

OCEAN SKY INTERNATIONAL LIMITED
(Company Registration No. 198803225E)
(the “Company”)
(Incorporated in the Republic of Singapore)

Minutes of the Annual General Meeting (“**AGM**”) of the Company held on Monday, 29 April 2019 at 10.30 a.m. at Raffles Marina, Bridge Room, Level 2, 10 Tuas West Drive, Singapore 638404.

Present

Board of Directors

- | | |
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| 1. Mr Ang Boon Cheow Edward | - Executive Chairman & Chief Executive Officer |
| 2. Mr Chia Yau Leong | - Executive Director |
| 3. Mr Chua Keng Hiang | - Lead Independent Non-Executive Director |
| 4. Mr Ng Ya Ken | - Independent Non-Executive Director |
| 5. Ms Tan Min-Li | - Independent Non-Executive Director |
| 6. Mr Chia Boon Kuah | - Independent Non-Executive Director |

Company Secretary

Mr Chia Yau Leong

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in this minutes.

Chairman of the Board of Directors, Mr Ang Boon Cheow Edward, chaired the Annual General Meeting (“**AGM**” or the “**Meeting**”). Having noted that a quorum was present, he called the Meeting to order.

He then welcomed all shareholders and all those present. With the permission of the Meeting, the notice convening the Meeting was taken as read.

Chairman informed that in his capacity as Chairman of the Meeting, he had been appointed as proxy by a number of shareholders and that he would be voting in accordance with their instructions.

The Chairman further informed that voting on the resolutions to be passed at the AGM would be conducted by poll pursuant to Catalist Rule 730A of the Listing Manual. He then demanded for a poll pursuant to the authority availed to him under the Company’s Constitution. With the permission given at the Meeting, Boardroom Corporate & Advisory Services Pte. Ltd. was elected as the Polling Agent and DrewCorp Services Pte Ltd was appointed as Independent Scrutineer of the Meeting. The representative of DrewCorp Services Pte Ltd was called upon to explain the polling procedures and polling system.

The Chairman proceeded with the business of the Meeting. The following were the resolutions passed at the AGM.

The summary of questions raised by shareholders and the replies provided by the Chairman - Mr Ang Boon Cheow Edward and Executive Director - Mr Chia Yau Leong are recorded in Appendix A.

Duly proposed and seconded, the following Ordinary Resolutions No. 1 to 7 were duly passed.

ORDINARY BUSINESS

ORDINARY RESOLUTION 1 - ADOPTION OF DIRECTORS’ STATEMENT, AUDITED FINANCIAL STATEMENTS AND AUDITORS’ REPORT

“It was resolved that the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2018 together with the Auditors’ Report thereon be and are hereby received and adopted.”

ORDINARY RESOLUTION 2 – RE-ELECTION OF MR ANG BOON CHEOW EDWARD AS DIRECTOR

“It was resolved that Mr Ang Boon Cheow Edward who retired pursuant to Article 89 of the Company’s Constitution, being eligible and offering himself for re-election be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 3 – RE-ELECTION OF MS TAN MIN-LI AS DIRECTOR

“It was resolved that Ms Tan Min-Li who retired pursuant to Article 89 of the Company’s Constitution, being eligible and offering herself for re-election be and is hereby re-elected as Director of the Company.

It was noted that Ms Tan Min-Li would be considered an independent director of the Company and would remain as the Chairman of Nominating Committee and a member of the Audit Committee and Remuneration Committee.”

ORDINARY RESOLUTION 4 – PAYMENT OF DIRECTORS’ FEES FOR FINANCIAL YEAR ENDING 31 DECEMBER 2019

“It was resolved that the payment of Directors’ fees of S\$160,000 for the financial year ending 31 December 2019, payable quarterly in arrears be and is hereby approved.”

ORDINARY RESOLUTION 5 – RE-APPOINTMENT OF MESSRS BDO LLP AS INDEPENDENT AUDITOR

“It was resolved that Messrs BDO LLP be and is hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed upon between the Directors and the Auditors.”

ORDINARY RESOLUTION 6 – AUTHORITY TO ISSUE SHARES AND CONVERTIBLE SECURITIES

“It was resolved that pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the “**Act**”), the Constitution and Rule 806 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements, or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue:
 - (i) additional instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the directors while this Resolution was in force; and
 - (ii) Shares in pursuance of any Instruments made or granted by the directors while this Resolution was in force or such additional Instruments in (b)(i) above,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below) or any such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed;
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:-
 - a) new Shares arising from the conversion or exercise of convertible securities;
 - b) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise, the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”

ORDINARY RESOLUTION 7 – PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

“It was resolved that:

- (a) for the purposes of the Companies Act, Chapter 50 of Singapore (the “**Act**”), the exercise by the Directors of the Company of all the powers of the Company to use Funds (as defined hereinafter) to purchase or otherwise acquire the ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as defined hereinafter), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined hereinafter), whether by way of:
 - (i) on-market purchases (each an “**On-Market Purchase**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
 - (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit based on the requirements of Section 76C of the Act,

and in accordance with all other laws and regulations of Singapore and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”).

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next annual general meeting of the Company is held or required by the law to be held;
 - (ii) the date on which the share purchases are carried out to the full extent mandated; or
 - (iii) the date on which the authority contained in the Share Purchase Mandate is revoked or varied;
- (c) in this Resolution:

“Funds” means internal sources of funds of the Company. Illustrations of the financial impact of the use of Funds are set out in the Appendix 1;

“Maximum Limit” means that number of Shares representing ten per cent. (10%) of the issued ordinary share capital of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

“Relevant Period” means the period commencing from the date on which the last annual general meeting was held and expiring on the date the next annual general meeting is held or is required by law to be held or the date on which the share purchases are carried out to the full extent of the Share Purchase Mandate or the date the said mandate is revoked or varied by the Company in a general meeting, whichever is the earlier, after the date of this Resolution; and

“Maximum Price”, in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of an On-Market Purchase: 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Purchase: 130% of the Highest Last Dealt Price, where:

“Average Closing Price” means the average of the closing market prices of a share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the On-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) market days period;

“Highest Last Dealt Price” means the highest price transacted for a share on the market day on which the Shares were transacted on the SGX-ST immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”

There being no further business, the Meeting ended at 12:10 p.m. The Chairman thanked the support of all the shareholders of Ocean Sky International Limited.

Confirmed as a correct record of the proceedings of the Meeting,

(SIGNED)

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MR ANG BOON CHEOW EDWARD
Chairman

Note:

The results of the poll on all the resolutions put to the Annual General Meeting were announced to the Singapore Exchange Securities Trading Limited via SGX-Net on 29 April 2018. Please click on the link below for details of the results of the poll.

<https://links.sgx.com/1.0.0/corporate-announcements/DPMQMT8B43X4KZKA/073954c8692ffa4f6184eff76823251493bf619cfa35a92e432c70e52e799eba>

Sponsor's Statement

This minutes 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 ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this minutes.

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

The contact person for the Sponsor is Mr Gregory Wee Toon Lee, Assistant Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

Appendix A

Below is the summary of questions raised by shareholders and the replies provided by the Chairman - Mr Ang Boon Cheow Edward and Executive Director - Mr Chia Yau Leong.

Would the Company consider holding its annual general meeting in town area?

Chairman: Raffles Marina is a suitable place for holding general meetings. Its professional meeting room rental is at a lower rate compared to the rental for a meeting room in town and it is further enhanced by its close proximity to the office of the Company.

Why the Executive Director, Mr Chia Yau Leong (“Mr Chia”) did not apply for rights issue?

Mr Chia: Mr Chia did not apply for the rights issue for personal reasons and his decision had absolutely nothing to do with the company’s performance review or business outlook.

Why none of the warrant holders exercise the warrants as at todote?

Chairman: It is the investing decision of the warrant holders. The warrant holders have their right to freely decide or choose to exercise the warrants before the warrant expires in August 2021.

What is the outlook of the Company?

Chairman: Despite the challenging economic environment, the Group remains positive on the long term outlook for the construction and real estate industries. Following the property market cooling measures introduced last year, there has been intense scrutiny on the fluctuations in property sales data. The Group is mindful of external headwinds and uncertainties in the Singapore property market and exercises prudent rule in the portfolio selection. The Management takes a long-term view of the Group’s real estate business and remains optimistic on the prospects of the Group’s pipeline of property development projects.

Is third party involved in the Group’s construction projects?

Chairman: The Group has a current headcount of about 180 workers, some of the works have been awarded to the subcontractors to ensure the projects can be delivered on time. All the project managers and supervisors overseeing the projects are the Group’s employees and the equipment used in these projects belong to the Group.

Please explain the reason of transfer of share ownership of a subsidiary within the Group as stated on Page 85 of the Company’s Annual Report?

Mr Chia: The transfer of share ownership of subsidiaries within the Group occurred due to the Company disposed of its entire equity interests in Arctic Sky Investment Pte. Ltd., Atlantic Sky Investment Pte. Ltd. and Pacific Sky Investment Pte. Ltd. to a wholly-owned subsidiary, Ocean Sky Properties Pte. Ltd. following an internal restructuring exercise. Ocean Sky Properties Pte. Ltd. is now the intermediate holding company for the real estate segment.

Are Arctic Sky Investment Pte. Ltd., Atlantic Sky Investment Pte. Ltd and Pacific Sky Investment Pte. Ltd. inactive?

Mr Chia: Arctic Sky Investment Pte. Ltd., Atlantic Sky Investment Pte. Ltd. and Pacific Sky Investment Pte. Ltd. are active companies. The companies were incorporated for the following purposes:

- (i) Atlantic Sky Investment Pte. Ltd. to undertake the redevelopment project at 6 Nim Drive;
- (ii) Pacific Sky Investment Pte Ltd to undertake the joint venture project in Cambodia; and

- (iii) Arctic Sky Investment Pte Ltd holds 40% interest in TSky Development Pte Ltd which undertake the development project of the plot of lands at 16 Cairnhill Rise ("Cairnhill Project") and 17 Balmoral Road ("Balmoral Project").

Why is there a decrease in administrative expenses in FY2018?

Mr Chia: The decrease in administrative expenses in FY2018 was mainly due to the absence of one-off warranty claims in respect of the discontinued apparel business and professional fees for the warranty claims and disposal of the investment property in Cambodia in FY2017.

What is the status of the development project in Cambodia?

Mr Chia: The Cambodia project, Eco Garden Mall which located in Kandal Province will consist of 71-unit joint venture shop houses. The first phase of the Project comprising 28 units has been completed, out of which 5 units have been leased out, each for a period of one year. Currently, the marketing materials and sales initiatives are being developed for the sale launch for the first phase. The sale proceeds to be generated from the first phase will be earmarked for the development of the second phase, comprising the remaining 43 units of the Project.

What is the status of the development at 6 Nim Drive?

Chairman: The construction work for the detached house is expected to be completed in the next few months, barring any unforeseen circumstances.

What is the status of the development at Balmoral Project?

Chairman: The construction works have begun at Balmoral Project and the show unit is currently being constructed on site. The management is in the midst of working out the pricing details with the joint venture partners. The earliest possible sales launch could be in end of May 2019, barring any unforeseen circumstances.

What is the status of the development at Cairnhill Project?

Chairman: The acquisition of Cairnhill Heights has been completed in 2018, however, demolishing works have not begun at Cairnhill Project. The management expects tenders to be called for/issued in the coming months for the various work packages of redevelopment works to begin and will work closely with the joint venture partners on the project and will provide further updates at the appropriate time as the project progresses further.

What is the expected selling price and the construction costs for Cairnhill Project and Balmoral Project?

Chairman: It is premature to comment on the potential selling price and construction cost at this stage. Projects at the District 9 and 10 are selling at average price range of \$2,500 - \$3,500 per square foot. The management notes that the average selling price for Cairnhill area is higher than Balmoral area. However, the property selling prices are also subject to existing market factors and conditions. TSky Development Pte. Ltd. has paid for a moderate land price for Cairnhill Project and Balmoral Project at S\$72.6 million and S\$80.5 million respectively. Construction cost per square foot for Cairnhill Project is expected to be higher than that of Balmoral Project due to the smaller site for Cairnhill Project.

How much capital and loan have been extended by the Group to the joint venture companies/projects?

Mr Chia: Approximately S\$18 million have been extended to the joint venture companies/projects as share capital and shareholder loans from the Group.

Will the company inject further capital for Cairnhill Project and Balmoral Project?

Chairman: The Cairnhill Project and Balmoral Project do not require further funding at this juncture.

Why did the Company not declare any dividends for FY2018?

Chairman: The directors have carefully considered the Group's priorities and needs and in light of the Group's FY2018 results, no dividend was recommended. At present, the Group's cash is reserved for growing both the construction and engineering business as well as real estate business.

Does the Company has succession planning in place?

Chairman: The Group has a systematic process for preparing employees to fill key roles as they become vacant. The Board has appointed Mr Chia Boon Kuah as Director of the Company. Mr Chia can make an important contribution to the Group's property development business in view of his extensive experience to provide strategic counsel in real estate sector and he was a President of the Real Estate Developer's Association of Singapore.