

OCEAN SKY INTERNATIONAL LIMITED

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

DISPOSAL OF INVESTMENT PROPERTY IN SINGAPORE

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, Ang Tong Seng Brothers Enterprises Pte Ltd (the “**Vendor**”), had granted an option to Allbest Marine Supplies Pte Ltd (the “**Purchaser**”) to purchase from the Vendor (the “**Option**”), the Vendor’s investment property at 17 Tuas View Close, Singapore 637484 (the “**Property**”). The Purchaser had exercised the Option to purchase the Property (the “**Proposed Sale**”).

2. INFORMATION ON THE PROPERTY

The Property is a 60-year leasehold 2-storey detached factory with an ancillary office, occupying a site area of approximately 1,599.30 square metres. The Property is currently leased to the Purchaser.

None of the directors and shareholders of the Purchaser are related to the directors and controlling shareholders of the Company.

3. SALE CONSIDERATION AND COMPLETION

The sale consideration of S\$5.50 million (the “**Sale Consideration**”) was arrived at based on arm’s length negotiation between the Vendor and the Purchaser, taking into consideration, *inter alia*, the prevailing property market conditions and current market prices of properties in the surrounding area. The carrying value of the Property as at 30 June 2020 was approximately S\$5.55 million.

5% of the Sale Consideration has been paid by the Purchaser upon exercising of the Option. The balance 95% of the Sale Consideration shall be paid by the Purchaser upon completion of the Proposed Sale, which is scheduled to be on or around 31 December 2020.

4. RATIONALE

The Proposed Sale is a transaction carried out in the ordinary course of the Group’s business of property investment and the Board is of the view the Proposed Sale will not materially change the risk profile of the Group.

The net cash proceeds from the Proposed Sale will go towards strengthening the cash reserves of the Group and to facilitate the funding of the Group’s existing construction and engineering as well as property businesses and have ready capital for future investments.

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 Sale, save for their respective shareholdings in the Company.

BY ORDER OF THE BOARD

Chia Yau Leong
Company Secretary

6 November 2020

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 rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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.

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