

**PINE CAPITAL GROUP LIMITED**  
(formerly known as “OLS Enterprise Ltd”)  
(Company Registration No. 196800320E)  
(Incorporated in the Republic of Singapore)

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**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE REGULATION IN CONNECTION WITH (1) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR; (2) RE-DESIGNATION OF NON-EXECUTIVE DIRECTOR TO EXECUTIVE DIRECTOR; AND (3) RECOMPOSITION OF BOARD AND BOARD COMMITTEES**

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The board of directors (the “**Board**”) of Pine Capital Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 4 October 2019 in relation to, *inter alia*, redesignation of David Sarkis as Executive Director, appointment of Chan Wai Leung as Independent Non-Executive Director and changes to the composition of the Board and its committees (the “**4 October 2019 Announcements**”). Unless otherwise defined, the terms and references used herein shall bear the same meaning as stated in the 4 October 2019 Announcements.

The Company would like to provide the Company’s responses to queries raised by the Singapore Exchange Regulation (“**SGX RegCo**”) on 7 October 2019.

**Query 1(a):**

**What has changed during the short period (less than a month) since his appointment as NED in Sept 2019?**

**Company’s Response:**

Since 12 September 2019, Mr Sarkis’ business in Hong Kong, Silver Tree Hong Kong Pte Ltd, has engaged additional staff. Consequentially, Mr Sarkis is able to dedicate more time to the Company.

**Query 1(b):**

**What plans do David Sarkis have for the Group?**

**Company’s Response:**

The Company is looking to develop the business while awaiting for the Independent Review to be completed for clarity. Subject to necessary approvals, Mr Sarkis intends to take, amongst other, the following steps in the Company’s process of seeking to resume trading:-

- (i) Restructure the company, including reconstituting the board and hiring new management staff, to ensure that business is conducted with the highest ethical standards.
- (ii) Resolve disputes and litigations in a cost-effective and amicable fashion in the interests of the Company.
- (iii) Re-focus the business to raise revenues including raising capital from current and potential new shareholders.
- (iv) Expand the core business of the Company, enter into new partnerships to increase revenue sources.
- (v) Raise new funds under management (‘FUM’) through an entity compliant with MAS rules.

**Query 1(c):**

**What is the relationship between David Sarkis and Mr Sze Seng Tan? Why are David's shareholdings in Pine Capital held by Mr Sze?**

**Company's Response:**

Mr Sarkis and Mr Sze are not related. Mr Sarkis paid for the shares and Mr Sze held the shares as Mr Sarkis had yet to open a Central Depository Account (CDP) to hold the shares at the time of the purchase of the shares. However, since trading was suspended, Mr Sarkis is unable to transfer the shares to himself.

**Query 2(a):**

**He is a director of ACPAM. Since when? Is he aware of the developments in ACPAM?**

**Company's Response:**

In the Extraordinary General Meeting of ACPAM on 12 August 2019, Mr Chan was appointed a Director of ACPAM. Since his appointment, Mr Chan has been aware of the developments in ACPAM.

**Query 2(b):**

**He is currently a NED of Brightoil Petroleum Holdings Ltd (listed in HK), a company suspended since 2017 pending winding-up and forensic investigations. To provide more details on Brightoil and the reasons for prolonged suspension; what led to the need for forensic investigations and the areas being investigated.**

**Company's Response:**

Brightoil and its subsidiaries are principally engaged in oil and gas exploration, development and production, international trading and bunkering, marine transportation, oil storage and terminal facilities as well as e-commerce. Brightoil's auditor had requested for Brightoil to conduct an independent investigation in relation to certain transactions. Accordingly, the Audit Committee of Brightoil engaged an independent professional adviser to conduct a forensic investigation. The independent review is still on-going and Brightoil is expected to resume trading at the start of 2020.

**Query 2(c):**

**To provide more details on the other companies in which Chan was / is working in or on the board of, including SMI Culture & Travel Group Co Ltd; Carnival Group International Co Ltd; Vantage Asset Management Ltd.**

**Company's Response:**

SMI Culture & Travel Group Co. Ltd is principally engaged in business in the entertainment and media industry including investment in the production and distribution of films, investment in the production and distribution of television dramas and creation, production and distribution of new media contents, production and distribution of online and film advertisements, agency operation for films, directors, scriptwriters and artists, tourism and online ticketing platform operation.

Carnival Group International Holdings Limited is a Hong-Kong Stock Exchange listed company which is involved in large-scale integrated tourism, hospitality and retail attraction, consisting of theme parks, hotels, premium outlet shopping, dining, conference and exhibition centres, entertainment and recreational facilities.

Vantage Asset Management Limited is licensed by the Securities and Futures Commission of Hong Kong to carry out type 9 regulated activities in Hong Kong. Under its license, the company provides asset management service to professional investors, such as managing portfolios of securities or futures contracts for clients on discretionary basis; and/or the managing of funds on discretionary basis.

**Query 2(d):**

**What did the NC consider in assessing the suitability of Chan Wai Leung to be a director of Pine Capital?**

**Company's Response:**

Mr Chan's background and strength is in accounting and business administration. Mr Chan will be able to contribute effectively to his role. Amongst others, he has been in managerial roles at leading accounting firms: KPMG and PwC. He is also a member of the Association of Chartered Certified Accountants (ACCA) and the Hong Kong Institute of Certified Public Accountants (HKICPA).

**Query 3(a):**

**Both David Sarkis and Chan Wai Leung are based in Hong Kong and may not be familiar with the Singapore rules, regulation, laws and other capital market requirements and practices. Who proposed the appointment of David Sarkis and Chan Wai Leung?**

**Company's Response:**

Mr Sarkis was proposed by JMO Pte Ltd.

Mr Chan was introduced by JMO Pte Ltd. In accordance with the Catalist Rules and the Code of Corporate Governance, Mr Chan remains an independent director.

**Query 3(b):**

**What did the NC assess in appointing candidates who are non-resident in Singapore and how this will help the Company?**

**Company's Response:**

The Nominating Committee looked at the working experience and qualifications of the individuals as well as the willingness and tenacity to support the Group during this uncertain time. That the individuals had international experience will also benefit the Group's international business operations.

**Query 3(c):**

**Both David Sarkis and Chan Wai Leung have never been on the boards of Singapore listed companies. What are their plans for the Company, bearing in mind the various developments in the Group, including but not limited to, litigations and claims, MAS' Directives for ACPAM; ongoing independent review...etc, and the fact that the Company is suspended from trading in light of the unclear state of affairs and going concern issues.**

**Company's Response:**

Please see Company's Response to Query 1(b) above. In addition, Mr Sarkis and Mr Chan are committed to understanding the Company's affairs and looking to assist in the resolution of outstanding matters. Both Mr Sarkis and Mr Chan have committed to further training on the Exchange's rules and regulations.

**Query 3(d):**

**Both David Sarkis and Chan Wai Leung have other businesses / commitments (besides being on the board of Pine Capital). What did the NC consider in assessing that they are able to devote sufficient time and resources to Pine Capital (a company with unclear state of affairs and other developments).**

Company's Response:

At this time, Mr Chan has committed to allocating time and efforts to the Company and has been appointed a non-executive director to align with his current commitment to the Company.

Mr Sarkis has since his previous appointment as non-executive director hired new staff to attend to his other business (see Company's Response to Query 1(a)).

**Query 4:**

**The Company's current board and board committee compositions are not in compliance with the Catalist Rules and CG Code. What are the Company's plans and actions taken to comply with the relevant Catalist Rules and CG Code? What is the anticipated timeline?**

Company's Response:

The Company is in the midst of sourcing for additional non-executive or Independent Directors to fill the vacancy of the Board and the Board Committees. The Board is intending to complete this process by the end of October 2019.

**Query 5:**

**To detail what are the key operations and business driver of the Group currently.**

Company's Response:

Please refer to the Company's Response to Query 1(b) above. The Board is desirous of reviving the business of the Company with the support of all its shareholders and to resume trading of the Company.

**DIRECTOR RESPONSIBILITY STATEMENT**

The Directors 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 or circumstances about the above mentioned responses, 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

Tomi-Jae Wanlun Tjio

Executive Chairman  
11 October 2019

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

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