



OCEAN SKY INTERNATIONAL LIMITED

(Co. Regn. No. 198803225E)

Second Quarter Financial Statement Announcement for the Period Ended 30/06/2017

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Second Quarter Ended			6 Months Ended		
	30/6/2017 US\$'000	30/6/2016 US\$'000	Incr/(Decr) %	30/6/2017 US\$'000	30/6/2016 US\$'000	Incr/(Decr) %
Revenue	4,901	180	2622.8%	8,632	360	2297.8%
Cost of sales	(4,149)	-	N.M.	(7,327)	-	N.M.
Gross profit	752	180	317.8%	1,305	360	262.5%
Other income	5	7	-28.6%	9	13	-30.8%
Administrative and other operating expenses	(784)	(416)	88.5%	(1,515)	(816)	85.7%
Finance costs	(41)	(1)	4000.0%	(89)	(2)	4350.0%
Share of results of associate, net of tax	-	278	-100.0%	-	534	-100.0%
(Loss)/Profit before income tax	(68)	48	N.M.	(290)	89	N.M.
Income tax expense	(57)	(31)	83.9%	(72)	(65)	10.8%
(Loss)/Profit for the financial period	(125)	17	N.M.	(362)	24	N.M.
Other comprehensive income						
Items that may be reclassified subsequently to profit and loss account						
Exchange differences on translating foreign operations	271	(6)		885	49	
Other comprehensive income for the financial period, net of tax	271	(6)		885	49	
Total comprehensive income for the financial period	146	11		523	73	

N.M. - Not Meaningful

Note to the income statement:

(Loss)/Profit from operations includes the following:

Interest income	5	7	9	13
Interest expenses	41	1	89	2
Depreciation of property, plant and equipment	387	27	808	53
Amortisation of intangibles	99	-	223	-
Loss on foreign exchange (net)	25	3	62	75
Gain on disposal of property, plant and equipment	30	-	32	-
Write-off of property, plant and equipment	4	-	4	-

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	30/6/2017 US\$'000	31/12/2016 US\$'000	30/6/2017 US\$'000	31/12/2016 US\$'000
Non-current assets				
Property, plant and equipment	11,907	11,936	342	385
Investment property	12,810	12,810	-	-
Intangible assets	407	604	-	-
Goodwill	8,535	8,122	-	-
Subsidiaries	-	-	24,359	23,638
Investment in associate	*	*	-	-
	<u>33,659</u>	<u>33,472</u>	<u>24,701</u>	<u>24,023</u>
Current assets				
Inventories	74	74	-	-
Development property	247	-	-	-
Contracts work-in-progress	838	22	-	-
Trade and other receivables	5,338	5,245	269	58
Fixed deposits	155	5,147	-	5,000
Cash and bank balances	12,700	9,121	9,444	5,864
	<u>19,352</u>	<u>19,609</u>	<u>9,713</u>	<u>10,922</u>
Current liabilities				
Trade and other payables	4,978	5,331	2,413	2,319
Provisions	231	321	-	-
Bank borrowings	463	280	-	-
Finance lease payables	304	312	49	46
Income tax payable	1,027	1,200	-	-
	<u>7,003</u>	<u>7,444</u>	<u>2,462</u>	<u>2,365</u>
Net current assets	<u>12,349</u>	<u>12,165</u>	<u>7,251</u>	<u>8,557</u>
Non-current liabilities				
Bank borrowings	6,793	6,774	-	-
Finance lease payables	383	469	155	171
Deferred tax liabilities	114	199	-	-
	<u>7,290</u>	<u>7,442</u>	<u>155</u>	<u>171</u>
	<u>38,718</u>	<u>38,195</u>	<u>31,797</u>	<u>32,409</u>
Equity				
Share capital	36,522	36,522	36,522	36,522
Other reserves	5,653	4,768	-	-
Accumulated losses	(3,457)	(3,095)	(4,725)	(4,113)
Equity attributable to owners of the parent	<u>38,718</u>	<u>38,195</u>	<u>31,797</u>	<u>32,409</u>

* denotes less than US\$1,000

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/6/2017		As at 31/12/2016	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
767	-	592	-

Amount repayable after one year

As at 30/6/2017		As at 31/12/2016	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
7,176	-	7,243	-

Details of any collateral

Finance lease liabilities are secured by rights to leased assets of plant, equipment and motor vehicles.

Bank borrowings are secured by the legal mortgage in favour of the banks over the two properties in Singapore.

1(c) A statement of cashflows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Second Quarter Ended		6 Months Ended	
	30/06/2017 US\$'000	30/06/2016 US\$'000	30/06/2017 US\$'000	30/06/2016 US\$'000
Operating activities				
(Loss)/Profit before income tax	(68)	48	(290)	89
Adjustments for:				
Depreciation of property, plant and equipment	387	27	808	53
Amortisation of intangible assets	99	-	223	-
Gain on disposal of property, plant and equipment	(30)	-	(32)	-
Write-off of plant and equipment	4	-	4	-
Unrealised foreign exchange (gain)/loss	25	(2)	60	70
Interest expense	41	1	89	2
Interest income	(5)	(7)	(9)	(13)
Share of results of associate	-	(278)	-	(534)
Operating profit/(loss) before working capital changes	<u>453</u>	<u>(211)</u>	<u>853</u>	<u>(333)</u>
Working capital changes:				
Inventories	(52)	-	-	-
Trade and other receivables	89	(71)	170	(108)
Development property	(247)	-	(247)	-
Due from customers for contract work	(189)	-	(817)	-
Trade and other payables	243	(167)	(516)	(175)
Provisions	(57)	-	(106)	-
Cash generated from/(used in) operations	<u>240</u>	<u>(449)</u>	<u>(663)</u>	<u>(616)</u>
Interest paid	(41)	(1)	(89)	(2)
Income taxes paid	(222)	-	(353)	(118)
Net cash used in operating activities	<u>(23)</u>	<u>(450)</u>	<u>(1,105)</u>	<u>(736)</u>
Investing activities				
Purchase of property, plant and equipment	(93)	-	(175)	-
Proceeds from disposal of property, plant and equipment	35	-	37	-
Net cash used in investing activities	<u>(58)</u>	<u>-</u>	<u>(138)</u>	<u>-</u>
Financing activities				
Repayment of bank borrowings	(64)	-	(146)	-
Repayment of finance lease liabilities	(72)	(10)	(144)	(19)
Interest received	5	7	9	13
Net cash used in financing activities	<u>(131)</u>	<u>(3)</u>	<u>(281)</u>	<u>(6)</u>
Net change in cash and cash equivalents	(212)	(453)	(1,524)	(742)
Cash and cash equivalents at beginning of financial period	12,909	18,713	14,121	19,003
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	3	(5)	103	(6)
Cash and cash equivalents at end of financial period	<u>12,700</u>	<u>18,255</u>	<u>12,700</u>	<u>18,255</u>
Cash and cash equivalents comprise:				
Cash at banks and on hand	12,700	8,255	12,700	8,255
Short-term deposits	155	10,000	155	10,000
Cash and cash equivalents as per statement of financial position	<u>12,855</u>	<u>18,255</u>	<u>12,855</u>	<u>18,255</u>
Less: Fixed deposits pledged	(155)	-	(155)	-
Cash and cash equivalents as per consolidated statement of cash flows	<u>12,700</u>	<u>18,255</u>	<u>12,700</u>	<u>18,255</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group US\$'000	Company US\$'000
2017		
Share capital		
At 1 Jan 2017 and 30 Jun 2017	36,522	36,522
Currency translation reserve		
At 1 Jan 2017	(521)	-
Total comprehensive income for the period	614	-
At 31 Mar 2017	93	-
Total comprehensive income for the period	271	-
At 30 June 2017	364	-
Revaluation reserve		
At 1 Jan 2017 and 30 Jun 2017	5,289	-
Retained earnings		
At 1 Jan 2017	(3,095)	(4,113)
Total comprehensive income for the period	(237)	(295)
At 31 Mar 2017	(3,332)	(4,408)
Total comprehensive income for the period	(125)	(317)
At 30 June 2017	(3,457)	(4,725)
Total		
At 1 Jan 2017	38,195	32,409
At 31 Mar 2017	38,572	32,114
At 30 June 2017	38,718	31,797
2016		
Share capital		
At 1 Jan 2016 and 30 Jun 2016	29,344	29,344
Currency translation reserve		
At 1 Jan 2016	(191)	-
Total comprehensive income for the period	55	-
At 31 Mar 2016	(136)	-
Total comprehensive income for the period	(6)	-
At 30 June 2016	(142)	-
Revaluation reserve		
At 1 Jan 2016 and 30 Jun 2016	5,289	-
Retained earnings		
At 1 Jan 2016	(3,954)	(3,690)
Total comprehensive income for the period	7	(325)
At 31 Mar 2016	(3,947)	(4,015)
Total comprehensive income for the period	17	(387)
At 30 June 2016	(3,930)	(4,402)
Total		
At 1 Jan 2016	30,488	25,654
At 31 Mar 2016	30,550	25,329
At 30 June 2016	30,561	24,942

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and fully paid:	No. of shares	US\$'000
	Ordinary shares	
At 31 Mar 2017 and 30 Jun 2017	324,940,302	36,522

The Company did not have any outstanding convertibles as at 30 June 2017 and 30 June 2016. The Company did not have any treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

Under the Share Buy Back Mandate which was approved by the Shareholders on 27 April 2017, no shares were bought back by the Company during the second quarter ended 30 June 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	30/6/2017	31/12/2016
The total number of issued ordinary shares excluding treasury shares	324,940,302	324,940,302

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no treasury shares held by the Company during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N.A.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation as in the Group's most recently audited annual financial statements have been applied, except for the changes mentioned in Section 5.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted all the applicable new and revised Financial Reporting Standards (FRS) that become effective for accounting periods beginning 1 January 2017.

The adoption of these new and revised FRS does not have any material impact to the Group financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

		Second Quarter Ended		6 Months Ended	
		30/06/2017	30/06/2016	30/06/2017	30/06/2016
(Loss)/Earnings per share (based on the (loss)/profit for the financial period):					
Based on the weighted average number of ordinary shares in issue	USD Cents	(0.044)	0.008	(0.128)	0.011
Weighted average number of ordinary shares in issue		283,204,942	224,720,522 *	283,204,942	224,720,522 *
On a fully diluted basis	USD Cents	(0.044)	0.008	(0.128)	0.011
Adjusted weighted average number of ordinary shares in issue **		283,204,942	224,720,522 *	283,204,942	224,720,522 *

The weighted average number of ordinary shares in issue for the respective periods ended 30 June 2017 and 30 June 2016 were calculated based on the weighted average number of ordinary shares for the trailing twelve months.

* The number of shares in issue has been adjusted for the share consolidation on 30 November 2016 retrospectively.

** There were no dilutive ordinary shares in issue for the respective periods.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	GROUP		COMPANY	
	30/6/2017	31/12/2016	30/6/2017	31/12/2016
	USD Cents	USD Cents	USD Cents	USD Cents
Net asset value per ordinary share based on the existing issued share capital as at the end of respective periods	11.92	11.75	9.79	9.97

Net asset value per ordinary share is computed based on the number of issued ordinary shares of 324,940,302 as at 30 June 2017 and 31 December 2016 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Company is a Singapore-based investment holding company with an interest in the civil engineering, construction and related services business ("**Construction and Engineering Business**"), and the business of property development, investment and management ("**Real Estate Business**").

(a) Construction and Engineering Business

The Group is involved in the Construction and Engineering Business through its wholly-owned subsidiary, Ang Tong Seng Brothers Enterprises Pte. Ltd. ("**ATS**") following the completion of the acquisition of the remaining 70% of the issued and paid-up share capital of ATS on 30 November 2016 ("**ATS Acquisition**"). ATS is a civil engineering and construction company that operates primarily in Singapore.

(b) Real Estate Business

The Group is involved in the Real Estate Business through its wholly-owned subsidiaries in Singapore and Cambodia.

Statement of Comprehensive Income

Review of the Group performance for the three months ended 30 June 2017 ("**2Q 2017**") as compared to three months ended 30 June 2016 ("**2Q 2016**")

The Group recorded a revenue of US\$4.90 million in 2Q 2017 compared with US\$0.18 million recorded in 2Q 2016. The increase of US\$4.72 million or 2,622.8% was due to revenue recognised from the on-going projects from the Group's construction and engineering segment following the ATS Acquisition. Rental income from land leasing for 2Q 2017 was consistent with 2Q 2016 at US\$0.18 million.

Cost of sales for 2Q 2017 was US\$4.15 million and was attributable to the cost of works incurred for the on-going projects from the Group's construction and engineering segment. Included in the cost of sales for 2Q 2017 was an additional depreciation expense of US\$0.14 million as a result of fair value uplift of ATS's property, plant and equipment following the completion of the ATS Acquisition.

Administrative and other operating expenses increased by US\$0.37 million, or 88.5% to US\$0.78 million for 2Q 2017 from US\$0.42 million for 2Q 2016, due mainly to the following:

- (a) amortisation expense of US\$0.10 million pertaining to intangible assets previously recognised on outstanding construction contracts following the completion of the ATS Acquisition; and
(b) the inclusion of US\$0.33 million of expenses relating to the Group's construction and engineering segment following the ATS Acquisition.

Finance costs increased from US\$0.001 million for 2Q 2016 to US\$0.041 million for 2Q 2017 due to the inclusion of expenses relating to the Group's construction and engineering segment incurred to finance the purchase of property, plant and equipment.

There was no share of results of associate following the completion of the ATS Acquisition.

Income tax expense increased to US\$0.06 million for 2Q 2017 from US\$0.03 million for 2Q 2016 due mainly to the inclusion of tax expenses relating to the Group's construction and engineering segment, partly offset by write-back of deferred tax impact on the additional depreciation and amortisation expenses.

As a result of the foregoing, the Group registered a loss after income tax of US\$0.13 million for 2Q 2017, compared with a profit after income tax of US\$0.02 million for 2Q 2016.

Statement of Financial Position

Review of the Group's financial position as at 30 June 2017 as compared to 31 December 2016

Property, plant and equipment decreased to US\$11.91 million as at 30 June 2017 from US\$11.94 million as at 31 December 2016 due mainly to depreciation for the period, partly offset by additions and translation gain on fixed assets balances denominated in Singapore dollars.

Intangible assets decreased to US\$0.41 million as at 30 June 2017 from US\$0.60 million as at 31 December 2016 due mainly to a mortisation on the realisation of certain outstanding construction contracts as at 30 November 2016 for the period.

Goodwill increased to US\$8.54 million as at 30 June 2017 from US\$8.12 million as at 31 December 2016 due to translation gain on goodwill amount denominated in Singapore dollars.

The development property amount of US\$0.25 million as at 30 June 2017 was due to the cash deposit and stamp duty paid for the development property at Nim Drive, Singapore.

Contracts work-in-progress increased to US\$0.84 million as at 30 June 2017 from US\$0.02 million as at 31 December 2016 due mainly to increase in the number of projects where costs were incurred for work but not yet certified for progress billings.

Trade and other receivables increased to US\$5.34 million as at 30 June 2017 from US\$5.25 million as at 31 December 2016 due mainly to translation gain on receivables balances denominated in Singapore dollars.

Trade and other payables decreased to US\$4.98 million as at 30 June 2017 from US\$5.33 million as at 31 December 2016 due mainly to payment to suppliers, partly offset by translation loss on payables balances denominated in Singapore dollars.

Provisions decreased to US\$0.23 million as at 30 June 2017 from US\$0.32 million as at 31 December 2016 due mainly to write-back of provision for defect liabilities which were no longer required for the completed projects of the construction and engineering segment.

Income tax payable decreased to US\$1.03 million as at 30 June 2017 from US\$1.20 million as at 31 December 2016 due mainly to payment of income taxes.

Total bank borrowings increased to US\$7.26 million as at 30 June 2017 from US\$7.05 million as at 31 December 2016 due mainly to translation loss on bank borrowings denominated in Singapore dollars, partly offset by repayment for the period.

Total finance lease payables decreased to US\$0.69 million as at 30 June 2017 from US\$0.78 million as at 31 December 2016 due mainly to repayment for the period partly offset by translation loss on finance lease liabilities denominated in Singapore dollars.

Statement of Cashflows

The Group incurred net cash outflow from operating activities of US\$0.02 million for 2Q 2017 due mainly to operating cash inflow before working capital changes of US\$0.45 million, net working capital outflow of US\$0.21 million and payment of income taxes and interest charges of US\$0.26 million. Net working capital outflow was mainly due to cash deposit and stamp duty paid for the development property at Nim Drive, Singapore.

The Group incurred net cash outflow from investing activities of US\$0.06 million for 2Q 2017 due mainly to cash paid for the purchase of machinery.

The Group incurred net cash outflow from financing activities of US\$0.13 million for 2Q 2017 due mainly to repayment of bank borrowings and finance leases.

Overall, total cash and cash equivalents decreased from US\$12.91 million as at 31 March 2017 to US\$12.70 million as at 30 June 2017.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's performance for the period under review is in line with its expectations as disclosed in the announcement of results for the first quarter ended 31 March 2017 on 15 May 2017.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

(a) Construction and Engineering Business

Singapore's construction sector contracted by 5.6% year-on-year in the second quarter of 2017, following the 6.1% decline in the previous quarter. The decline was due to the weakness in both private and public sector construction activities¹.

The operating environment in the construction industry is expected to remain challenging with increasing business costs, persisting shortage of experienced and skilled manpower and intensifying competition among construction players in Singapore.

Notwithstanding the challenging operating conditions ahead, the Singapore Government is taking steps to support the construction industry. In this regard, the Government is pushing ahead with a strong pipeline of major infrastructure projects in the next few years, including the Tengah HDB Town, LTA's Circle Line 6 and Changi Airport Terminal 5. It will also bring forward S\$700 million worth of public sector infrastructure projects to start construction in 2017 and 2018².

Against this backdrop, ATS will continue to prospect actively for new projects while constantly identifying and implementing various controls to reduce costs and improve operational efficiencies.

(b) Real Estate Business

Cambodia

The Group has an existing 20-year long-term fixed rental rate land lease in Cambodia which commenced on 4 January 2013, enabling it to generate stable rental income.

Meanwhile, the Group's 33%-owned joint venture firm Eco Garden Mall Co., Ltd has recently commenced construction work to develop the 71-unit shop house development project, Project Eco Garden Mall. The development, which is located in Kandal Province, is on a freehold land area of approximately 9,185 square metres.

Singapore

The property development landscape in Singapore has recently witnessed an uptick in demand and interest, with a sharp rise in bids for development sites by foreign developers³. Residential home transactions have also seen a strong pick-up in the first half of 2017, underlining the general sentiment that the private housing market is bottoming⁴.

In accordance with the Group's plans to expand its residential development activities in Singapore, Ocean Sky's wholly-owned subsidiary Atlantic Sky Investment Pte Ltd exercised its option to purchase in May 2017 to acquire and develop a freehold residential site with a land area of approximately 456.1 square metres in Nim Drive, Singapore.

Separately, Ocean Sky also announced on 17 July 2017 that its wholly-owned subsidiary Arctic Sky Investment Pte Ltd has entered into a 40%-60% joint venture arrangement with Yuan Ching Development Pte Ltd, a wholly-owned subsidiary of Tiong Seng Holdings Limited, to acquire two freehold sites for S\$21.0 million. Located at prime district 10, Jervois Road, the sites are intended for residential development and measure approximately 13,415 square feet with a gross plot ratio of 1.4.

The Group will continue to develop its Construction and Engineering Business, and Real Estate Business through acquisitions, joint ventures and/or strategic alliances in the region as well as evaluate any business opportunities that will enhance shareholders' value.

¹ Ministry of Trade and Development, Press Release "Singapore's GDP grew by 2.5 per cent in the second quarter of 2017", 14 July 2017

² Building and Construction Authority, Media Release "More support and incentives to transform built environment sector", 7 March 2017

³ "The foreign factor in higher land prices", The Straits Times, 26 July 2017

⁴ "Developers sold 73% more homes in first half of 2017", The Business Times, 18 July 2017

11. Dividend

If a decision regarding dividend has been made :

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared for 2Q 2017.

(b) Amount per share (cents) and previous corresponding period (cents).

Not applicable. No dividend has been declared for 2Q 2016.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not Applicable.

(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for 2Q 2017.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregated value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
Joint venture agreement with a company controlled by Mr Ang Boon Chong ***	US\$'000 750,000	US\$'000 -

*** The transaction falls within the exceptions as set out under Rules 916(2) and 916(3) of the Catalist Rules. For details, please refer to the Company's announcement dated 12 April 2017.

14. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules.

We, Ang Boon Cheow Edward and Chia Yau Leong, being directors of the Company, do hereby confirm on behalf of the board of directors of the Company that, to the best of its knowledge, nothing has come to the attention of the board which may render the unaudited financial results for the period under review to be false or misleading in any material respect.

On behalf of the board of directors

Ang Boon Cheow Edward

Chia Yau Leong

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7H.

BY ORDER OF THE BOARD

Chia Yau Leong
Executive Director and Company Secretary
11 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 Catalist. 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 Catalist Operations, Senior Vice President, at 8 Anthony Road, #0 1-01, Singapore 229957, telephone (65) 6590 6881.