

CIRCULAR DATED 14 JULY 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN DOUBT ABOUT ITS CONTENTS OR THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

This Circular is circulated to the Shareholders (as defined in this Circular) of Ossia International Limited (the “**Company**”) together with the Company’s annual report for the financial year ended 31 March 2022 (“**2022 Annual Report**”). Its purpose is to explain to the Shareholders the rationale and provide information to the Shareholders for the Proposed Change of Auditor (as defined in this Circular) to be tabled at the annual general meeting of the Company (“**AGM**”) to be held via electronic means on 29 July 2022 at 9.30 a.m.. The notice of the AGM and a proxy form are enclosed with the 2022 Annual Report.

If you have sold or transferred all your ordinary shares in the capital of the Company held through The Central Depository (Pte) Ltd (the “**CDP**”), you need not forward this Circular to the purchaser or the transferee as arrangements will be made by the CDP for a separate Circular to be sent to the purchaser or the transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward this Circular with the notice of the AGM and the accompanying proxy form immediately to the purchaser or to the transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

Terms appearing on the cover of this Circular bear the same meanings as defined in this Circular.

OSSIA INTERNATIONAL LIMITED
(Company Registration No. 199004330K)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CHANGE OF AUDITORS FROM ERNST & YOUNG LLP TO MAZARS LLP

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

<i>“2022 Annual Report”</i>	:	The annual report of the Company for the financial year ended 31 March 2022
<i>“AGM”</i>	:	The annual general meeting of the Company to be held on 29 July 2022 at 9.30 a.m., notice of which is enclosed in the 2022 Annual Report
<i>“Audit Committee”</i>	:	The audit committee of the Company as at the date of this Circular
<i>“Board”</i>	:	The board of directors of the Company as at the date of this Circular or from time to time, as the case may be
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 14 July 2022 in respect of the Proposed Change of Auditors
<i>“Companies Act”</i>	:	The Companies Act, Cap. 50 of Singapore, as may be amended, supplemented or modified from time to time
<i>“Company”</i>	:	Ossia International Limited
<i>“Director”</i>	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
<i>“EY”</i>	:	Ernst & Young LLP
<i>“FY”</i>	:	Financial year ended, or as the case may be, ending 31 March
<i>“Group”</i>	:	The Company and its subsidiaries collectively
<i>“Latest Practicable Date”</i>	:	14 July 2022, being the latest practicable date prior to the dissemination of this Circular
<i>“Mazars”</i>	:	Mazars LLP
<i>“Proposed Change of Auditors”</i>	:	The proposed change of auditors of the Company from Ernst & Young to Mazars
<i>“Securities Accounts”</i>	:	The securities accounts maintained by Depositors with CDP, but not including the securities sub-accounts maintained with a Depository Agent
<i>“SFA”</i>	:	The Securities and Futures Act, Cap. 289 of Singapore, as may be amended, supplemented or modified from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited

DEFINITIONS

- “Shareholders”** : The registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
- “Shares”** : Ordinary shares in the capital of the Company
- “Substantial Shareholder”** : A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
- “%”** : Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA. The term **“subsidiary”** shall have the same meanings ascribed to it in Section 5 of the Companies Act.

The term **“significant”**, in relation to a subsidiary or associated company, shall have the same meanings ascribed to it in Rule 718 of the Listing Manual. Under Rule 718 of the Listing Manual, a subsidiary or associated company is considered significant if its net tangible assets represent 20% or more of the Company’s consolidated net tangible assets, or its pre-tax profits account for 20% or more of the Company’s consolidated pre-tax profits.

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 or term defined under the Companies Act, the SFA, Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, Listing Manual or any statutory modification thereof, as the case may be, unless the context requires otherwise.

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 and *vice versa*. References to “persons” shall, where applicable, include corporations.

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

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

LETTER TO SHAREHOLDERS

OSSIA INTERNATIONAL LIMITED
(Company Registration No. 199004330K)
(Incorporated in the Republic of Singapore)

Board of Directors:

Goh Ching Wah, George	(Group Executive Chairman, Executive Director)
Goh Ching Huat, Steven	(Chief Executive Officer, Executive Director)
Goh Ching Lai, Joe	(Non-Executive Director)
Wong King Kheng	(Independent Non-Executive Director)
Anthony Clifford Brown	(Independent Non-Executive Director)
Heng Su-Ling, Mae	(Independent Non-Executive Director)

Registered Office:

51 Changi Business Park Central 2
#08-13 The Signature
Singapore 486066

14 July 2022

To: The Shareholders of Ossia International Limited

Dear Sir/Madam

THE PROPOSED CHANGE OF AUDITORS

1 INTRODUCTION

- 1.1** The Directors of the Company are seeking Shareholders' approval for the Proposed Change of Auditors at the AGM.
- 1.2** The purpose of this Circular is to provide Shareholders with relevant information relating to, and to explain the rationale for the Proposed Change of Auditors.
- 1.3** This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any persons (other than the Shareholders) for any other purpose.

2 THE PROPOSED CHANGE OF AUDITORS

2.1 Background and rationale for the Proposed Change of Auditors

The Board was informed by the auditors of the Company, EY that they will retire and not seek re-appointment as auditors of the Company at the AGM, being the end of their current term. As part of the ongoing efforts of the Company to manage its overall business costs and expenses amidst the challenging business climate, the Audit Committee and the Board are of the view that it would be appropriate and timely to appoint new auditors of the Company. In addition, the Audit Committee and the Board believe that the Proposed Change of Auditors will enable the Company to benefit from fresh perspectives and views of another professional audit firm and thereby enhance the value of the audit.

Following the evaluation of the proposals from other accounting firms and after due deliberation, the Board, at the recommendation of the Audit Committee, proposes that Mazars be appointed as the auditors of the Group for the financial year ending 31 March 2023, in place of EY.

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The Audit Committee has considered several reputable audit firms in Singapore, and in reviewing and deliberating on their suitability, has taken into consideration the Audit Quality Indicators Disclosure Framework issued by ACRA and factors such as the adequacy of resources and experience of the audit firms and the audit partner-in-charge to be assigned to the audit, the audit firms' other engagements, the size and complexity of the Group, the number and experience of supervisory and professional staff to be assigned by the audit firms and their proposed audit fees. The Audit Committee has assessed the scope of the audit to be undertaken by Mazars which will be performed in accordance with the Singapore Standards of Auditing.

The Board and the Audit Committee, having taken into account the Audit Committee's recommendation and the factors considered in their evaluation (including the Audit Quality Indicators Disclosure Framework issued by ACRA), are satisfied that Mazars will be able to meet the existing needs and audit requirements of the Group. The quality and scope of audit services to be provided by Mazars will be comparable to those provided by EY and the appointment of Mazars as the new auditor will not compromise the standard and effectiveness of the audit of the Group.

Given the above reasons, the Board wishes to propose that Mazars be appointed as auditors of the Company in place of EY. The appointment of Mazars as auditors of the Company will take effect upon receipt of Shareholders' approval, and if appointed, Mazars will hold office until the conclusion of the next annual general meeting of the Company.

The Board wishes to express its appreciation for the past services rendered by EY.

The ordinary resolution for the Shareholders to approve the Proposed Change of Auditors is set out in the notice of the AGM.

2.2 Information on Mazars and the audit engagement partner

The information on Mazars and the audit engagement partner provided below was provided to the Company by Mazars and its representatives as well as information found on Mazars' website. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below.

About Mazars

Mazars is an internationally integrated partnership, specializing in audit, tax and advisory services. Operating in 93 countries and territories around the world, Mazars draws on the expertise of 44,000 professionals – 28,000 in the Mazars integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients at every stage in their development. An alliance agreement, known as the Mazars North America Alliance, was created between Mazars and five leading firms in the United States and Canada – BKD, Dixon Hughes Goodman, Moss Adams, Plante Moran (United States firms) and MNP (a Canadian firm). Geographically, these five Alliance firms will complement Mazars United States and Mazars Canada enabling Mazars to achieve full national coverage in North America.

Mazars in Singapore is registered with ACRA and is a globally integrated firm that provides meaningful audit and advisory advice to the world's leading organizations and fastest growing businesses. With more than 300 professionals, the firm is a fast growing and independent firm servicing clients across Asia Pacific. In Singapore, Mazars audits more than 20 locally listed companies in addition to the Singapore subsidiaries of many internationally listed clients. The teams with familiarity in multiple jurisdictions help international large corporations, mid-market companies, small and medium enterprises, start-ups and public bodies to find solutions to meet their objectives. More information about Mazars, its values and its services can be found on Mazars' website at <http://www.mazars.sg>.

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About the Audit Engagement Partner

Mr Chin Chee Choon will be the audit engagement partner assigned to the audit of the Group. Mr Chin Chee Choon has over 20 years of professional experience in areas of assurance and advisory services from international public accounting firms, last position being Head of Advisory and Audit Partner. He has experience in Risk Advisory, Corporate Governance, Internal Audit and Sustainability Reporting. He is well-versed in external audits with corporate clients in various industries including oil and gas (exploration and production), property development and construction, shipping and marine, manufacturing and chemical industry. He has significant experience in auditing companies listed on the Singapore Stock Exchange and was involved in IPO projects, with the latest one being a mainboard-listed education services company. His internal audit experience includes food and beverages, manufacturing, telecommunication, trading, oil and gas and non-profit organization. His other advisory work includes special reviews such as fraud investigation, pre-IPO internal control review and review of internal control manuals. He is a fellow Chartered Accountant of Singapore and a Certified Internal Auditor.

2.3 Compliance with Rule 712 of the Listing Manual

The Board, having taken into account the Audit Committee's recommendation and various factors, including, *inter alia*, the following:

- (a) the fee structure, the adequacy of the resources and experience of Mazars;
- (b) the audit engagement partner assigned to the audit;
- (c) Mazars' other audit engagements;
- (d) the size and complexity of the Group's operations; and
- (e) the number and experience of supervisory and professional staff assigned to the audit of the Company and the Group,

is of the opinion that Mazars will be able to meet the audit requirements of the Group and that Rule 712 of the Listing Manual has been compiled with.

2.4 Requirements under Rule 715 of the Listing Manual

The Board confirms that pursuant to Shareholders' approval of the Proposed Change of Auditors, Mazars will become the auditors of the Company.

The Company's foreign-incorporated subsidiaries that are incorporated in Taiwan will be audited by an independent member firm of Mazars for the purposes of preparing the consolidated financial statements of the Group.

The Audit Committee will review on the suitability of the auditors for its foreign-incorporated subsidiaries and associated companies on an ongoing basis and whenever necessary.

2.5 Requirements under Rule 1203(5) of the Listing Manual

In accordance with the requirements under Rule 1203(5) of the Listing Manual:

- (a) the outgoing auditors, EY, has confirmed via its professional clearance letter that they are not aware of any professional reasons why Mazars should not accept the appointment as auditors of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing auditors, EY, on accounting treatments within the last 12 months;

LETTER TO SHAREHOLDERS

- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders;
- (d) the specific reasons for the Proposed Change of Auditors are disclosed in Section 2.1 of this Circular; and
- (e) as mentioned in Sections 2.3 and 2.4 above, the Company confirms that Rules 712 and 715 of the Listing Manual in relation to the appointment of Mazars as the new auditors of the Company are complied with.

3 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the shares of the Company, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders kept by the Company, respectively, as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Goh Ching Wah, George	57,500,386	22.76	132,750,131	52.55	190,250,517	75.31
Goh Ching Huat, Steven	57,354,654	22.70	132,895,863	52.61	190,250,517	75.31
Goh Ching Lai, Joe	75,395,477	29.84	114,855,040	45.46	190,250,517	75.30
Wong King Kheng	-	-	-	-	-	-
Anthony Clifford Brown	-	-	-	-	-	-
Heng Su-Ling, Mae	-	-	-	-	-	-

Notes:

- (1) Based on the issued share capital of the Company comprising 252,629,483 Shares, as at the Latest Practicable Date.

Save as disclosed, none of the Directors and/or the Substantial Shareholders have any interest, direct or indirect, in the Proposed Change of Auditors other than through their respective shareholdings in the Company.

4 AUDIT COMMITTEE'S RECOMMENDATION

The Audit Committee has reviewed and deliberated on the Proposed Change of Auditors and recommended the change of auditors to Mazars after taking into consideration and having satisfied itself of the suitability and independence of Mazars to meet the audit requirements of the Group, the various factors set out in Section 2 of this Circular and compliance with the requirements of the Listing Manual.

5 DIRECTORS' RECOMMENDATION

The Directors having considered, among other things, the rationale and information relating to the Proposed Change of Auditors as set out in this circular, and the Audit Committee's recommendation, are of the opinion that the Proposed Change of Auditors is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Change of Auditors at the AGM.

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6 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 Change of Auditors, 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 the 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 the Circular in its proper form and context.

7 ANNUAL GENERAL MEETING

Shareholders' approval for the Proposed Change of Auditors would be sought for at the AGM. The AGM, notice of which is enclosed in the 2022 Annual Report, will be held by electronic means on Friday, 29 July 2022 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the resolutions set out in the notice of the AGM.

Printed copies of this Circular will not be sent to Shareholders. Instead, this Circular will be sent to Shareholders by electronic means via publication on SGXNet and may be accessed at <http://www.sgx.com/securities/company-announcements>.

8 ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 No Physical Attendance at AGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be allowed to attend the AGM in person. Shareholders who wish to attend the AGM will be able to do so through a live webcast via their mobile phones, tablets or computers or listen to the AGM proceedings through a live audio feed via telephone.

8.2 Alternative Arrangements

Alternative arrangements have been put in place to allow Shareholders to participate at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audioonly stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM.

Shareholders should refer to the notice of the AGM enclosed in the 2022 Annual Report for further information, including the steps to be taken by Shareholders to participate at the AGM. Such announcement may also be accessed at the SGX's website at <https://www.sgx.com/securities/company-announcements>.

8.3 When a Depositor is regarded as a Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register, as certified by CDP at least 72 hours before the time appointed for the AGM.

Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt about the actions they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax adviser or other professional advisers.

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9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 51 Changi Business Park Central 2 #08-13 The Signature Singapore 486066, during normal business hours from the date of this Circular up to and including the date of the AGM.

- (a) the annual report of the Company for the financial year ended 31 March 2022;
- (b) the Constitution of the Company;
- (c) EY's Professional Clearance Letter to Mazars dated 30 June 2022; and
- (d) Mazars's letter to the Company dated 30 June 2022 in respect of its consent to act as auditors of the Company.

Yours faithfully,
For and on behalf of the Board of Directors of
OSSIA INTERNATIONAL LIMITED

Goh Ching Wah, George
Group Executive Chairman and Executive Director