OLS ENTERPRISE LTD.

(Company Registration Number: 196800320E)

THE PROPOSED ISSUE OF 1% EQUITY LINKED REDEEMABLE STRUCTURED CONVERTIBLE NOTES DUE 2016

- **ALLOTMENT AND ISSUANCE OF SHARES PURSUANT TO THE CONVERSION OF THE FIFTH SUB-TRANCHE OF TRANCHE 1 NOTES IN THE AGGREGATE AMOUNT OF S$50,000**

Capitalised terms used herein shall have the same definitions ascribed to them in the Company's circular to shareholders dated 4 November 2013, unless otherwise stated or the context otherwise requires.

The Board wishes to announce that pursuant to the issuance of the fifth sub-tranche of the Tranche 1 Notes to the Subscriber, the Subscriber has, on 8 December 2014, exercised its right to convert the fifth sub-tranche of Tranche 1 Notes in the aggregate principal amount of S$50,000 into 5,882,352 Conversion Shares, at the Floating Conversion Price of S$0.0085.

The Floating Conversion Price of S$0.0085 was determined by taking 80% of the average of three (3) consecutive Closing Prices per Share as selected by the Subscriber during the forty five (45) Business Days immediately preceding the Conversion Date (i.e 8 December 2014). The three (3) consecutive Closing Prices per Share selected are as follows:

	Share Price	**Date**
X	S$0.010	8 October 2014
Y	S$0.011	9 October 2014
Z	S$0.011	10 October 2014

$$\text{Floating Conversion Price} = \frac{X + Y + Z}{3} \times 0.80$$

$$= 0.0085$$

The 5,882,352 Conversion Shares represents 0.59% of the total enlarged share capital of the Company. With the issue and allotment of the 5,882,352 Conversion Shares, the total issued share capital of the Company shall be increased from 991,762,676 ordinary shares to 997,645,028 ordinary shares.

The Company will make further announcement on the date of the listing and quotation of the Conversion Shares on the SGX-ST.

BY ORDER OF THE BOARD
OLS ENTERPRISE LTD.

Koo Ah Seang
Executive Chairman
8 December 2014