

**OSSIA INTERNATIONAL LIMITED**  
(Company Registration Number: 199004330K)  
(Incorporated in the Republic of Singapore)

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**DISPOSAL OF PROPERTY**

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## **1 INTRODUCTION**

The board of directors (the “**Directors**” or “**Board**”) of Ossia International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its subsidiary, Decorion Sdn Bhd. has signed a Sale and Purchase Agreement (“**SPA**”) on 29 January 2019 with New Foo Hing Trading Sdn. Bhd. (the “**Buyer**”) to sell all the piece of industrial land with storey factory (the “**Properties**”) held at No. 89, Jalan 10/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur (the “**Proposed Disposal**”) for an aggregate consideration of RM9,500,000 (equivalent to approximately S\$3,124,000) (the “**Consideration**”). The Properties have a gross land area of approximately 1,456 square meters.

The Buyer is a company incorporated in Malaysia. None of the directors or shareholders of the Buyer is related to the Directors, controlling shareholders of the Company and their respective associates.

## **2 CONSIDERATION**

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into consideration, *inter alia*, the valuation of the Properties, and relevant enquiries and references by the Group in relation to the current market prices of properties of similar size in the vicinity.

A deposit of RM950,000 representing 10% of the Consideration, was paid by the Purchaser when signing SPA. The remaining 90% of the Consideration is payable on completion of the Proposed Disposal (“**Completion**”) but a further one (1) month extension may be granted to the Buyer to enable the settlement of the balance sum provided that interest shall be chargeable on the unpaid balance at 8% per annum calculated on a daily basis.

## **3 CERTAIN PRINCIPAL TERMS OF THE OPTION**

### **3.1 Conditions**

The Proposed Disposal is subject to satisfactory legal requisitions and the Buyer obtaining loan approval for the financing of the purchase of the Properties.

### **3.2 Completion**

Completion shall take place on 29 April 2019 or earlier.

#### 4 VALUATION OF THE PROPERTIES

As at 31 December 2018, the aggregate net book value of the Properties was approximately S\$1,270,000. As such, the gain on disposal of the Properties would be approximately S\$1,854,000.

#### 5 RATIONALE

The Properties are currently held for rental purposes. The Company decided to dispose of the Properties after taking into consideration the challenges of the upkeep of the premises.

The Board is of the view that the Proposed Disposal is in the Group's best interests.

The net proceeds from the Proposed Disposal will be used to make repayment for remaining outstanding term loan and used for the Group's working capital purposes, as the Board may in their absolute discretion, deem appropriate.

#### 6 RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE LISTING MANUAL

The relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 (a) to (e) of Section B of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") and based on the latest announced unaudited consolidated accounts of the Group for the second quarter ended 30 September 2018 are set out below:

<b>Rule 1006 of the Listing Manual</b>	<b>Bases</b>	<b>Relative Figures</b>
(a)	Net asset value of assets to be disposed of compared to the Group's net asset value	3% <sup>(1)</sup>
(b)	Net profits attributable to the assets to be disposed, compared with the Group's net profits	1% <sup>(2)</sup>
(c)	Aggregate value of the Consideration, compared with the Company's market capitalisation	15% <sup>(3)</sup>
(d)	Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not Applicable

(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's	Not Applicable
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**Notes:**

(1) The net asset value of the Properties was approximately S\$1,270,000. The Group's net asset value as at 30 September 2018 was approximately S\$36,676,000.

(2) The relative figures is computed on the basis of the rental income; depreciation and interest expense of the Property of approximately S\$11,000 compared with the Group's net profits of approximately S\$1,265,000 in 1st half FY2019.

(3) The Company's market capitalization of approximately S\$21.2 million was computed based on the Company's existing issued and paid-up share capital of 252,629,483 shares and S\$0.084 per share on 30 January 2019, being the latest market day on which the Company's shares were traded. As the relative figures computed under Rule 1006 of the Listing Manual exceeds 5% but below 20%, the Proposed Disposal constitutes a discloseable transaction and approval from the Company's shareholders is not required.

## 7 FINANCIAL EFFECTS OF THE DISPOSAL OF PROPERTIES

For illustrative purposes only, the financial effects of the Proposed Disposal are based on the Group's unaudited financial statement for the financial period ended 30 September 2018.

### 7.1 Net tangible assets per share

Assuming the Proposed Disposal had been effected on 30 September 2018, the effects of the Proposed Disposal on the net tangible assets per share of the Group as at 30 September 2018 would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
<b>Net tangible assets (S\$'000)</b> (1)	36,548	37,132
<b>Number of issued shares ('000)</b>	252,629	252,629
<b>Net tangible assets per share (cents)</b>	14.47	14.70

**Note:**

(1) Net tangible assets refers to total assets less total liabilities and intangible assets, net of non-controlling interests.

## **8 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

## **9 DOCUMENTS FOR INSPECTION**

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

## **10 FURTHER ANNOUNCEMENTS**

The Company will make further announcements in relation the Proposed Disposal as and when there are material developments.

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua  
Company Secretary

1 February 2019