joint venture with WSRC with a view to develop a “first of its kind” seafood market concept.

The key terms of the MOU, which is non-binding, includes the following:

- (i) WSRC shall set up a premium retail outlet in WSRC Center to sell Oceanus’ abalone and other processed seafood products and expand the distribution of these products in western China;
- (ii) WSRC shall purchase 250 cartons of the Company’s canned abalone or a sales equivalent of SGD250,000, whichever is higher. WSRC shall also use reasonable efforts to purchase at least 500 cartons or a sales equivalent to SGD500,000, whichever is higher, within one (1) year of the commencement of the MOU;
- (iii) The Company shall appoint WSRC as its exclusive representative in Chengdu, PRC to sell their processed seafood products; and
- (iv) The Company will consider granting WSRC exclusive representation in Chongqing and Xi’an, PRC, if WSRC is able to meet the purchase and sales target set by the Company for two (2) consecutive years from the commencement of the MOU.

2. INFORMATION ON WSRC

Shareholders should note that information relating to WSRC in this section and elsewhere in this announcement has been provided by WSRC. The Company and the Directors have not independently verified the accuracy and correctness of such information herein. The sole responsibility of the Directors and the Company for the purpose of such information has been to ensure that such information has been accurately and correctly extracted and reproduced in this announcement in its proper form and context.

WSRC is a company incorporated in Singapore and specializes in real estate, property management, infrastructure investment and trading. WSRC is the property manager of WSRC CENTER and has extensive involvements in the One Belt One Road Initiatives development in Chengdu, PRC

Save for their respective shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the MOU.

The Company will make further announcements in relation to the MOU as and when appropriate.

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
15 June 2017