

OCEAN SKY INTERNATIONAL LIMITED

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

PROPOSED ACQUISITION OF SLOANE COURT HOTEL AT 17 BALMORAL ROAD (LOT 138C OF TOWN SUBDIVISION 26) AND LOT 99899P OF TOWN SUBDIVISION 26

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 TSky Development Pte Ltd (“**TSky Development**”), has entered into a sale and purchase agreement dated 25 August 2017 (the “**Agreement**”) in relation to the acquisition (the “**Proposed Acquisition**”) of Sloane Court Hotel at 17 Balmoral Road (Lot 138C of Town Subdivision 26) and Lot 99899P of Town Subdivision 26 (collectively, the “**Subject Sites**”). The Agreement is conditional upon the approval of the shareholders of the vendors of the Subject Sites.

The Subject Sites are located in prime district 10, with a combined site area of approximately 3,617.9 square metres (approximately 38,943 square feet) and is zoned “Residential” with a gross plot ratio of 1.6.

The Company, through its wholly owned subsidiary Arctic Sky Investment Pte Ltd, holds a 40% interest in TSky Development. In connection with the Proposed Acquisition, TSky Development will set up a project company to undertake the development of the Subject Sites.

2. PURCHASE CONSIDERATION

The total purchase consideration for the Subject Site is S\$80,500,000 (Singapore Dollars: Eighty Million Five Hundred Thousand) (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.

3. FUNDING OF THE PROPOSED ACQUISITION

The Group’s share of the Proposed 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.

6. FURTHER INFORMATION

The Company will make further announcements on the Proposed Acquisition as and when there are further developments on the Proposed Acquisition.

BY ORDER OF THE BOARD

Chia Yau Leong
Executive Director and Company Secretary

28 August 2017

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 Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by 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 Catalyst Operations, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.