

OLS ENTERPRISE LTD.

(incorporated in the Republic of Singapore on 24 July 1968)
(Company Registration Number: 196800320E)
(the “**Company**”)

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID UP SHARES IN THE SHARE CAPITAL OF MALAYSIAN PHOSPHATE ADDITIVES SDN BHD

– SECOND SUPPLEMENTAL AGREEMENT

Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meanings ascribed to them in the Company’s announcement dated 3 August 2015.

The Board of the Company refers to the Company’s announcements on 3 August 2015 (the “**SPA Announcement**”) and 30 May 2016 in relation to the entry by the Company into a Share Purchase Agreement dated 30 July 2015 and a Supplemental Agreement dated 30 May 2016 with the Vendors in relation to the Proposed Acquisition (collectively, the “**Previous Announcements**”).

SECOND SUPPLEMENTAL AGREEMENT

Further to the Previous Announcements, the Board wishes to announce that the Company has on 1 July 2016 entered into a second supplemental agreement with the Vendors to amend certain terms of the Share Purchase Agreement (the “**Second Supplemental Agreement**”). The salient terms of the Second Supplemental Agreement are set out in the paragraphs below.

(a) Removal of MPA Convertible Notes

As set out in, *inter alia*, Section 1 and Section 2.6 of the SPA Announcement, the Company had intended to, and the Vendors had intended to procure MPA to, enter into the Convertible Notes Agreement, pursuant to which the Company would subscribe for the MPA Convertible Notes with an aggregate subscription price of MYR10,000,000 (the “**Injected Funds**”).

After having reviewed its financial position, cash flows and capital commitment, MPA has confirmed that it does not require the additional funding in the form of the Injected Funds from the Company. Consequently, the Company and the Vendors have agreed not to pursue the MPA Convertible Notes. Accordingly, the completion of the MPA Convertible Notes Subscription will no longer be a condition precedent to Completion and the board of directors’ and Shareholders’ approval will not be sought for the entering into of the Convertible Notes Agreement.

(b) Removal of Relevant Consideration

As set out in Section 2.2(c) and 2.3(b) of the SPA Announcement, in the event that the MPA Convertible Notes Subscription is completed before Completion, the Total Consideration shall be deemed reduced by an amount equivalent to the amount of the Injected Funds (such reduced amount being referred to as the “**Relevant Consideration**”).

As a consequence of the removal of the MPA Convertible Notes, the concept of Relevant Consideration is no longer applicable and the Total Consideration will no longer be reduced by the amount of the Injected Funds.

(c) Removal of Injected Funds from Computation of Minimum Cash Requirement

As set out in Section 2.8(a) of the SPA Announcement, the computation of the Minimum Cash Requirements will exclude (i) the Injected Funds paid by the Company to MPA in respect of the MPA Convertible Notes Subscription; and (ii) the Company's Transactional Costs.

As a consequence of the removal of the MPA Convertible Notes, there will not be any Injected Funds paid by the Company to MPA. As such, the computation of Minimum Cash Requirement will only exclude the Company's Transactional Costs.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Second Supplemental Agreement will be made available for inspection during normal business hours at the registered address of the Company at 80 Robinson Road, #02-00, Singapore 068898 for a period of three (3) months from the date of this announcement.

RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this announcement) 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, the facts stated and opinions expressed herein are fair and accurate in all material respects as at the date hereof, and that the Directors are not aware of any material facts the omission of which would make any statement in this announcement misleading.

CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares as the Proposed Acquisition is subject to numerous conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition and Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD
OLS ENTERPRISE LTD.**

Koo Ah Seang
Executive Chairman
1 July 2016

*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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