

# OCEAN SKY INTERNATIONAL LIMITED

(Company Registration No. 198803225E)  
(Incorporated in the Republic of Singapore)

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## JOINT VENTURE FOR DEVELOPMENT OF TWO SITES LOCATED AT JERVOIS ROAD, SINGAPORE

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### 1. INTRODUCTION

The Board of Directors (the “**Board**”) of Ocean Sky International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Arctic Sky Investment Pte. Ltd. (“**ASIPL**”), has entered into a joint venture agreement with Yuan Ching Development Pte Ltd (“**YCDPL**”), a wholly-owned subsidiary of Tiong Seng Holdings Limited, whereby ASIPL will subscribe for 400,000 ordinary shares at an issue price of S\$1.00 each, fully paid, in TSky Development Pte Ltd (“**TSky Development**”), constituting 40% of the issued and paid-up share capital of TSky Development (the “**Proposed Acquisition**”). YCDPL holds the remaining 60% of the issued and paid-up share capital of TSky Development. The principal activity of TSky Development is that of real estate development.

TSky Development and/or its nominees have been granted an Option to Purchase (“**Option**”) for the acquisition of two (2) freehold sites comprised in TS24-245L and TS24-246C at Jervois Road, Singapore (the “**Subject Sites**”). The Subject Sites are located in prime district 10, with a combined site area of approximately 1,246.3 square metres (approximately 13,415 square feet) and are zoned “Residential” with a gross plot ratio of 1.4.

The total purchase consideration for the Subject Sites is S\$21 million (Singapore Dollars: Twenty-one million) (the “**Consideration**”), arrived at on a willing buyer-willing seller basis after arm’s length negotiations, taking into consideration, *inter alia*, relevant enquiries and references to the current market prices of properties in the surrounding area of similar size and parameters. The Consideration will be funded by a combination of internal resources of TSky Development and bank facilities.

TSky (Jervois) Pte Ltd, a wholly-owned subsidiary of TSky Development, has exercised the Option and will undertake the development of the Subject Sites.

### 2. RATIONALE

The Proposed Acquisition will allow the Group to expand in Singapore its residential development activities, which are in line with the Group’s core businesses of property development and investment as well as civil engineering and construction.

The Group believes its investment in the joint venture offers a valuable opportunity for it to own highly attractive freehold Subject Sites strategically located in the prime district of Singapore. The Group is optimistic that the future development of these Subject Sites into successful residential projects will enhance value for shareholders of the Company.

The joint participation to develop the Subject Sites will also allow the Group to leverage the expertise and experience of its joint venture partner. The potential development of the Subject Sites will also provide the Group the opportunity to value-add with its existing capabilities and strengthen its foothold in the building sector.

### **3. FUNDING OF PROPOSED ACQUISITION**

The Proposed Acquisition and ASIPL's share of the acquisition and development costs of the Subject Sites will be funded by the Group's internal resources and/or bank borrowings.

### **4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION**

The Proposed Acquisition is not expected to have any material impact on the earnings per share and net tangible assets per share of the Group for the current financial year ending 31 December 2017.

### **5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the Proposed Acquisition and the Subject Sites, save for their respective shareholdings in the Company.

#### **BY ORDER OF THE BOARD**

Chia Yau Leong  
Executive Director and Company Secretary

17 July 2017

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#### **Sponsor's Statement**

This announcement has been prepared by Ocean Sky International Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant Catalist Rules. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.