

OLS ENTERPRISE LTD.

(Incorporated in the Republic of Singapore on 24 July 1968)
(Company Registration Number: 196800320E)

RESPONSES TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

The Board of Directors (the “**Directors**”) of OLS Enterprise Ltd. (“**Company**”) refers to its Annual Report for the financial year ended 31 March 2015 and wishes to respond to the questions by SGX-ST on 9 July 2015.

Query 1

Pursuant to Listing Rule 1207(6)(c), please disclose whether the Company has complied with Listing Rule 715 or 716 in relation to its auditing firms.

Company’s response:

The Company refers to the disclosure under Section 12 of the Annual Report on “Audit Committee” as set out on Page 17 of the Annual Report and wishes to clarify that:

“In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with the Listing Rules 712 and 715.”

Query 2

Guideline 11.3 of the Code states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company’s Annual Report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the company’s internal control and risk management systems. The Board should also comment in the company’s Annual Report on whether it has received assurance from the CEO and the CFO:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company’s operations and finances; and***
- (b) regarding the effectiveness of the company’s risk management and internal control systems.***

As required under Listing Rule 710, please make disclosure as recommended in the Code; in particular, the effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, or otherwise explain the reason(s) for the deviation.

Company’s response:

The Company refers to the disclosure under Section 11 of the Annual Report on “Risk Management and Internal Control” as set out on Page 15 of the Annual Report, which addresses Principle 11 of the Code of Corporate Governance. Among other information, the Board has confirmed that:

The Board ensures that the management maintains a sound system of internal controls and effective risk management policies to safeguard shareholders’ investments and the Group’s assets.

For the period under review, based on the internal controls established and maintained by the Group, work performed by the external auditors, and regular reviews performed by the management, the various board committees and the Board, the AC and the Board are of the opinion that the Group’s internal controls, addressing financial, operational, compliance and information technology controls,

and risk management were adequate to provide reasonable assurance of the integrity and effectiveness of the Company in safeguarding its assets and shareholders' value.

The system of internal controls provides reasonable, but not absolute assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives.

However, the Board notes that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

The Board had received assurance from the Executive Chairman that the financial records as at 31 March 2015 have been properly maintained and the financial statements for the financial year ended 31 March 2015 give a true and fair view of the Company's operations and finances and the Company's risk management and internal control systems are effective.

By Order of the Board
OLS ENTERPRISE LTD.

Koo Ah Seang
Executive Chairman
13 July 2015