**OLS ENTERPRISE LTD.**

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196800320E)

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**THE PROPOSED DISPOSAL OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF ELLEBEAU GROUP PTE. LTD.**

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## 1. INTRODUCTION

The board of directors ("**Board**") of OLS Enterprise Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 16 October 2017 entered into a conditional share purchase agreement ("**Disposal SPA**") with Mr Phoo Keng Hui (the "**Purchaser**") to dispose of the Company's entire shareholding interest in Ellebeau Group Pte. Ltd. ("**Ellebeau**") on an "as is where is" basis and at its net tangible asset ("**NTA**") value (the "**Proposed Disposal**").

## 2. KEY TERMS OF THE PROPOSED DISPOSAL

2.1 **Consideration**. The aggregate consideration for the sale of all (but not part of) the shares of Ellebeau held by the Company (the "**Disposal Shares**") to the Purchaser shall be the sum equal to the NTA of Ellebeau as set out in the latest available unaudited financial statements of Ellebeau as at completion of the Proposed Disposal (the "**Consideration**").

For illustrative purposes, the NTA of Ellebeau as set out in the unaudited financial statements of Ellebeau for the three months ended 30 June 2017, being the latest available unaudited financial statements of Ellebeau as at the date of this announcement, is approximately S$95,000. The Consideration shall be payable by the Purchaser to the Company in cash in immediately available funds to a bank account as notified by the Company to the Purchaser.

The Consideration was negotiated with the Purchaser on a willing buyer-willing seller basis, taking into consideration the NTA of Ellebeau. All warranties or conditions whether express or implied, statutory or otherwise, as to the state of Ellebeau, Mojo Films Sdn. Bhd. ("**Mojo Malaysia**") and Mojo Film Co., Ltd. ("**Mojo Thailand**") and their respective condition, financial, business or otherwise, are excluded.

2.2 **Conditions Precedent.**

Completion of the Proposed Disposal ("**Disposal Completion**") shall be conditional upon the following conditions precedent having been fulfilled (or waived) on or before 15 January 2018 or such other date as agreed by the Company and the Purchaser in writing:

(a) the resolutions of the Board having been obtained for the entry into, implementation and completion of the Proposed Disposal and all such transactions in connection therewith and incidental thereto;

(b) all necessary material approvals, authorisations, clearances, confirmations, consents, exemptions, grants, licences, orders, permissions, recognitions and waivers as may be required or appropriate for or in connection with the sale of Ellebeau on the terms set out in the Disposal SPA, from all relevant government, governmental, quasi-governmental, supranational, statutory, regulatory, administrative, fiscal or judicial agency, authority,

body, court, commission, department, exchange, tribunal or entity in any jurisdiction having been obtained and not withdrawn or revoked;

(c) no relevant authority taking, instituting, implementing or threatening to take, institute or implement any action or proceeding, that will make the Proposed Disposal 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; and

(d) the resolutions of the Shareholders having been obtained at the extraordinary general meeting to be convened by the Company to approve the Proposed Disposal for the entry into, implementation and completion of the Proposed Disposal.

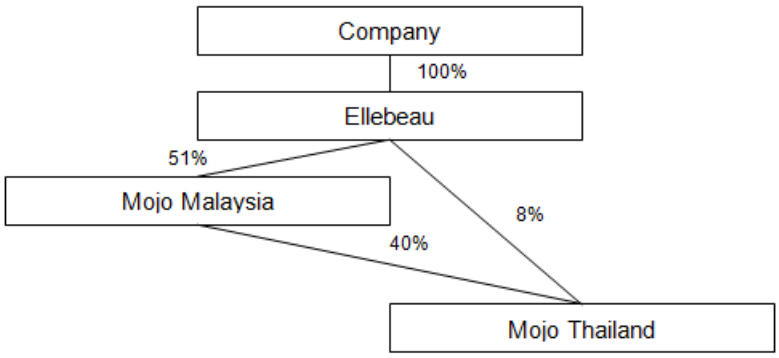
2.3 **Completion.** Completion shall take place on the fifth ($5^{th}$) business day following fulfillment or waiver of the last Conditions Precedent (or such other date as may be agreed in writing between the Company and the Purchaser).

## 3. ELLEBEAU GROUP PTE. LTD.

### 3.1 Background

Ellebeau is a wholly-owned subsidiary of the Company incorporated in Singapore and is an investment holding company.

As at the Latest Practicable Date, (i) Ellebeau holds such number of ordinary shares in the share capital of Mojo Malaysia, representing 51.0% of the issued and paid-up share capital in Mojo Malaysia; and (ii) Ellebeau holds such number of ordinary shares in the share capital of Mojo Thailand and Mojo Malaysia holds such number of shares in the share capital of Mojo Thailand, representing an aggregate effective shareholding interest of 28.4% of the share capital in Mojo Thailand.




Mojo Malaysia is a company incorporated in Malaysia and is principally engaged in the production of films, consulting and contracting. Mojo Thailand is a company incorporated in Thailand and is principally engaged in the provision of support services for the production of motion pictures in Thailand. The Purchaser is the holder of 28.998% shareholding interest in Mojo Malaysia. The remaining shareholding interest in Mojo Malaysia is held by other two individual shareholders. None of the Purchaser and the other individual shareholders of Mojo Malaysia is related to the Directors or Substantial Shareholders of the Company. Other than through his shareholding interest in Mojo Malaysia, the Purchaser does not own any shareholding interest in Mojo Thailand.

3.2 **NTA of Ellebeau.** Based on Ellebeau's unaudited financial statements for the three months ended 30 June 2017, Ellebeau recorded a NTA of approximately S$95,000.

3.3 **Net Loss of Ellebeau.** Based on Ellebeau's unaudited financial statements for the three months ended 30 June 2017, the net loss of Ellebeau is approximately S$12,000.

## 4. RATIONALE

The Company had in August 2017 and September 2017 acquired 51% shareholding interest of Advance Capital Partners Asset Management Private Limited and 100% shareholding interest of BSDCN Pte. Ltd., respectively. The Proposed Disposal will therefore allow the Company to focus on expanding into the financial services industry, focusing in asset management.

## 5. RULE 1006

| | |
|---|---|
| Rule 1006(a)<br>The net asset value of the assets to be disposed of, compared with the Group's net asset value | 3.30% (1) |
| Rule 1006(b)<br>The net profits attributable to the assets disposed of, compared with the Group's net profits | 6.09%(2) |
| Rule 1006(c)<br>The aggregate value of the consideration received compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares. | 0.52% (3) |
| Rule 1006(d)<br>The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue. | Not applicable. |
| Rule 1006(e)<br>The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. | Not applicable. |

**Notes:**

(1) The net asset value of Ellebeau for the financial period ended 30 June 2017 was approximately S$95,000. The net asset value of the Group for the three-month financial period ended 30 June 2017 was approximately S$2,884,000. Under Rule 1002(3) of the Catalist Rules, "net assets" means total assets less total liabilities.

(2) The net loss of Ellebeau for the three-month financial period ended 30 June 2017 was approximately S$12,000. The net loss of the Group for the three-month financial period ended 30 June 2017 was approximately S$197,000.

(3) Calculated based on an assumed consideration of approximately S$95,000, being the NTA of the Ellebeau as of 30 June 2017, and the market capitalisation of the Company of approximately S$14.68 million as of 11 October 2017, being the last trading day before the entry into the Disposal SPA (No shares of the Company were traded on 12 October 2017 and 13 October 2017 respectively). Under Rule 1002(5), the market capitalisation of the Company is determined by multiplying the number of shares in issue (excluding treasury shares) on 11 October 2017, being 3,670,584,201 Shares, and the weighted average price of S$0.004 of such Shares transacted on 11 October 2017, being the market day preceding the date of the Disposal SPA. (*Source: Bloomberg L.P.)*

Based on the relative figures computed in relation to the Proposed Disposal under Rule 1006 of the Catalist Rules, the relative figure under Rule 1006(b) exceeds 5.0%, and the Proposed Disposal is therefore a disclosable transaction. However, pursuant to Practice Note 10A of the Catalist Rules, a "Major Transaction" is one which will result in a fundamental change in the issuer's business. Considering the purpose of the Proposed Disposal is to allow the Company to focus on expanding into the financial services industry with a primary focus in asset management, the Proposed Disposal will be regarded as a Major Transaction within the meaning of Practice Note 10A of the Catalist Rule, and the Company will therefore seek shareholders' approval in respect of the Proposed Disposal.

## 6. USE OF PROCEEDS

The proceeds arising from the Proposed Disposal will be utilised for working capital purposes and funding the Group's pursuit of strategic business opportunities or general corporate activities (including any business expansion or acquisition opportunities, as and when such opportunities arise).

## 7. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal on the NTA per Share and earnings per Share ("**EPS**") 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 Disposal. The financial effects of the Proposed Disposal are computed based on the Group's audited financial statements for the financial year ended 31 March 2017.

(a) NTA per Share

Assuming that the Proposed Disposal had been completed on 31 March 2017, the effects of the Proposed Disposal on the NTA per Share of the Group as at 31 March 2017, based on the Group's audited financial statements for FY2017 would be as follows:

| | **Before the Proposed Disposal** | **After the Proposed Disposal** |
|---|---|---|
| NTA (S$'000)[(1)] | 3,073 | 3,073 |
| Number of Shares ('000) | 2,458,344 | 2,458,344 |
| NTA per Share (S$ cents) | 0.13 | 0.13 |

Note:

(1) The audited NTA value of Ellebeau for the financial year ended 31 Mar 2017 was approximately S$107,000.

(b) EPS

Assuming that the Proposed Disposal had been completed on 1 April 2016, the effects of the Proposed Disposal on the EPS of the Group, based on the Group's audited financial statements for FY2017 would be as follows:

| | Before the Proposed Disposal | After the Proposed Disposal |
|---|---|---|
| Loss attributable to the shareholders of the Company (S$'000) | 2,476 | 2,282[(1)] |
| Weighted average number of Shares ('000) | 2,458,344 | 2,458,344 |
| Loss per share (S$ cents) | 0.101 | 0.093 |

Note:

(1) The audited net loss of Ellebeau for the financial year ended 31 Mar 2017 was approximately S$194,000.

## 8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, substantial shareholders and controlling shareholders of the Company (other than in his capacity as a Director or shareholder of the Company) has any interest, direct or indirect, in the Proposed Disposal.

## 9. DOCUMENTS FOR INSPECTION

A copy of the Disposal SPA 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.

## 10. 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 Disposal, 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**

**Koo Ah Seang**
Non-Executive Chairman
16 October 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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