OLS ENTERPRISE LTD.
(Company Registration Number: 196800320E)

NEWS RELEASE – FOR IMMEDIATE RELEASE

OLS ENTERPRISE TO ACQUIRE PHOSPHATE ADDITIVES PRODUCER MALAYSIAN PHOSPHATE ADDITIVES IN S$300M REVERSE-TAKEOVER

- **MPA is a unique opportunity for OLS' shareholders to participate in South East Asia's flourishing population and consumption trends via a leading producer of phosphorus-based nutrients and additives**

- **MPA has a 40% stake in Malaysian Phosphate Additives Sarawak Sdn. Bhd.'s (MPAS) Integrated Phosphate Complex project in Sarawak's Samalaju Industrial Park**

- **RM1.5b energy-intensive plant will be South East Asia's largest integrated phosphate complex and leverage on Sarawak's competitive power rates and infrastructure in Sarawak Corridor of Renewable Energy as a source of electricity**

- **MPA is 40%-ownedby Malaysian Technology Development Corporation Sdn Bhd, a wholly-owned subsidiary of Malaysian sovereign wealth fund, Khazanah Nasional Bhd**

- **MPAS' shareholders include Bursa Malaysia-listed conglomerate Cahya Mata Sarawak Bhd**

SINGAPORE – 27 May 2015 – OLS Enterprise Ltd ("OLS" or "the Company"), a company listed on the Singapore Exchange, today announced that the Company had on 22 May 2015, entered into a term sheet ("Term Sheet") with 1) Right Earth Sdn Bhd ("RESB"); 2) Casa Lite Sdn Bhd ("CLSB"); 3) Malaysia Technology Development Corporation Sdn Bhd ("MTDC"); and Mr. Lim Lee Wan (collectively, "the Vendors"), to acquire the entire issued and paid-up share capital ("the Proposed Acquisition") of Malaysian Phosphate Additives Sdn. Bhd. ("MPA" or "the Target"). The Proposed Acquisition is subject to approval from SGX-ST, and OLS shareholders at an Extraordinary General Meeting ("EGM") to be held.

Mr. Koo Ah Seang, Executive Chairman of OLS, said ***"The Proposed Acquisition is a unique opportunity for our loyal shareholders to participate in South East Asia's flourishing population and consumption trends via a leading producer of phosphorus-based nutrients to support the growth of the region's food resources in partnership with an established and recognised group of corporate shareholders in MPA.***

The Board is of the view that the Proposed Acquisition is an opportunity for the Company to acquire a new business which will potentially provide it with a sustainable and growing income stream. The Proposed Acquisition is expected to enhance shareholders' value as well as strengthen the balance sheet of the Company."

Some Key Terms and Conditions of the Proposed Acquisition

- Consideration for the Proposed Acquisition

The aggregate consideration for the Proposed Acquisition shall be approximately S$300 million, to be satisfied in full by way of an allotment and issue of OLS shares at an issue price to be determined between the Company and the Vendors. The newly issued consideration shares shall upon completion represent not less than 70% of the enlarged capital of the Company.

- Share Purchase Agreement

Pursuant to the Term Sheet, the Company and the Vendors agree that they will proceed to negotiate and agree on terms of the share purchase agreement ("Share Purchase Agreement") and ancillary agreements, no later than two (2) months from the date of the Term Sheet.

- Long-Stop Date

The long-stop date for the Proposed Acquisition is nine (9) months from the date of the Share Purchase Agreement. The Share Purchase Agreement shall terminate

automatically if any or all of the Conditions Precedent have not been fulfilled or waived by such Long-Stop Date.

- Injection of funds to MPA

The Company shall enter into an agreement with MPA for the injection of RM10 million to MPA in the form of convertible notes. The notes shall carry an interest rate of 3% per annum and shall be convertible fully into such number of MPA Shares representing a shareholding interest of 5.00% in the enlarged share capital of the MPA upon successful completion of the Proposed Acquisition.

- Issue of Free Warrants to the Vendors

In view of the existing warrants issued by the Company in the rights cum warrants exercise in 2014, and in order to allow the Vendors to maintain the stipulated minimum shareholding of 70%, (should the existing warrant holders choose to exercise their existing warrants), the Company shall at completion of the Proposed Acquisition issue to the Vendors, in proportion to their respective shareholding in the Target such number of free new warrants representing approximately 70% of the enlarged number of warrants issued by the Company and outstanding upon completion of the Proposed Acquisition. The New Warrants shall be exercisable into new shares in the event that the existing warrants are exercised into shares by the existing warrant holders of the Company.

- Whitewash Waiver

As the Vendors will own more than 30% of the enlarged share capital of the Company upon Completion of the Proposed Acquisition, the Vendors intend to apply for a waiver of their obligation to make a general offer.

About Malaysian Phosphate Additives Sdn. Bhd.

MPA is a Malaysian company primarily engaged in the manufacture and marketing of Di Calcium Phosphate and Mono-Di Calcium Phosphate, two inorganic ingredients used in the manufacture of nutritional feed for livestock and fertilizers. MTDC, a wholly-owned subsidiary of Khazanah Nasional Bhd, holds a 40.94% stake in MPA. MPA in turn owns 40% of the issued and paid-up share capital in Malaysian Phosphate Additives (Sarawak) Sdn Bhd (“MPAS”) through its wholly owned subsidiary, Malaysian Phosphate Venture Sdn Bhd (“MPV”). The other shareholders

of MPAS are Bursa Malaysia-listed Cahya Mata Sarawak Bhd (40%), through its wholly-owned subsidiary Samalaju Industries Sdn Bhd, and Arif Enigma Sdn Bhd (20%), an investment holding company.

The Sarawak Integrated Phosphate Complex project

MPAS is in the process of building Malaysia's and South East Asia's first integrated phosphate complex producing a wide spectrum of phosphate and other products for agricultural, food and industrial use. When completed, the plant will produce a total of 500,000 metric tonnes per annum ("MTPA") of phosphate products, being mainly, Yellow Phosphorous, Mono Potassium Phosphate, Fertiliser Grade Mono-ammonium Phosphate and Fertiliser Grade Di-ammonium Phosphate. It will also have the capacity to produce 600,000 MTPA of Coke and 50,000 MTPA of Ammonia.

The RM1.5 billion plant will be constructed on an area of 350 acres and will leverage on Sarawak's competitive power rates and infrastructure in SCORE ("Sarawak Corridor of Renewable Energy") as a source of electricity. At full capacity, the plant is expected to generate sales revenue in excess of RM2.0 billion per annum and employ approximately 1,000 skilled workers.

Demand for food, animal feed, industrial, and fertilizer phosphates as well as coke and ammonia as intermediate raw materials and basic end-products is expected to be stable as a function of economic growth, population growth and urbanisation in the world economy. The integrated phosphate plant's products will also be used as feedstock by other companies in SCORE, contributing to the build-up up of an industrial ecosystem leveraging on competitive energy rates provided by hydropower to fuel Sarawak's next stage of industrial development.

Update on Further Developments in the Proposed Acquisition

The Company shall at the appropriate times and through the appropriate channels announce updates on developments and events relevant to the progress of the Proposed Acquisition to shareholders including notice of meetings to be held and results of applications and submissions to SGX-ST.

This press release should be read in conjunction with the full SGX announcement released by OLS dated 27 May 2015. A copy of the announcement is available on www.sgx.com.

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For Media and Analysts, please contact

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