

CIRCULAR DATED 23 OCTOBER 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of Ocean Sky International Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Company is a sponsored company listed on the Catalist board ("**Catalist**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Companies listed on Catalist may carry higher investment risks when compared with larger or more established companies listed on the SGX-ST Main Board. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares traded on Catalist.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

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.



OCEAN SKY INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198803225E)

CIRCULAR TO SHAREHOLDERS

in relation to

- I. **THE PROPOSED DISPOSAL OF THE INVESTMENT PROPERTY (AS DEFINED HEREIN) WHICH CONSTITUTES A MAJOR TRANSACTION UNDER THE CATALIST RULES; AND**
- II. **THE PROPOSED BUSINESS DIVERSIFICATION INTO THE INVESTMENT BUSINESS.**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	5 November 2017 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	7 November 2017 at 3.00 p.m.
Place of Extraordinary General Meeting	:	Raffles Marina Bridge Room, Level 2 10 Tuas West Drive Singapore 638404

LETTER TO SHAREHOLDERS

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DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply throughout:

- “2013 Disposal”** : The divestment by the Company of the Lessees’ immediate holding company, Ocean Sky Global (S) Pte Ltd, in April 2013
- “Associate”** : (a) In relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; or
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company), means any other company which is its subsidiary or holding company or a subsidiary of such holding company or company in which it and/or they, taken together (directly or indirectly) have an interest of 30.0% or more
- “Board”** : The board of Directors of the Company as at the Latest Practicable Date
- “Catalist”** : The Catalist board of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
- “Catalist Rules”** : The Listing Manual of the SGX-ST Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 23 October 2017
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore as amended, modified or supplemented from time to time
- “Company”** : Ocean Sky International Limited
- “Completion”** : Completion of the Proposed Disposal
- “Conditions Precedent”** : The conditions precedent under the SPA, including: (i) the passing at a general meeting of the Company of a resolution to approve the Proposed Disposal and (ii) the Purchaser having completed a title search in respect of the Investment Property with the land registry of the Kingdom of Cambodia
- “Consideration”** : US\$22 million, being the consideration for which the Purchaser has agreed to purchase the Investment Property from Suntex Investment

DEFINITIONS

“Controlling Shareholder”	: A person who (a) holds directly or indirectly 15.0% or more of all voting shares in a company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over a company
“Deposit”	: The Initial Deposit and the Further Deposit
“Director”	: A director of the Company as at the Latest Practicable Date
“EGM”	: The extraordinary general meeting of the Company to be convened and held on 7 November 2017 at 3.00 p.m. at Raffles Marina, Bridge Room, Level 2, 10 Tuas West Drive, Singapore 638404, notice of which is set out on pages N-1 to N-2 of this Circular
“EPS”	: Earnings per Share
“Existing Business”	: The Group’s core businesses comprising (a) the property business involving property development, investment and management and (b) the construction and engineering business through its wholly-owned subsidiary, Ang Tong Seng Brothers Enterprises Pte Ltd
“Further Deposit”	: The further deposit of US\$9.56 million which shall be paid by the Purchaser into the escrow account upon the satisfaction of the Conditions Precedent
“FY2016”	: The financial year ended 31 December 2016
“FY2017”	: The financial year ending 31 December 2017
“Group”	: The Company and its subsidiaries from time to time
“HY2017”	: The six-month financial period ended 30 June 2017
“HY2017 Accounts”	: The unaudited financial statements of the Group for HY2017
“Initial Deposit”	: The initial deposit of US\$11 million which shall be paid by the Purchaser into an escrow account upon the signing of the SPA
“Investment Business”	: The Company’s proposed new business of investing in companies and other entities through equity, securities and other instruments such as bonds or convertible bonds, and investing in quoted and/or unquoted securities and instruments such as, without limitation, debentures, stocks, shares, funds and bonds
“Investment Property”	: The parcel of freehold land in Cambodia comprising an area of approximately 122,097 square metres and located in Trapeang Thloeng Village, Sangkat Chom Chao, Khan Por Sen Chey (former Khan Dangkor), Phnom Penh, Cambodia
“Latest Practicable Date”	: 19 October 2017, being the latest practicable date prior to the printing of this Circular
“Lease”	: The lease of the Investment Property from Suntex Investment to the Lessees
“Lessees”	: Suntex Pte. Ltd. and Bright Sky Pte. Ltd.

DEFINITIONS

“Luen Thai”	: Luen Thai Holdings Limited
“Net Proceeds”	: The estimated net proceeds from the Proposed Disposal of approximately US\$21.75 million
“Notice of EGM”	: The notice of the EGM which is set out on pages N-1 to N-2 of this Circular
“NTA”	: Net tangible assets
“Proposed Business Diversification”	: The Company’s proposed business diversification into the Investment Business
“Proposed Disposal”	: The proposed disposal of the Investment Property by Suntex Investment, a wholly-owned subsidiary of the Company, to the Purchaser for a consideration of US\$22 million, upon the terms and conditions of the SPA
“Proxy Form”	: The proxy form attached to the Notice of EGM
“Purchaser”	: Greystone Investment Co., Ltd.
“Register of Members”	: Register of members of the Company
“Retained Amount”	: US\$3 million of the Deposit which shall be retained in escrow at Completion
“Securities Account”	: A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Security Deposit”	: The security deposit of US\$1.44 million held by Suntex Investment under the Lease
“SFA”	: Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share”	: An ordinary share in the capital of the Company, and “Shares” shall be construed accordingly
“Shareholders”	: Registered holders of Shares, except where the registered holder is CDP, in which case the term “Shareholders” shall in relation to such Shares mean the Depositors whose Securities Accounts maintained with CDP are credited with Shares
“SPA”	: The conditional sale and purchase agreement dated 27 September 2017 between the Company, Suntex Investment, the Purchaser and Luen Thai
“Sponsor”	: The continuing sponsor of the Company, UOB Kay Hian Private Limited
“Substantial Shareholder”	: A person (including a corporation) who has an interest in not less than 5.0% of the issued shares of a company
“Suntex Investment”	: Suntex Investment Co., Ltd.

DEFINITIONS

“Taxed Companies” : The two former wholly-owned indirect subsidiaries of the Company which were disposed pursuant to the 2013 Disposal and in respect of which a tax indemnification amount may be payable pursuant to the 2013 Disposal

“Valuation Report” : The independent valuation of the Investment Property as at 23 August 2017 by Advantage Property Services Co., Ltd., trading as CBRE Cambodia, part of the CBRE Affiliate Network

Currencies and Units of Measurements

“%” : Per cent or percentage

“S\$” and “cents” : Singapore dollars and cents, respectively

“US\$” and “US cents” : United States dollars and United States cents, respectively

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the respective meanings ascribed to them in Section 81SF of the SFA.

The terms **“subsidiary”** and **“related corporations”** shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to **“Rule”** or **“Chapter”** is a reference to the relevant rule or chapter in the Catalist Rules.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA and the Catalist Rules or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA and the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to Shares being allotted to a person includes allotment to CDP for the account of that Depositor.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

Any discrepancies in tables included in this Circular between the listed amounts and the totals are due to rounding; accordingly, the figures shown as totals in certain tables may not be an aggregation of the figures that precede them.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular, which are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would”, “could” or similar words. However these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, business strategy, plans and prospects are forward-looking statements and accordingly involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given the risks and uncertainties which may cause the Group’s actual future results, performance or achievements to be materially different from those expected, expressed or implied by forward-looking statements in this Circular, undue reliance must not be placed on those statements. The Company does not represent or warrant that the Group’s actual future results, performance or achievements will be as discussed in those statements. Further, the Company disclaims any responsibility, and undertakes no obligation to update or revise any forward-looking statements contained in this Circular to reflect any change in the Group’s expectations with respect to such statements after the Latest Practicable Date or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

OCEAN SKY INTERNATIONAL LIMITED

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

Directors:

Ang Boon Cheow Edward (Executive Chairman and Chief Executive Officer)
Chia Yau Leong (Executive Director)
Chua Keng Hiang (Lead Independent Director)
Ng Ya Ken (Independent Director)
Tan Min-Li (Independent Director)

Registered Office:

29 Tuas South Street 1,
Singapore 638036

23 October 2017

To: The Shareholders of Ocean Sky International Limited

Dear Sir or Madam

- (1) **THE PROPOSED DISPOSAL OF THE INVESTMENT PROPERTY WHICH CONSTITUTES A MAJOR TRANSACTION UNDER THE CATALIST RULES; AND**
- (2) **THE PROPOSED BUSINESS DIVERSIFICATION INTO THE INVESTMENT BUSINESS.**

1. INTRODUCTION

1.1. Background

On 27 September 2017, the Company announced that the Company and Suntex Investment Co., Ltd. ("**Suntex Investment**"), a wholly-owned subsidiary of the Company, had entered into a conditional sale and purchase agreement dated 27 September 2017 (the "**SPA**") with Greystone Investment Co., Ltd. (the "**Purchaser**") and Luen Thai Holdings Limited ("**Luen Thai**"), pursuant to which the Purchaser had agreed to purchase from Suntex Investment a parcel of freehold land in Cambodia (the "**Investment Property**") for a consideration of US\$22 million, upon the terms and conditions of the SPA (the "**Proposed Disposal**").

As the relative figure in respect of the Proposed Disposal calculated pursuant to Rule 1006 of the Listing Manual Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited (the "**Catalist Rules**") exceeds 50%, the Proposed Disposal is classified as a "major transaction" within the meaning of Rule 1014 of the Catalist Rules, and will be subject to the approval of the Shareholders. Further details on the relative figures under Rule 1006 of the Catalist Rules can be found in Section 2.7 of this circular.

Ang Boon Cheow Edward, the Executive Chairman and Chief Executive Officer of the Company, who is a controlling Shareholder having an interest in 162,968,541 Shares representing 50.15% of the Company's issued share capital as at the date of this Circular, has undertaken to vote in favour of the resolution to be tabled at the EGM to approve the Proposed Disposal and not to sell or otherwise dispose of such number of his Shares which would result in him holding an interest in less than 50% of the voting Shares prior to the passing of such resolution.

1.2. Purpose of this Circular

The Board wishes to convene the EGM to seek Shareholders' approval for the following proposals:

- (i) the Proposed Disposal; and
- (ii) the Proposed Business Diversification.

LETTER TO SHAREHOLDERS

The purpose of this Circular is to provide Shareholders with all necessary information relating to the Proposed Disposal and the Proposed Business Diversification, and to seek Shareholders' approval for the same at the EGM. Approval for each of the Proposed Disposal and the Proposed Business Diversification will be sought by way of ordinary resolutions at the EGM.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

1.3. The Sponsor and the SGX-ST

The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

2. THE PROPOSED DISPOSAL

2.1. Information on the Investment Property

The Investment Property comprises an area of approximately 122,097 square metres and is located in Trapeang Thloeng Village, Sangkat Chom Chao, Khan Por Sen Chey (former Khan Dangkor), Phnom Penh, Cambodia.

The Investment Property is owned by Suntex Investment. As at the date of this Circular, Suntex Investment's principal activity involves the leasing of the Investment Property to Suntex Pte. Ltd. and Bright Sky Pte. Ltd. (collectively, the "**Lessees**") for rental income (the "**Lease**"). The Lessees were formerly wholly-owned indirect subsidiaries of the Company before the Company divested the Lessees' immediate holding company, Ocean Sky Global (S) Pte Ltd, in April 2013 (the "**2013 Disposal**"). The Lease has a term of 20 years commencing on 4 January 2013, and the Lessees have options to renew for a first term of 10 years and a further second term of 15 years. The net lease income before income tax earned from the Investment Property was approximately US\$0.69 million for the financial year ended 31 December 2016. In the event the Proposed Disposal is completed, the Lease will be assigned to the Purchaser and the security deposit of US\$1.44 million held by Suntex Investment under the Lease (the "**Security Deposit**") shall constitute payment of the balance of the Consideration (as defined in Section 2.3 of this Circular) to the Group.

2.2. Information on the Purchaser

The Purchaser is a company incorporated in Cambodia and an indirect subsidiary of Luen Thai, a company incorporated under the laws of the Cayman Islands and listed on the Main Board of the Hong Kong Stock Exchange. Luen Thai is also the indirect holding company of the Lessees.

The Purchaser is not related to the Directors or controlling Shareholders of the Company and their respective Associates.

2.3. Principal Terms of the Proposed Disposal

The Purchaser has agreed to purchase the Investment Property from Suntex Investment for a consideration of US\$22 million (the "**Consideration**"). The Consideration will be satisfied fully in cash. Upon the signing of the SPA, an initial deposit of US\$11 million shall be paid by the Purchaser into an escrow account (the "**Initial Deposit**"). Upon the satisfaction of conditions precedent under the SPA, including: (i) the passing at a general meeting of the Company of a resolution to approve the Proposed Disposal; and (ii) the Purchaser having completed a title search in respect of the Investment Property with the land registry of the Kingdom of Cambodia (the "**Conditions Precedent**"), a further deposit of US\$9.56 million shall be paid by the Purchaser into the escrow account (the "**Further Deposit**", and together with the Initial Deposit, the "**Deposit**"). However, if the Conditions Precedent are not fulfilled by 15 November 2017, any party to the SPA may terminate the SPA, whereupon the Initial Deposit shall be refunded to the Purchaser.

LETTER TO SHAREHOLDERS

The Consideration was arrived at on a willing-buyer and willing-seller basis after arm's length negotiations after considering, *inter alia*, the following: (a) the sale price premium over the book value of the Investment Property of approximately US\$12.81 million, based on the unaudited financial statements of the Group for the six-month financial period ended 30 June 2017 (“**HY2017**”) (the “**HY2017 Accounts**”), (b) the market value of the Investment Property of approximately US\$13.84 million, based on an independent valuation of the Investment Property as at 23 August 2017 by Advantage Property Services Co., Ltd., trading as CBRE Cambodia, part of the CBRE Affiliate Network (the “**Valuation Report**”) and (c) the rationale for the Proposed Disposal as set out in Paragraph 2.4 below.

The Valuation Report was commissioned by Suntex Investment to determine the current market value of the Investment Property on an “As Is” basis.

At completion of the Proposed Disposal (“**Completion**”), the Deposit shall be paid to the Group, save that US\$3 million of the Deposit shall be retained in escrow (the “**Retained Amount**”). The Retained Amount shall be paid to the Group after the earlier of:

- (a) (if any tax indemnification amount is payable pursuant to the 2013 Disposal) the Company's payment of such indemnification amount for the financial years ended 31 December 2011 and 31 December 2012 in respect of two former wholly-owned indirect subsidiaries of the Company which were disposed pursuant to the 2013 Disposal (the “**Taxed Companies**”); or
- (b) (if no tax indemnification amount is payable pursuant to the 2013 Disposal) the issuance of tax clearance certificates for the financial years ended 31 December 2011 and 31 December 2012 in respect of the Taxed Companies,

but in any event no earlier than Completion. The Retained Amount was arrived at on a willing-buyer and willing-seller basis and is not reflective of the potential tax liability of the Taxed Companies. Additionally, at Completion, the Security Deposit shall constitute payment of the balance of the Consideration to the Group.

Completion is conditional upon no notice having been served by the Purchaser on the Vendor that the result of a title search in respect of the Investment Property with the land registry of the Kingdom of Cambodia is unsatisfactory and upon no notice having been served by the Purchaser on the Vendor that the government or other competent authority has acquired or given notice of acquisition or intended acquisition of the Investment Property (or any part thereof).

2.4. Rationale for the Proposed Disposal

The Board believes that the Proposed Disposal offers attractive returns from the Group's investment in the Investment Property. The fair value of the Investment Property is approximately US\$12.81 million, based on the HY2017 Accounts. Based on the Consideration, the Group expects to record a pre-tax gain of approximately US\$9.19 million on the disposal of the Investment Property. The cash proceeds from the Proposed Disposal will substantially increase the Group's cash reserves, which will allow the Group to support its existing businesses and unlock capital for future investments.

2.5. Use of Proceeds

The estimated net proceeds from the Proposed Disposal are approximately US\$21.75 million after taking into account the professional fees incurred in relation to the Proposed Disposal (the “**Net Proceeds**”). The Company intends to utilise the Net Proceeds for future joint ventures and working capital as well as property acquisition and property development in order to grow and expand the Group's property portfolio and business segment.

Pending deployment, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purposes on a short term basis, as the Directors may deem appropriate in the interests of the Group.

LETTER TO SHAREHOLDERS

2.6. Financial Effects of the Proposed Disposal

The financial effects of the Proposed Disposal have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2016 (“FY2016”), based on the following assumptions:

- (a) the Consideration of US\$22 million;
- (b) that the Proposed Disposal had been completed on 1 January 2016 for the purposes of illustrating the financial effects on earnings per Share (“EPS”);
- (c) that the Proposed Disposal had been completed on 31 December 2016 for the purposes of illustrating the financial effects on net tangible assets (“NTA”) per Share and gearing;
- (d) all expenses and income tax effect in connection with the Proposed Disposal have not been taken into consideration; and
- (e) assuming an exchange rate of US\$1 : S\$1.35.

The pro forma financial effects of the Proposed Disposal are for illustrative purposes only and do not reflect the actual financial effects or the future financial performance and condition of the Group after the Proposed Disposal.

For the avoidance of doubt, these *pro forma* financial effects have taken into account (i) the corporate actions announced and undertaken by the Group; and (ii) the issuance of new Shares, on or after 1 January 2016.

2.6.1. NTA

The illustrative financial effects of the Proposed Disposal on NTA per Share as at 31 December 2016 are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA attributable to owners of the Company (US\$'000)	29,469	38,659
Number of Shares	324,940,302	324,940,302
NTA per Share (US cents)	9.07	11.90

2.6.2. EPS

The illustrative financial effects of the Proposed Disposal on EPS for FY2016 are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net profits attributable to owners of the Company (US\$'000)	1,352	9,852
Weighted Average Number of Shares	233,482,907	233,482,907
EPS (US cents)	0.58	4.22

LETTER TO SHAREHOLDERS

2.6.3. Gearing

The illustrative financial effects of the Proposed Disposal on the gearing of the Group as at 31 December 2016 are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Total debt ¹ (US\$'000)	7,835	7,835
Total equity (US\$'000)	38,195	47,385
Gearing ratio	0.21	0.17

2.7. The Proposed Disposal as a Major Transaction

The relative figures in respect of the Proposed Disposal as computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figure
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	33.1% ⁽¹⁾
(b)	The net profits ⁽²⁾ attributable to the assets disposed of, compared with the Group's net profits	-120.7% ⁽³⁾
(c)	The aggregate value of the consideration ⁽⁴⁾ to be received, compared with the Company's market capitalisation ⁽⁵⁾	152.3%
(d)	The number of equity securities issued by the Company as consideration for a acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽⁶⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable ⁽⁷⁾

Notes:

- (1) Computed based on the unaudited net asset value of the Group as at 30 June 2017 of approximately US\$38.72 million and the fair value of the Investment Property as at 30 June 2017 of approximately US\$12.81 million.
- (2) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss before income tax, minority interests and extraordinary items.
- (3) Computed based on the unaudited net loss before tax of the Group for HY2017 of approximately US\$0.29 million and the unaudited net profit before tax attributable to the Investment Property for HY2017 of approximately US\$0.35 million. As the Group was in a net loss position for HY2017, the relative figure under Rule 1006(b) is a negative figure which is not meaningful.
- (4) The Consideration of US\$22 million is equivalent to S\$29.70 million, based on an exchange rate of US\$1 : S\$1.35.
- (5) The market capitalisation of the Company was determined by multiplying the total number of issued Shares, being 324,940,302 Shares (excluding treasury shares) by S\$0.060 (being the volume-weighted average traded price of such Shares on 26 September 2017, being the last market day immediately preceding the date of the SPA).
- (6) This is not applicable as the Proposed Disposal relates to a disposal and does not involve issuance of consideration shares.
- (7) This is not applicable as the Company is not a mineral, oil and gas company.

¹ Refers to the aggregate of the Group's long-term and short-term interest-bearing borrowings.

LETTER TO SHAREHOLDERS

As the relative figure computed based on Rule 1006(c) of the Catalist Rules exceeds 50%, the Proposed Disposal constitutes a “major transaction” under Rule 1014 of the Catalist Rules. Accordingly, the Proposed Disposal is conditional upon the approval of Shareholders at the EGM.

2.8. Director’s Service Contracts

No person is proposed to be appointed as a Director in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any person.

3. THE PROPOSED BUSINESS DIVERSIFICATION

3.1. The Investment Business

The Company intends to diversify its business scope to include the Investment Business in order to better manage its cash resources and exposure to the risks inherent in investing in the property and construction and engineering sector. The Company intends to undertake the Proposed Business Diversification in order to provide alternative revenue streams to improve the profitability of the Company and accordingly, wishes to seek Shareholders’ approval at the EGM for the same. It is envisioned that the revenue for the Investment Business will be substantially derived from capital gains and recurring dividend income from the Group’s investments in quoted and/or unquoted securities of the investee companies.

3.2. Strategy and Approach

In venturing into the Investment Business, the Company intends to carry out the following activities, as and when an appropriate opportunity arises:

- (a) to invest in companies and other entities through equity, securities and other instruments such as bonds or convertible bonds; and
- (b) to invest in quoted and/or unquoted securities and instruments such as, without limitation, debentures, stocks, shares, funds and bonds.

The Group intends that the Investment Business will be engaged on a prudent basis with discretion, and to set appropriate risk and return objectives.

Each major allocation of funds (for a certain investment class) or major investment under the Investment Business will be evaluated and assessed by the Board on its own merits. In making its assessment on each such allocation or investment, the Company will consider the relevant market conditions, growth potential, projected returns and value enhancements of such allocation/investment to the Group. The Company will remain prudent by taking into account the financial condition and cash flow requirements of the Group in deciding the amount for each allocation/investment and to ensure that the financial exposure of the Group is monitored and managed.

The Company will have regard to factors such as the type of quoted and/or unquoted securities, the value of the proposed investment, its potential for increase in value, its projected returns, its location and the prevailing market conditions. The Company will not restrict itself to any particular business sector, industry or country but will consider any business sector, industry or country that presents growth and profit opportunities for the Group.

3.3. Financing

The Company plans to fund the Investment Business through internal sources of funds, taking into account the cash flow of the Group.

LETTER TO SHAREHOLDERS

3.4. Management

The Company does not see an immediate need to engage personnel with direct expertise or experience in the Investment Business, as the Board and senior management of the Group comprise individuals with varied qualifications and experience who will provide the strategic vision and direction on the Investment Business. It is currently envisaged that the Investment Business will be initially spearheaded by Mr Ang Boon Cheow Edward, the Company's Executive Chairman and Chief Executive Officer, and Mr Chia Yau Leong, the Company's Executive Director, and in making their investment decisions, they will, where necessary and appropriate, seek the advice of external consultants and/or professionals.

The Company may, however, in line with future growth in the Investment Business, hire additional suitably qualified staff and/or form an investment committee to carry out the Investment Business. The Company will monitor developments and progress in the Investment Business and take the necessary steps to identify suitable candidates both from within the Group as well as externally to manage the Investment Business and take it forward as and when required.

3.5. Rationale

The Group's existing core businesses are in (a) the property business involving property development, investment and management and (b) the construction and engineering business through its wholly-owned subsidiary, Ang Tong Seng Brothers Enterprises Pte Ltd (the "**Existing Business**").

In addition to its Existing Business, the Company wishes to undertake the Proposed Business Diversification to provide alternative revenue streams to improve the profitability of the Company. The Board believes that undertaking the Proposed Business Diversification is in the best interests of the Shareholders as it is envisaged to provide new revenue and earning streams for the Group.

The Company also wishes to undertake the Proposed Business Diversification to better manage its cash resources and exposure to the risks inherent in investing in the property and construction and engineering sectors. The Company intends to deploy its available cash resources towards making investments in quoted and/or unquoted securities, which the Company believes can be a more effective utilisation of its cash resources pending the identification of suitable opportunities in the Existing Business.

The Company believes that the Proposed Business Diversification would allow the Group to have better prospects of profitability and long-term growth. It would also allow the Group to have access to new business opportunities which in turn could potentially enhance the return on the Group's assets and improve Shareholders' value in the long run.

3.6. Financial Effects

As at the Latest Practicable Date, the Proposed Business Diversification is not expected to have any material impact on the Group's NTA per Share and EPS for FY2017 as the Investment Business has yet to commence. Should there be any material impact on the Group's NTA per Share and EPS for FY2017, the Company will make the necessary announcements at the appropriate time.

3.7. Risk Factors

The Board believes that the Proposed Business Diversification and the expansion of the Group's business activities may change the risk profile of the Company.

Any of the risks described below could materially and adversely affect the Group's business, financial condition, operations and prospects. In that event, the market price of the Shares could decline, and Shareholders may lose all or part of their investments in the Shares. The risks and uncertainties described below are not intended to be exhaustive and are not the only risks and uncertainties that the Group may face. The Group could be affected by a number of risks which relate to the industries and countries in which the Group intends to operate as well as those which

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may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein. Additional risks and uncertainties not presently known to the Company or the Group or that the Company or the Group currently deems immaterial may also impair the Company's or the Group's business, financial condition, operations and prospects. The risks discussed below also include forward-looking statements and the Company's and the Group's actual results may differ substantially from those discussed in these forward-looking statements.

Subheadings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

(a) *The Group has no prior experience in the Investment Business, and faces integration risk*

Presently, the Group has no prior experience in the Investment Business. In line with future growth in the Investment Business, the Group may hire additional suitably qualified employees, providing the relevant training, know-how, business support, creating new incentive structures for management and staff and establishing the operating infrastructure and internal controls, where necessary and appropriate.

Nevertheless, there can be no assurance that the Group will be successful in the Investment Business, or that such measures will result in the seamless integration of the Investment Business into the Group's existing operations. Delays in integration or unforeseen or unresolved issues may divert the Group's management attention and resources, delay the commencement of or prevent revenue growth in the Investment Business, which may materially and adversely affect the Group's business, financial condition, operations and prospects.

(b) *The performance of the Group's investments may be adversely affected by macro-economic and micro-economic factors*

Given that the Group's investment activities will involve investments in listed and unlisted companies, the performance of the Group's investments may be affected by adverse movements in the share prices or deterioration in the financial performance of the investee companies. These adverse movements or deterioration may be due to macro-economic factors (such as those that are described below) or micro-economic factors that relate specifically to the business operations of the investee companies. In such situations, the Group may lose part, or the whole, of its investment.

(c) *The Group's investments may be affected by changes in general economic, political, social and environmental conditions*

The businesses of the investee companies will be subject to the prevailing economic, political and social conditions in the markets and/or countries in which they operate. The business, earnings, asset values, prospects and valuations of the investee companies may be materially and adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, taxation, expropriation, social instability and other political, economic or diplomatic developments in or affecting the countries in which the investee companies operate.

In addition, investee companies may, from time to time, undertake activities that may cause damage and/or harm to the environment. If damage and/or harm to the environment arise from the direct or indirect activities of investee companies, these companies may face legal action and/or other claims which may adversely affect their financial position. In some jurisdictions, the liability for the harm and/or damage caused to the environment may extend beyond the immediate businesses to their ultimate shareholders.

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(d) *Investments in higher growth companies which may be in the early stages of development may entail a higher level of risk*

The Group may invest in the quoted and/or unquoted securities of companies that are in the early stages of development and have high growth potential. While investments in these companies may present greater opportunities for growth, they may also involve greater business risks than is customarily associated with more established companies and there can be no assurance that the original investment amounts will not be written off partially or in entirety. Given the nature of such investments, the Company will regularly assess the financial and operational performance of such investee companies. This includes reviewing, at regular intervals, the investee companies' financial statements. In addition, and as appropriate, the terms upon which the Group will invest in a company may include a redemption clause whereby if the investee company is unable to achieve specified profit targets, the Group will be entitled to redeem part of its investment in cash and/or have additional issued shares in the investee company issued to the Group to compensate for the shortfall.

(e) *Inability to influence or exercise management control over the investee companies may affect performance of investments and reputation of the Group*

The Group does not currently intend to participate at the board level or be actively involved with the day-to-day management of any investee company, save where the Group's stake in the particular investee company is significant. Additionally, where the Group takes a strategic but non-controlling stake in an investee company, it would have limited control or influence in terms of day-to-day operations.

Accordingly, the mismanagement of any investee company, if any, may be beyond the control of the Group. Such mismanagement may adversely affect the financial performance of the investee company, which may in turn affect the returns on the Group's investments. The impact of any negative publicity or announcements relating to such mismanagement of the investee company may also be extended to the Group's reputation, whether or not it is justified, and ultimately affect the value of the Shares.

(f) *The loss of any key personnel managing the Investment Business may adversely affect the operations of the Investment Business*

The performance of the Investment Business will depend on the ability of the Company to attract and retain key personnel in the Investment Business, as such key personnel would be able to identify new investment opportunities for the Group. The loss of any of these individuals could have a material effect on the operations and financial performance of the Investment Business.

(g) *The Group's investment activities may be subject to risks arising from fluctuations in foreign exchange rates*

To the extent that the investee companies may be located in different geographic jurisdictions and the investments may be denominated in currencies other than Singapore dollars, the Group's investments may be adversely affected by fluctuations in foreign exchange rates which may be unpredictable.

(h) *The Group may not be able to hedge effectively against certain risks that the Group's investments are exposed to*

The Group may, from time to time, undertake various transactions (such as transacting in options and warrants, or entering into futures contracts) to hedge its foreign exchange exposure and interest rate exposure. There can be no assurance that the Group will be able to hedge successfully or effectively against these exposures and the Group may incur losses due to fluctuations in foreign exchange rates or interest rates.

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Notwithstanding the risks set out above, the Board, having considered the rationale of the Proposed Business Diversification, believes that it is to the benefit of the Group to diversify its business to include the Investment Business. The Board will be mindful in managing the risks involved.

3.8. Risk Management Measures and Safeguards

The Group currently has in place an adequate and effective system of risk management and internal controls to address the material risks in its current business environment. If and/or when the Proposed Business Diversification is approved, the risks presented by the Investment Business to the Group will be managed under the existing system of risk management and internal controls, which will determine the nature and extent of the significant risks which the Board is willing to take in achieving the strategic objectives.

The Group will endeavour to ensure that the risk management systems and internal controls are commensurate with the risk and business profile, nature, size and complexity of business activities engaged in the Investment Business, and will review such risk management systems and internal controls periodically to assess adequacy and effectiveness. The Group will adopt internal policies and procedures which include the establishment of guidelines for the Company's investment objectives, strategies, approaches and restrictions to evaluate each investment and ensure that there are sufficient safeguards in place to manage risks. Where necessary, the Board will seek the advice of reputable financial advisors and/or other experts.

3.9. Catalyst Rules

As the Proposed Business Diversification will involve new business areas which are substantially different from the Group's Existing Business, it is envisaged that the Proposed Business Diversification will change the existing risk profile of the Group. Pursuant to paragraph 7(b) of Practice Note 10A of the Catalyst Rules, the EGM will accordingly be convened by the Company to seek the Shareholders' approval for the Proposed Business Diversification. Shareholders should note that if Shareholders' approval is obtained for the Proposed Business Diversification, the requirements under Chapter 10 of the Catalyst Rules (with the exception of Rule 1015 of the Catalyst Rules) would cease to apply to projects or transactions undertaken in the Investment Business.

Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the Investment Business which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential transactions relating to the Investment Business arise.

For the avoidance of doubt, notwithstanding approval by the Shareholders of the Proposed Business Diversification, where:

- (a) in respect of an acquisition of assets, any of the relative figures as computed on the bases set out in Rule 1006 of the Catalyst Rules is 100% or more, or such acquisition will result in a change in control of the issuer, Chapter 10 of the Catalyst Rules (including Rule 1015 of the Catalyst Rules) will continue to apply to any such acquisition, which must be made conditional upon the approval of, *inter alia*, Shareholders;
- (b) a transaction constitutes an interested person transaction (as defined under the Catalyst Rules), Chapter 9 of the Catalyst Rules will continue to apply to any such transaction; and
- (c) in light of Practice Note 10A of the Catalyst Rules, a transaction changes the risk profile of the Company, Shareholders' approval should be sought for such transaction.

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The Investment Business will be accounted for as one new business segment in the Group's financial statements in line with the Singapore Financial Reporting Standards. The financial results of the Investment Business together with the Group's financial statements will be periodically announced pursuant to the requirements as set out in Chapter 7 of the Catalyst Rules. In these periodic announcements, the Group may provide segmented financial results relating to the Investment Business where appropriate or if required under any applicable accounting standards.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

4.1. Interests of the Directors and Substantial Shareholders in the Shares

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date, based on the Company's register of Directors and register of Substantial Shareholders respectively, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors						
Ang Boon Cheow Edward ⁽²⁾	162,968,541	50.15	–	–	162,968,541	50.15
Chia Yau Leong	45,000	0.01	–	–	45,000	0.01
Chua Keng Hiang	–	–	–	–	–	–
Ng Ya Ken	–	–	–	–	–	–
Tan Min-Li	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
Ang Boon Chong ^{(2) (3)}	–	–	31,847,044	9.80	31,847,044	9.80
Ang Sher Yin Celestine ^{(2) (4)}	–	–	22,472,000	6.92	22,472,000	6.92
Charisma Asia Limited ⁽³⁾⁽⁵⁾	–	–	24,604,544	7.57	24,604,544	7.57

Notes:

- (1) Based on 324,940,302 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Mr Ang Boon Cheow Edward and Mr Ang Boon Chong are brothers. Ms Ang Sher Yin Celestine is the daughter of Mr Ang Boon Chong.
- (3) Mr Ang Boon Chong is deemed interested in 31,847,044 Shares of which 7,242,500 Shares are owned by Mr Ang Boon Chong and registered in the name of Raffles Nominees (Pte) Limited. The remaining Shares are held indirectly by Charisma Asia Limited which is wholly-owned by Mr Ang Boon Chong. Mr Ang Boon Chong is, by virtue of his interest in Charisma Asia Limited, deemed interested in the 24,604,544 Shares deemed held by Charisma Asia Limited.
- (4) Ms Ang Sher Yin Celestine is deemed interested in 22,472,000 Shares, all of which are owned by Ms Ang Sher Yin Celestine and registered in the name of Raffles Nominees (Pte) Limited..
- (5) The Shares held by Charisma Asia Limited are registered in the name of Raffles Nominees (Pte) Limited.

4.2. Interests of the Directors and Substantial Shareholders in the Proposed Disposal

Save as disclosed in the Circular, none of the Directors or Substantial Shareholders has any interests, direct or indirect, in the Proposed Disposal, other than through their respective shareholding interests in the Company.

LETTER TO SHAREHOLDERS

5. RECOMMENDATION BY THE DIRECTORS

5.1. The Proposed Disposal

Having considered, *inter alia*, the terms, the rationale for and the benefits of the Proposed Disposal, the Directors are of the opinion that the Proposed Disposal is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution approving the Proposed Disposal.

5.2. The Proposed Business Diversification

Having considered, *inter alia*, the terms, the rationale for and the benefits of the Proposed Business Diversification, the Directors are of the opinion that the Proposed Business Diversification is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution approving the Proposed Business Diversification.

6. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 7 November 2017 at 3.00 p.m. at Raffles Marina, Bridge Room, Level 2, 10 Tuas West Drive, Singapore 638404 for the purpose of considering and, if thought fit, passing with or without any modifications, the resolutions set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf, may complete, sign and return the proxy form attached to the Notice of EGM (the “**Proxy Form**”) in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the registered office of the Company at 29 Tuas South Street 1, Singapore 638036 not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM, if he wishes to do so, in place of his proxy.

Depositors who wish to attend and vote at the EGM, and whose names are shown in the Depository Register of CDP as at a time not less than 72 hours before the time appointed for the EGM supplied by CDP to the Company, may attend as CDP’s proxies. Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the EGM without the lodgement of any Proxy Form.

8. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Proposed Business Diversification, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the following documents will be made available for inspection by Shareholders during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 29 Tuas South Street 1, Singapore 638036, for a period of three (3) months from the date of this Circular:

- (a) the Company's Annual Report for FY2016;
- (b) the Company's Constitution;
- (c) the SPA; and
- (d) the Valuation Report.

Yours faithfully

For and on behalf of the Board of
OCEAN SKY INTERNATIONAL LIMITED

Ang Boon Cheow Edward
Executive Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

OCEAN SKY INTERNATIONAL LIMITED

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“**EGM**”) of Ocean Sky International Limited (the “**Company**”) will be held on 7 November 2017 at 3.00 p.m. at Raffles Marina, Bridge Room, Level 2, 10 Tuas West Drive, Singapore 638404 for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

*All capitalised terms in this Notice which are not defined herein shall have the same meaning as ascribed to them in the Company’s circular dated 23 October 2017 (the “**Circular**”).*

ORDINARY RESOLUTION 1:

THE PROPOSED DISPOSAL OF THE INVESTMENT PROPERTY WHICH CONSTITUTES A MAJOR TRANSACTION UNDER THE CATALIST RULES

That, for the purposes of Chapter 10 of the Catalist Rules:

- (a) approval be and is hereby given for the proposed disposal of the Investment Property by Suntext Investment, a wholly-owned subsidiary of the Company, to the Purchaser for a consideration of US\$22 million, upon the terms and conditions of the SPA (the “**Proposed Disposal**”); and
- (b) any of the directors of the Company (“**Directors**”) be and is hereby authorised to complete and to do all acts and things as he may consider necessary or expedient for the purposes of or in connection with the Proposed Disposal and to give effect to this Ordinary Resolution 1 (including any amendment to the SPA, execution of any other agreements or documents and procurement of third party consents) as he shall think fit and in the interests of the Company.

ORDINARY RESOLUTION 2:

THE PROPOSED BUSINESS DIVERSIFICATION INTO THE INVESTMENT BUSINESS

That:

- (a) approval be and is hereby given for the Company’s diversification into the proposed new business of investing in companies and other entities through equity, securities and other instruments such as bonds or convertible bonds, and investing in quoted and/or unquoted securities and instruments such as, without limitation, debentures, stocks, shares, funds and bonds (the “**Proposed Business Diversification**”); and
- (b) any of the Directors be and is hereby authorised to complete and to do all acts and things as he may consider necessary or expedient for the purposes of or in connection with the Proposed Business Diversification and to give effect to this Ordinary Resolution 2 as he shall think fit and in the interests of the Company.

By Order of the Board

Chia Yau Leong
Company Secretary

23 October 2017

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. If the appointer is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
3. Pursuant to Section 181 of the Companies Act, Chapter 50 of Singapore, any member who is a relevant intermediary is entitled to appoint two or more proxies to attend and vote at the EGM. Relevant intermediary is either:
 - (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
 - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
 - (c) the Central Provident Fund (“**CPF**”) Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.
4. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 29 Tuas South Street 1, Singapore 638036, not less than forty-eight (48) hours before the time appointed for the holding of the EGM.

Personal data privacy:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and/or representative(s) appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

OCEAN SKY INTERNATIONAL LIMITED

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

PROXY FORM

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see Note 3 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. Please read the notes to the Proxy Form.

I/We, _____

of _____

being a member/members of OCEAN SKY INTERNATIONAL LIMITED, (the "**Company**"), hereby appoint:

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate):

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf, by poll, at the Extraordinary General Meeting ("**EGM**") of the Company to be held at Raffles Marina, Bridge Room, Level 2, 10 Tuas West Drive, Singapore 638404 on 7 November 2017 at 3.00 p.m. and at any adjournment thereof. The proxy is to vote on the business before the Meeting as indicated below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

If you wish to exercise all your votes "For" or "Against" the relevant resolution, please indicate with an "X" within the relevant box provided. Alternatively, please indicate the number of shares in the boxes provided.

No.	Resolutions relating to:	Number of Votes For	Number of Votes Against
1.	The Proposed Disposal		
2.	The Proposed Business Diversification		

Dated this _____ day of _____ 2017

Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal of
Corporate Member



PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
3. Pursuant to Section 181 of the Companies Act, Chapter 50 of Singapore, any member who is a relevant intermediary is entitled to appoint two or more proxies to attend and vote at the EGM. Relevant intermediary is either:
 - (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
 - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
 - (c) the Central Provident Fund (“CPF”) Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.
4. Where a Member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 29 Tuas South Street 1, Singapore 638036, not less than forty-eight (48) hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument of proxy may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the members, being the appointer, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 October 2017.