

Unaudited Third Quarter Financial Statement and Dividend Announcement for the period ended 31 December 2018

Part 1 INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	GROUP			GROUP		
	3 months ended			9 months ended		
	31 Dec 2018	31 Dec 2017	Increase/ (Decrease)	31 Dec 2018	31 Dec 2017	Increase/ (Decrease)
Note						
Continuing operations	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	8(a) 832	452 ⁽¹⁾	84.1	2,008	585 ⁽¹⁾	243.2
Cost of sales	8(a) (555)	(187)	196.8	(1,230)	(244)	404.1
Gross profit	8(a) 277	265		778	341	
Other income	8(b) -	22	n.m	16	58	(72.4)
Expenses						
- Administrative	8(c) (641)	(882)	(27.3)	(2,083)	(1,832)	13.7
- Loss on disposal of subsidiary	8(d) -	(244)	n.m	-	(244)	n.m
Loss from continuing operations before taxation	(364)	(839)		(1,289)	(1,677)	
Taxation	-	-	n.m	-	-	n.m
Loss after taxation from continuing operations	(364)	(839)		(1,289)	(1,677)	
Loss from discontinued operations, net of tax	8(e) -	(356)	n.m	-	(429)	n.m
Total loss for the period	(364)	(1,195)		(1,289)	(2,106)	
Other comprehensive loss, net of tax:						
Total comprehensive loss	(366)	(1,149)		(1,193)	(2,051)	
Total comprehensive loss attributable to:						
Owner of parent						
- Loss from continuing operation, net of tax	(365)	(731)	(50.1)	(1,181)	(1,532)	(22.9)
- Loss from discontinued operation, net of tax	-	(195)	n.m	-	(242)	n.m
Loss attributed to the parent	(365)	(926)		(1,181)	(1,774)	
Non-controlling interests						
- Profit/(Loss) from continuing operation, net of tax	1	(108)	(100.9)	(108)	(145)	(25.5)
- Loss from discontinued operation, net of tax	-	(161)	n.m	-	(187)	n.m
Profit/(Loss) attributed to the non-controlling interests	1	(269)		(108)	(332)	
Loss before tax has been arrived at after (charging)/crediting:						
- Other income						
Interest income	-	1		2	10	
Other income	-	21		14	48	
	-	22	(100.0)	16	58	(72.4)
- Foreign exchange loss, net	(8)	(55)	(85.5)	8	(1)	(900.0)
- Impairment on investment in associated company	(13)	-	n.m	(13)	-	n.m
- Depreciation of property, plant and equipment	(11)	(11)	n.m	(34)	(19)	78.9
- Operating leases	(71)	(111)	(36.0)	(213)	(207)	2.9

⁽¹⁾ The entire revenue was contributed by financial service fees from Advance Capital Partners Asset Management Pte Ltd, ("ACPAM") upon completion of the acquisition on 7 August 2017.

For Notes (a) and (e) above, please refer to item 8 – Review of the performance of the Group.

(b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediate preceding financial year.

	Note	GROUP		COMPANY	
		31 Dec	31 March	31 Dec	31 March
		2018	2018	2018	2018
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	8(f)	60	94	-	-
Investments in subsidiaries		-	-	7,624	7,524
Investments in associated company	8(g)	-	13	-	-
Intangible assets	8(h)	5,791	5,791	-	-
Available-for-sale investments	8(i)	2,383	2,287	-	-
		<u>8,234</u>	<u>8,185</u>	<u>7,624</u>	<u>7,524</u>
Current assets					
Trade and other receivables	8(j)	297	102	26	23
Cash and cash equivalents		5,247	768	4,654	426
		<u>5,544</u>	<u>870</u>	<u>4,680</u>	<u>449</u>
Current liabilities					
Other payables	8(k)	850	3,007	149	2,826
Deposit received in advance	8(l)	2,700	-	2,700	-
		<u>3,550</u>	<u>3,007</u>	<u>2,849</u>	<u>2,826</u>
Net current assets/(liabilities)		<u>1,994</u>	<u>(2,137)</u>	<u>1,831</u>	<u>(2,377)</u>
Non-current liabilities					
Provision for reinstatement costs	8(m)	71	71	-	-
		<u>71</u>	<u>71</u>	<u>-</u>	<u>-</u>
Net assets		<u>10,157</u>	<u>5,977</u>	<u>9,455</u>	<u>5,147</u>
Equity					
Share capital	8(n)	25,400	20,027	25,400	20,027
Accumulated losses		(16,217)	(15,036)	(15,945)	(14,880)
Currency translation reserve		46	(50)	-	-
Fair value reserve	8(o)	898	898	-	-
		<u>10,127</u>	<u>5,839</u>	<u>9,455</u>	<u>5,147</u>
Non-controlling interests		30	138	-	-
		<u>10,157</u>	<u>5,977</u>	<u>9,455</u>	<u>5,147</u>

For Notes (f) to (o) above, please refer to item 8 – Review of the performance of the Group.

(b) (ii) Aggregate amount of group's borrowings and debt securities.

The Group did not have any borrowings or debt securities as at 31 December 2018 and 31 March 2018.

(c) A statement of cash flows (for the group), with a comparative statement for the corresponding period of the immediate preceding financial year.

	<u>Group</u>		<u>Group</u>	
	<u>3 months ended</u>		<u>9 months ended</u>	
	<u>31 Dec</u>	31 Dec	<u>31 Dec</u>	31 Dec
	<u>2018</u>	2017	<u>2018</u>	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Loss before taxation from continuing operations	(364)	(839)	(1,289)	(1,677)
Loss before taxation from discontinued operations	-	(338) ⁽¹⁾	-	(411) ⁽²⁾
Loss before tax for the year	(364)	(1,177)	(1,289)	(2,088)
Adjustments for :-				
Depreciation of property, plant and equipment	11	-	34	19
Interest income	(2)	(1)	(2)	(10)
Interest expenses	-	-	-	-
Loss on disposal of a subsidiary	-	244	-	244
Impairment on investment in associate	-	-	13	-
Unrealised currency translation loss	-	215	-	229
	(355)	(719)	(1,244)	(1,606)
Operating cash flow before working capital changes:				
Trade, other receivables and prepayments	(40)	791	(195)	313
Trade and other payables	(219)	454	(1,460)	2,593
Work in progress	-	(233)	-	-
Advance billings	-	(694)	-	-
Cash (used in)/generated from operations	(614)	(401)	(2,899)	1,300
Interest income	2	1	2	10
Interest paid	-	-	-	-
Income tax paid	-	19	-	-
Net cash (used in)/generated from operating activities	(612)	(381)	(2,897)	1,310
Cash flows used in investing activity:				
Additions to property, plant and equipment	-	(11)	-	(17)
Net cash outflow from discontinued operations	-	(585)	-	(585)
Net cash outflow arising from the acquisition of subsidiaries	-	-	-	(6,903)
Net cash used in investing activity	-	(596)	-	(7,505)
Cash flows from financing activity:				
Proceeds from exercise of warrants, right issue and shares placement	2,708	-	4,676 ⁽³⁾	3,601
Deposit received in advance	2,700	-	2,700 ⁽⁴⁾	-
Repayment of finance lease liabilities	-	5	-	-
Net cash generated from financing activity	5,408	5	7,376	3,601
Net increase/(decrease) in cash and cash equivalents	4,796	(972)	4,479	(2,594)
Beginning of the financial period	451	2,000	768	3,622
End of financial period	5,247	1,028	5,247	1,028

⁽¹⁾ Loss from discontinued operation, net of tax for the 3 months ended 31 Dec 2017 is \$356,000.

⁽²⁾ Loss from discontinued operation, net of tax for the 9 months ended 31 Dec 2017 is \$429,000.

⁽³⁾ Issuance of shares amounted to S\$5,373,000, of which S\$697,000 was for settlement of outstanding balances on the cost of acquisition of BSDCN.

⁽⁴⁾ The deposit received in advance pertains to the convertible loan agreement with JMO Pte Ltd is subject to, inter alia, shareholders' approval.

Pine Capital Group Limited
(Company Registration No. 196800320E)

(d) (i) Statement (for the issuer and the group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalization and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

<u>9 months ended</u>	Attributable to equity holders of the parent						
	Share capital	Accumulated losses	Foreign currency translation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
At 1 April 2018	20,027	(15,036)	(50)	898	5,839	138	5,977
Loss for the period	-	(1,181)	-	-	(1,181)	(108)	(1,289)
Other comprehensive income for the period	-	-	96	-	96	-	96
Total comprehensive (loss) / income for the period	-	(1,181)	96	-	(1,085)	(108)	(1,193)
Issuance of ordinary shares	5,373	-	-	-	5,373	-	5,373
At 31 December 2018	25,400	(16,217)	46	898	10,127	30	10,157
	Share capital	Accumulated losses	Foreign currency translation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
At 1 April 2017	16,426	(13,276)	(77)	-	3,073	215	3,288
Loss for the period	-	(1,532)	-	-	(1,532)	(360)	(1,892)
Foreign currency translation reverse	-	-	55	-	55	-	55
Total comprehensive (loss) / income for the period	-	(1,532)	55	-	(1,477)	(360)	(1,837)
Issuance of ordinary shares - Placement	3,600	-	-	-	3,600	-	3,600
Issuance of ordinary shares - Exercised Warrants	1	-	-	-	1	-	1
At 31 December 2017	20,027	(14,808)	(22)	-	5,197	(145)	5,052

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(d) (i) Statement (for the issuer and the group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalization and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

<u>3 months ended</u>	Attributable to equity holders of the parent						
	Share capital	Accumulated losses	Foreign currency translation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
At 1 October 2018	21,995	(15,853)	48	898	7,088	30	7,118
Loss for the period	-	(364)	-	-	(364)	-	(364)
Other comprehensive income for the period	-	-	(2)	-	(2)	-	(2)
Total comprehensive (loss) / income for the period	-	(364)	(2)	-	(366)	-	(366)
Issuance of ordinary shares	3,405	-	-	-	3,405	-	3,405
At 31 December 2018	<u>25,400</u>	<u>(16,217)</u>	<u>46</u>	<u>898</u>	<u>10,127</u>	<u>30</u>	<u>10,157</u>
	Share capital	Accumulated losses	Foreign currency translation reserve	Fair value reserve	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
At 1 October 2017	20,027	(14,096)	(68)	-	5,863	124	5,987
Loss for the period	-	(712)	-	-	(712)	(269)	(981)
Foreign currency translation reverse	-	-	46	-	46	-	46
Total comprehensive (loss) / income for the period	-	(712)	46	-	(666)	(269)	(935)
At 31 December 2017	<u>20,027</u>	<u>(14,808)</u>	<u>(22)</u>	<u>-</u>	<u>5,197</u>	<u>(145)</u>	<u>5,052</u>

Pine Capital Group Limited
(Company Registration No. 196800320E)

(d) (i) Statement (for the issuer and the group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalization and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

<u>9 months ended</u>	Share Capital	Accumulated losses	Total
<u>The Company</u>	S\$'000	S\$'000	S\$'000
At 1 April 2018	20,027	(14,880)	5,147
Loss for the period	-	(1,065)	(1,065)
Total comprehensive loss for the period	-	(1,065)	(1,065)
Issuance of ordinary shares	5,373	-	5,373
At 31 December 2018	25,400	(15,945)	9,455
	Share Capital	Accumulated losses	Total
<u>The Company</u>	S\$'000	S\$'000	S\$'000
At 1 April 2017	16,426	(13,605)	2,821
Loss for the period	-	(1,051)	(1,051)
Total comprehensive loss for the period	-	(1,051)	(1,051)
Issuance of ordinary shares - Placement	3,600	-	3,600
Issuance of ordinary shares - Exercised Warrants	1		1
At 31 December 2017	20,027	(14,656)	5,371

(d) (i) Statement (for the issuer and the group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalization and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

3 months ended

	Share Capital	Accumulated losses	Total
<u>The Company</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
At 1 October 2018	21,995	(15,583)	6,412
Loss for the period	-	(362)	(362)
Total comprehensive loss for the period	-	(362)	(362)
Issuance of ordinary shares	3,405	-	3,405
At 31 December 2018	25,400	(15,945)	9,455

	Share Capital	Accumulated losses	Total
<u>The Company</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
At 1 October 2017	20,027	(14,310)	5,717
Loss for the period	-	(346)	(346)
Total comprehensive loss for the period	-	(346)	(346)
At 31 December 2017	20,027	(14,656)	5,371

- (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

On 17 October 2018, the Company has completed the Placement Shares of 611,111,110 at the issue price of S\$0.0009 and on 27 December 2018, 799,000,000 Placement Shares were issued at S\$0.0027 for an aggregate of S\$550,000 and S\$2,157,300 respectively.

On 18 October 2018, the Company has allotted and issued 775,000,000 new ordinary shares at the issue price of S\$0.0009 for an aggregate of S\$697,500, for the settlement of outstanding balances on the cost of acquisition of BSDCN.

The Company has no treasury shares and subsidiary holdings held in issue.

On 27 November 2018, the Company entered into a convertible loan agreement with JMO Pte. Ltd. to provide the Company with an interest-free unsecured convertible loan, amounting to S\$2,700,000, is subject to, *inter alia*, shareholders' approval. The convertible loan entitles JMO Pte Ltd to convert the loan into 1,000,000,000 new shares at the Issue Price upon satisfaction (or waiver) of the conditions precedent as set out under the convertible loan agreement with maturity date of 24 months.

- (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	<u>31-Dec-18</u>	<u>31-Mar-18</u>
Total number of issued shares	6,642,906,058	3,670,584,201

- (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and at the end of the current financial year reported on.

- (d) (v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company does not have any subsidiary holdings during and at the end of the current financial year reported on.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the most recent audited financial statements.

As required by the listing requirement of the Singapore Exchange, the Group has adopted Singapore IFRS-Identical Financial Reporting Standards ("SFRS(I)") on 1 January 2018. The adoption of SFRS(I) has not resulted in any substantial change to the Group's accounting policies nor has any significant impact on these financial statements.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable. Refer to Note 4 above.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediate preceding financial year, after deducting any provision for preference dividends:-

	9MFY2019	9MFY2018
Loss for the period attributed to equity holders of the Company	(1,181)	(1,532)
Less:		
Loss for the period from discontinued operation	-	(242)
Loss for the purposes of basic loss per shares from continuing operations	(1,181)	(1,290)
From continuing operations attributable to equity holders of the Company		
LPS (cents per share) - weighted average number of share	(0.0240)	(0.0500)
LPS (cents per share) - fully diluted *	(0.0230)	(0.0500)
From discontinued operations attributable to equity holders of the Company		
LPS (cents per share) - weighted average number of share	-	(0.0079)
LPS (cents per share) - fully diluted *	-	(0.0079)
Weighted average number of shares for the purposes of basic loss per share ('000)	4,921,142	3,064,471
Weighted average number of shares for the purposes of diluted loss per share ('000)	5,145,060	3,064,471
Total number of shares in issue ('000)	6,642,906	3,670,584

* due to issuance of warrants

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediate preceding financial year.

	The Group		The Company	
	31 Dec 2018	31 Mar 2018	31 Dec 2018	31 Mar 2018
Net asset value per ordinary share (in S\$ cents)	0.15	0.16	0.14	0.14
Issued ordinary share (in '000)	6,642,906,058	3,670,584	6,642,906,058	3,670,584

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT REVIEW

Notes:

A comparison of the revenue and cost of sales between the 9 months period ended 31 December 2018 and 2017 were not meaningful as the acquisition of ACPAM was completed in August 2017. As such, for 9-months ended 31 December 2017, it comprises of only ACPAM's transactions of 5 months, i.e. for August to December 2017.

- a) The entire revenue was contributed by financial service fees the company's 51% owned subsidiary, Advance Capital Partners Asset Management Pte Ltd ("ACPAM").

For the 3 months ended 31 December 2018 (Q3FY2019), the Group has recorded an increase of S\$380,000 or 84.1% from S\$452,000 to S\$832,000 as compared to the same period ended 31 December 2017 (Q3FY2018). For the 9 months ended 31 December 2018 (9MFY2019), the revenue increased significantly by S\$1,423,000 from S\$585,000 in 9MFY2018 to S\$2,008,000 in 9MFY2019 due to the acquisition of ACPAM.

The Group's cost of sales for Q3FY2019 increased by S\$368,000 from \$187,000 in Q3FY2018 to \$555,000. For the 9MFY2019, the Group recorded an increase of S\$986,000 from S\$244,000 in 9MFY2018 to S\$1,230,000 due to higher referral fees.

The gross profit for the three and nine months period ended 31 December 2018 recorded were S\$277,000 and S\$778,000 respectively.

- b) Other income consists mainly of interest income and foreign exchange gain.
- c) Administrative expenses comprised of staff costs, operating leases, professional fees, client business expenses, SGX listing compliance costs, travelling expenses and general office expenses.

For Q3FY2019, administrative expenses decreased by S\$241,000 or 27.3% from S\$882,000 in Q3FY2018 to S\$641,000, which was mainly attributed by lower professional fees of S\$162,000.

Administrative expenses increased by S\$251,000 or 13.7 % from S\$1,832,000 in 9MFY2018 to S\$2,083,000 in 9MFY2019. This was mainly attributed to higher professional fees incurred due to past corporate actions by the Company of S\$209,000 for the 9 months period from 1 April 2018 to 31 December 2018 as compared to the same period ended 31 December 2017.

- d) The Group's loss from the discontinued operation of S\$244,000 was due to the disposal of Ellebeau Group during the financial period ended 31 December 2017.
- e) Loss from discontinued operation refers to loss for the period from 1 April 2017 to 30 November 2017 for Ellebeau Group.

BALANCE SHEET REVIEW

Notes:

- f) Decreased in Group's property, plant and equipment by S\$34,000 from S\$94,000 in FY2018 to S\$60,000 in Q3FY2019 was due to depreciation charges for the financial period.
- g) Increase in investment in subsidiaries by S\$100,000 was due to an increase in investment cost in ACPAM to maintain minimum capital requirements during the period ended 30 June 2018.
- h) Intangible assets refer to goodwill arising on acquisition of subsidiaries in FY2018. At the date of this announcement, the Management of the Company has completed the purchase price allocation ("PPA") exercise. The determination of fair value of net assets and completion of PPA has been finalized with no significant changes from the provisional values.
- i) Available-for-sale investment refers to the acquisition of 9.98% equity share of Pine Asia Assets Management Inc, which was held by its subsidiary, BSDCN. Increase in available-for-sales investment by S\$96,000 or 4.2% from S\$2,287,000 in FY2018 to S\$2,383,000 in Q3FY2019 was due to exchange rate differences arising from the strengthening of United States Dollar (USD) against Singapore Dollar (SGD).
- j) The Company's trade and other receivables comprise of prepayments and amount due from a subsidiary, BSDCN.

The Group's trade and other receivables comprised of prepayments and deposits, and other receivables. Increase in trade and other receivables by S\$195,000 or 191.2% from S\$102,000 FY2018 to S\$297,000 in Q3FY2019 was mainly due to the increase in prepayments and deposits by S\$79,000 and other receivables by S\$106,000 due to payment on behalf of a related company.

- k) Other payables comprised of trade payables, accrued expenses, advances received from clients and other payables.

The Group's other payables decreased by S\$2,157,000 or 71.7% from S\$3,007,000 in FY2018 to S\$850,000 in Q3FY2019, and the Company's other payables decreased by S\$2,676,000 or 94.7% from S\$2,826,000 in FY2018 to S\$150,000 in Q3FY2019.

Decrease in other payables was mainly attributed to the settlement of the outstanding balances for the acquisition of BSDCN amounting to S\$2,524,000 by way of cash payment of S\$1,827,000 and the remaining balance of S\$697,000 has been settled by the issuance of shares in accordance with the "Settlement Agreement" signed on 5 September 2018. The allotment of the shares was completed on 18 October 2018.

- l) On 27 November 2018, the Company entered into a convertible loan agreement with JMO Pte. Ltd. to provide the Company with an interest-free unsecured convertible loan, amounting to S\$2,700,000, is subject to, *inter alia*, shareholders' approval. The convertible loan entitles JMO Pte Ltd to convert the loan into 1,000,000,000 new shares at the Issue Price upon satisfaction (or waiver) of the conditions precedent as set out under the convertible loan agreement with maturity date of 24 months. The funds received have been recorded as a deposit received in advance subject to conditions precedent and will be repayable on demand if the conditions are not satisfied.
- m) Provision for reinstatement cost amounting to S\$71,000 was in relation to operating lease attributed to ACPAM.

BALANCE SHEET REVIEW (Cont'd)

Notes:

- n) Increase in share capital by S\$5,373,000 or 26.8% from S\$20,027,000 in FY2018 to S\$25,400,000 in Q3FY2019 was due to issuance of ordinary shares as mentioned in Note 1 (d,ii).
- o) Fair value reserve refers to fair value gain on available-for-sales investment as mentioned in Note 8(i).

CASH FLOW STATEMENT REVIEW

Net cash used in operating activities increased by S\$4,207,000 from a net cash generated of S\$1,310,000 in 9MFY2018 to net cash used in operations of S\$2,897,000 in 9MFY2019. This was mainly due to the decrease of S\$4,053,000 from trade and other payables, resulting from the partial settlement of S\$1,800,000 on the acquisition of BSDCN along with the payment of another S\$100,000 for the additional share capital of Advance Capital Partners Asset Management Pte Ltd.

There was no investing activity in 9MFY2019. \$7,505,000 used in 9MFY2018 was mainly attributed to acquisition of new subsidiaries.

Net cash generated from financing activities increased by S\$3,775,000 from S\$3,601,000 in 9MFY2018 to S\$7,376,000 in 9MFY2019 was mainly attributed to cash generated from proceeds from issuance of new shares of S\$4,676,000 and from deposit received in advance of S\$2,700,000.

As at 31 December 2018, the Group's cash and cash equivalents was S\$5,247,000.

Use of proceeds - Rights Shares

The utilization of the proceeds from the Right Shares is listed below.

	S\$'000
Proceeds from Right Shares	1,968
<u>Use of proceeds</u>	
Settlement on the cost of acquisition of BSDCN	(1,500)
Right issue expenses	(328)
Professional fees	(140)
Total payments	<u>(1,968)</u>
Balance as at 31 December 2018	<u><u>-</u></u>

The usage of the placement was consistent with the re-allocation of usage as announced on 13 June 18 and 2 July 18.

Use of proceeds - Placement Shares

The utilization of the proceeds from the Placement Shares is listed below.

	S\$'000
Proceeds from Placement of 611,111,110 Shares	510
<u>Use of proceeds</u>	
Settlement on the cost of acquisition of BSDCN	(327)
Total payments	<u>(327)</u>
Balance as at 31 December 2018	<u><u>183</u></u>

The usage of the placement was consistent with the original intended usage per the announcement on 6 September 2018.

	S\$'000
Proceeds from Placement of 799,000,000 Shares	2,157
<u>Use of proceeds</u>	
Administrative and operational expenses	<u>(379)</u>
Balance as at 31 December 2018*	<u><u>1,778</u></u>

The usage of the placement was consistent with the original intended usage per the announcement made on 27 November 2018.

**Subsequent to the financial period ended 31 December 2018, the Company paid S\$239,700 to the Introducer on 15 January 2019 and another S\$189,819 on 7 February 2019 for the payment of the aggregate cash consideration for the subscription by the Company for 393 new ordinary shares in its subsidiary, ACPAM. Following the utilization of the aforesaid amounts, the balance of the unutilized Net Placement Proceeds amounts to S\$1,348,290.*

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group will continue to focus on enhancing shareholder value with a strategy for steady and sustainable growth in its financial services business.

Subsequent to the Extraordinary General Meeting held on 27 July 2018, the Company will be focusing on the following key areas:

- a. proposed expansion of the Group's current core business of investment in businesses which provides fund and investment management services, to include investment by the Group into funds, portfolio companies, securities and any other investments.
- b. proposed diversification of the Group's core business of investment in businesses which provides fund and investment management services into provision of project management services, fund-raising support, capital management services, consultancy services and any other businesses.

- c. exploring the disposal of non-core assets to rationalize resources to grow the Group's core business of fund and investment management services.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) (i) Amount per share cents

Not applicable.

(b) (ii) Previous corresponding period cents

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

The Company does not have retained earnings to declare dividends. As such, no dividend has been declared or recommended for the financial period 9 months ended 31 December 2018.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have Interested Person Transactions during the 9MFY2019 period ended 31 December 2018. As such, the Group has not obtained general mandate from shareholders for any Interested Person Transaction.

14 Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

We, Mr Tan Choon Wee and Mr Ling Chung Yee, Roy, being directors of Pine Capital Group Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements of the Company and its subsidiaries for the financial period for 9 months ended 31 December 2018 to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company has procured undertakings from all its directors (in the format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules. As at the date of this announcement, the Group has no other executive officers (excluding directors).

BY ORDER OF THE BOARD

Tan Choon Wee
Interim Chief Executive Officer and Executive Chairman

Ling Chung Yee, Roy
Lead Independent Director

12 February 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The 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 Liao H.K.
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