OLS ENTERPRISE LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 196800320E)

THE PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF BSDCN PTE. LTD.

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1. INTRODUCTION

The board of directors (the "**Board**", and each a "**Director**") of OLS Enterprise Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has, on 13 September 2017, entered into a definitive share purchase agreement ("**Share Purchase Agreement**") with Sun May Gze (the "**Vendor**") to acquire 100% of the issued and paid up share capital (the "**Vendor Shares**") of BSDCN Pte. Ltd. (the "**Target**") (the "**Proposed Acquisition**").

2. KEY TERMS OF THE PROPOSED ACQUISITION

2.1 **Consideration.** The consideration payable for the Proposed Acquisition shall be S$6,024,221 in cash (the "**Consideration**"). The Consideration shall be paid in two tranches:

(a) S$3,500,000 ("**Tranche 1 Consideration**") on the Completion Date; and

(b) S$2,524,221 ("**Tranche 2 Consideration**") on such date to be determined by the Purchaser but no later than 12 months following the Completion Date.

The Company will utilise proceeds from the share placement announced on 15 August 2017 to satisfy the Tranche 1 Consideration, and will raise funds from the equity and/or debt capital markets to satisfy the Tranche 2 Consideration.

The Consideration of S$6,024,221 is at a premium to the net tangible asset value of the Target of S$1.44 million as at 31 August 2017. Accordingly, the Proposed Acquisition will result in goodwill of approximately S$4.58 million (being the Consideration less the Target's net tangible asset value) that may be recorded by the Company following Completion.

2.2 **Basis of Consideration.** Notwithstanding the net loss and small net tangible asset value of the Target, the Consideration was arrived at on a willing buyer and willing seller basis, taking into account the business prospects and assets under management of Pine Asia Asset Management Inc. ("**Pine**"), a company in which the Target holds a 9.98% shareholding interest in.

In particular, the Company has ascribed a value of US$44,322,594 to the entire issued and paid-up share capital of Pine, which is equivalent to the aggregate of (i) US$35,041,708, being 1% of Pine's assets under management of US$3,504,170,778; and (ii) Pine's other assets comprising cash and deposits, available-for-sale financial assets and other assets of US$9,280,886, each as at 31 July 2017. The Company is of the view that the aforementioned valuation methodology of Pine is consistent with global market practices for assets/businesses in the fund management industry. Please see section 3.1 below for more information on Pine.

The Consideration of S$6,024,221 is equivalent to 9.98% of the aforementioned US$44,322,594 valuation of Pine at the exchange rate of US$1 : S$1.3619.

2.3 **Conditions Precedent.** Completion of the Proposed Acquisition shall be conditional upon the satisfaction (or waiver, where applicable) of the following conditions on or before 19 September 2017:

(a) the Company being satisfied with its due diligence investigations into the financial, legal, tax and business of the Target and Pine (collectively, "**Target Group**" and each a "**Target Group Company**");

(b) all necessary consents, approvals and waivers from all relevant government bodies, stock exchange and other regulatory authority for or in connection with the Proposed Acquisition having been obtained by the Company, the Vendor and/or each Target Group Company (as relevant);

(c) all approvals and consents as may be necessary from any third party in respect of the transactions contemplated in the Share Purchase Agreement, being granted to or obtained by the Vendor, and being in full force and effect and not having been withdrawn, suspended, amended or revoked, and if such consents or approvals are granted or obtained subject to any conditions, such conditions being reasonably acceptable to the Company;

(d) all representations, warranties and undertakings of the parties under the Share Purchase Agreement being complied with, true, accurate and not misleading in all material respects as at the date of the Share Purchase Agreement and as at the Completion date;

(e) no relevant authority taking, instituting, implementing or threatening to take, institute or implement any action, proceeding, suit, investigation, inquiry or reference, or having made, proposed or enacted any statute, regulation, decision, ruling, statement or order or taken any steps, and there not continuing to be in effect or outstanding any statute, regulation, decision, ruling, statement or order which would or might make the transactions contemplated in the Share Purchase Agreement and all other transactions in connection therewith and incidental thereto, void, illegal and/or unenforceable or otherwise restrict, restrain, prohibit or otherwise frustrate or be adverse to the same.

2.4 **Guarantee.**

(a) The Vendor unconditionally and irrevocably guarantees to the Company that as of the date of the Share Purchase Agreement and the Completion Date, save as disclosed in the management accounts of the Target as at 31 August 2017, the Target has no liabilities (including all forms of taxation), whether actual, deferred or contingent, and there are no off-balance sheet liabilities in the Target (including all forms of financial guarantees provided by the Target in favour of any third parties) ("**Zero Liability Requirement**").

(b) The Vendor agrees to irrevocably indemnify and keep indemnified the Company in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Company arising out of or in connection with the Target's failure to discharge or perform any of its obligations and undertakings under this Agreement, or the Company's failure to satisfy the Zero Liability Requirement as at Completion Date.

2.5 **Completion.** Completion of the Proposed Acquisition ("**Completion**") shall take place on the fifth (5th) business day following fulfillment or waiver of the last Conditions Precedent (or such other date as may be agreed in writing between the Company and the Vendor) ("**Completion Date**").

3. BSDCN PTE. LTD.

Shareholders should note that information relating to each Target Group Company in this section and elsewhere in this Announcement was provided by the Vendor, the Target and/or Pine and/or extracted from publicly available information. The Company and the Directors have not independently verified the accuracy and correctness of such information. The sole responsibility of the Company and the Directors for the purpose of such information has been to ensure that such information has been accurately and correctly extracted and reproduced in this Announcement in its proper form and context.

3.1 **Background.** The Target is a private limited company incorporated in Singapore on 18 September 2014. The Target is an investment holding company. The Vendor is the sole director and shareholder of the Target. The Target's sole asset is its 9.98% shareholding interest in Pine.

Pine is a Korean asset management company that manages a variety of both public and private investment funds, which concentrates on investments, primarily in Asia, in equity securities, real estate and fixed income securities. Pine has been registered with the Financial Supervisory Commission of the Republic of Korea to conduct investment trust operations since 1999 and is headquartered in Gukjegeumyung-ro 2-gil 7, Yeongdeungpo-gu, Seoul, Republic of Korea. As of 31 July 2017, Pine, which has 36 employees, has 3.9 trillion won (approximately US$3.5 billion) in asset under management with concentration in money-market funds and fixed-income. Mr. Philip Wong, the chief executive officer of the Company, is a non-executive director of Pine. Mr. Philip Wong does not have any shareholding interest in Pine.

3.2 **Net Book Value of the Target.** Based on the Target's unaudited financial statements for the financial year ended 30 June 2017, the Target recorded a net tangible liability value of approximately S$106,000. As at 31 August 2017, following a capitalisation of an outstanding loan, the net tangible asset value of the Target increased to approximately S$1.44 million.

The Proposed Acquisition will result in goodwill of approximately S$4.58 million (being the Consideration less the Target's net tangible asset value) that may be recorded by the Company following Completion.

3.3 **Net Loss of the Target.** Based on the Target's unaudited financial statements for the financial year ended 30 June 2017, the net loss of the Target is approximately S$99,000.

4. RATIONALE

Following the acquisition of 51% of Advance Capital Partners Asset Management Private Limited, the Proposed Acquisition is in line with the Group's strategic direction to expand into the financial services industry, focusing in asset management. The Proposed Acquisition will provide the Group with a platform to build a scalable asset management business, and create potential synergies with the business of Advance Capital Partners Asset Management Private Limited.

5. RULE 1006

Set out below are the Rule 1006 relative figure computations of the Proposed Acquisition

Rule 1006(a):	
Net asset value of assets to be disposed of, compared with the Group's net asset value	Not Applicable
Rule 1006(b):	
Net loss attributable to the assets acquired, compared with the Group's net loss	4.01%(1)
Rule 1006(c):	
Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	41.04%(2)
Rule 1006(d):	
Number of equity securities issued by the Company as consideration for the Transaction, compared with the number of equity securities previously in issue	Not Applicable
Rule 1006(e):	
The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Company's proved and probable reserves	Not Applicable

Notes:

(1) Computed using the unaudited net loss of the Target for the financial year ended 30 June 2017 of approximately S$99,000 divided by the audited net loss of the Group for the financial year ended 31 March 2017 of approximately S$2,476,000; and

(2) Computed based on the consideration of S$6,024,221 divided by the Company's market capitalization as at 12 September 2017 (being the full trading day immediately preceding the date of the Share Purchase Agreement) of S$14.68 million.

6. FINANCIAL EFFECTS

The financial effects of the Proposed Acquisition on the net tangible asset ("**NTA**") per share and loss per Share ("**LPS**") of the Group as set out below are strictly for illustrative purposes and do not necessarily reflect the actual financial position and results of the Group following the completion of the Proposed Acquisition.

The financial effects of the Proposed Acquisition are computed based on the Group's audited financial statements for the financial year ended 31 March 2017 ("**FY2017**") on the following assumptions:

(a) the payment of the Consideration to the Vendor;

(b) the Group's NTA was computed assuming the Proposed Acquisition was completed on 31 March 2017;

(c) the Group's LPS was computed assuming the Proposed Acquisition was completed on 1 April 2016; and

(d) the expenses in connection with the Proposed Acquisition are disregarded for the purposes of calculating the financial effects.

NTA

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to the shareholders of the Company (S$'000)	3,073	(3,057)[(1)]
Number of Shares ('000)	2,458,344	2,458,344
NTA per Share (S$ cents)	0.13	(0.12)

LPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Loss attributable to the shareholders of the Company (S$'000)	2,476	2,575[(2)]
Weighted average number of Shares ('000)	2,195,067	2,195,067
Loss per share (S$ cents)	0.113	0.117

Notes:

(1) Computed based on (i) the NTA attributable to the shareholders of the Company as of 31 March 2017 equivalent to approximately S$3.07 million; (ii) less the net tangible liability value of the Target as of 30 June 2017 equivalent to S$106,000; and (iii) less the Consideration of S$6,024,221.

(2) Computed based on (i) the loss attributable to the shareholders of the Company as of 31 March 2017 equivalent to approximately S$2.48 million; together with (ii) , the net loss of the Target of approximately S$99,000 based on the Target's unaudited financial statements for the financial year ended 30 June 2017.

As set out above, the Company (on an enlarged basis) is expected to be in a net tangible liability position of approximately S$3.1 million following the Proposed Acquisition as compared to a net tangible asset position of approximately S$3.1 million before the Proposed Acquisition. As set out in Section 2.1 above, the Company intends to raise funds from the equity and/or debt capital markets to satisfy the Tranche 2 Consideration which is payable by the Company on such date to be determined by the Purchaser but no later than 12 months following the Completion Date. The Company is of the view that the net tangible liability position will be temporary and will be addressed via fund raising exercises and retained earnings from the Group's business operations.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition (other than through their respective shareholdings in the Company). No person will be appointed as a Director pursuant to the Proposed Acquisition.

8. DOCUMENTS FOR INSPECTION

A copy of the Share Purchase Agreement is available for inspection at the Company's registered office at 8 Robinson Road, #13-00 ASO Building, Singapore 048544, for a period of three (3) months from the date of this Announcement.

9. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 this announcement in its proper form and context.

BY ORDER OF THE BOARD

Philip Wong Yee Teng
Chief Executive Officer

13 September 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Provenance Capital Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently 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.

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