PINE CAPITAL GROUP LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 196800320E

TERMINATION AGREEMENT – PROPOSED ACQUISITION OF UP TO 51.0% OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SILVER TREE HONG KONG LIMITED

*Capitalised terms used but not defined herein shall have the same meanings ascribed to them in the Company's announcements made on 10 December 2018 (released on 11 December 2018), 15 April 2019 and 4 July 2019 (the "**Previous Announcements**"), unless otherwise defined herein or the context requires otherwise.*

The board of directors (the "**Board**") of Pine Capital Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcements made on SGXNET on 10 December 2018, 15 April 2019 and 4 July 2019 respectively.

Background

To recap, the Company had on 10 December 2018[1] entered into a conditional sale and purchase agreement, as subsequently amended, modified and/or supplemented ("**Share Purchase Agreement**") with Mr. David Sarkis (the "**Vendor**") for the proposed acquisition of up to 51.0% of the issued and paid-up share capital of Silver Tree Hong Kong Limited (the "**Target**") (hereinafter referred to as the "**Proposed Acquisition**"). The Proposed Acquisition was to be completed in two (2) stages as follows:

(a) subject to satisfaction (or waiver) of the Stage 1 Conditions Precedent, acquisition of 4,003,558 Sale Shares ("**Stage 1 Sale Shares**") representing 9.9% of the issued and paid-up share capital of the Target ("**Stage 1 Acquisition**"); and

(b) subject to satisfaction (or waiver) of the Stage 2 Conditions Precedent (as defined below), acquisition of 16,620,834 Sale Shares ("**Stage 2 Sale Shares**") representing 41.1% of the issued and paid-up share capital of the Target ("**Stage 2 Acquisition**").

As announced by the Company on 15 April 2019, the Company and Vendor have entered into a Supplemental Agreement to amend certain terms of the Share Purchase Agreement to extend the Stage 1 Long Stop Date (being the date falling three (3) months from the date of the Share Purchase Agreement, or such other date as may be agreed by the parties in writing) to 10 June 2019. The Long Stop Date for Stage 2, as stated on the Share Purchase Agreement, falls on 10 June 2019 (being six (6) months from the date of the Share Purchase Agreement or such other date as may be agreed by the parties in writing) ("**Stage 2 Long Stop Date**").

On 4 July 2019, the Company had announced on SGXNET that the Stage 1 Long Stop Date and Stage 2 Long Stop Date has since lapsed and the Company was liaising with the Vendor on the extension of the long stop date and/or on the completion of the Proposed Acquisition, subjected to, *inter alia* approval by the Singapore Exchange Securities Trading Limited.

[1] As announced by the Company on SGXNET 10 December 2018 and released on 11 December 2018

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Termination Agreement

The Board will like to update shareholders that the Company had on 10 August 2020 entered into a termination agreement ("**Termination Agreement**") with the Vendor. Pursuant to the Termination Agreement, both the Company and the Vendor agrees that the Share Purchase Agreement shall be terminated by mutual consent and all the terms and conditions of the Share Purchase Agreement shall with effect from 10 August 2020, be null and void and of no further effect.

Salient Terms of the Termination Agreement

A summary of the salient terms of the Termination Agreement are set out as follows:

1. Termination of the Share Purchase Agreement

    (a) With effect from the date of the Termination Agreement, both the Company and the Vendor agree that all terms and conditions contained in the Share Purchase Agreement, shall be null and void and of no further effect.

2. Release and Covenant not to Sue

    (a) To the fullest extent permissible by law, the Company irrevocably and unconditionally:

        (i) waives any and all its rights it has or may have in respect of any and all claims against the Vendor or the Target;

        (ii) discharges and releases the Vendor and the Target from any and all claims; and

        (iii) agrees never to commence, maintain or prosecute or cause to be commenced, maintained or prosecuted, any complaint, suit or proceeding, whether civil, criminal or administrative (together, "**Proceedings**"), against the Vendor or the Target in respect of any claim.

    (b) To the fullest extent permissible by law, the Vendor irrevocably and unconditionally:

        (i) waives any and all its rights it has or may have in respect of any and all claims against the Purchaser;

        (ii) discharges and releases the Purchaser from any and all claims; and

        (iii) agrees never to commence, maintain or prosecute or cause to be commenced, maintained or prosecuted any Proceedings, against the Purchaser in respect of any claim.

Financial Effects of the Termination Agreement

The Company's entry into the Termination Agreement will have no impact on the Group's financial performance (in terms of earnings per share) and position (in terms of net tangible asset per share) as all parties have undertaken not to bring about any claims against either party.

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DOCUMENT FOR INSPECTION

A copy of the Termination Agreement is available for inspection by shareholders during normal business hours at the registered office of the Company at 80 Robinson Road #02-00 Singapore 068898 **STRICTLY BY APPOINTMENT** during normal business hours on any business day for a period of three (3) months from the date of this Announcement.

Please contact Tricor Evatthouse Corporate Services at (65) 6236 3333 during their operating hours from 9 a.m. to 5 p.m. to make an appointment.

DIRECTORS' 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 *inter alia* regarding the update on the Termination Agreement and the financial effects of the Termination Agreement on the Group, 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

Lee Sin Ann
Executive Director
11 August 2020

*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., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**Exchange**") Listing Manual Section B: Rules of Catalist for compliance with the relevant rules of the 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.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Liau H. K.
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