

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

---

**ANNOUNCEMENT PURSUANT TO RULE 704(4) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) SECTION B: RULES OF CATALIST (“CATALIST RULES”) – DISCLAIMER OF OPINION BY INDEPENDENT AUDITORS ON FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

---

Pursuant to Rule 704(4) of the Catalist Rules of the SGX-ST, the Board of Directors (“**Board**”) of Pine Capital Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to announce that the Company’s Independent Auditor, Nexia TS Public Accounting Corporation, had issued a Disclaimer of Opinion in its Independent Auditors’ Report in relation to the audited financial statements of the Group for the financial year ended 31 March 2019 (“**FY2019**”).

The Independent Auditors’ Report in relation to the audited financial statements for FY2019 is annexed to this Announcement. Shareholders of the Company are advised to read this announcement in conjunction with the Independent Auditor’s Report and the Company’s annual report for FY2019 and to read the aforementioned documents in their entirety.

**Basis for Disclaimer of Opinion**

*1. Monetary Authority of Singapore (“MAS”) Direction Letter*

As disclosed in Note 32 to the audited financial statements for FY2019 and as announced by the Company on 28 May 2019, ACPAM has received a MAS Direction Letter on 13 May 2019.

At the date of this announcement, the MAS has not lifted its direction letter to ACPAM, however, the Company believes that the concerns set out in MAS Direction Letter has been addressed and is of the view that there is no significant impact on the financial statements of the Group. Please refer to the announcement dated 28 May 2019. ACPAM is working closely with the MAS in this matter.

*2. Independent Review*

As disclosed in Note 32 to the audited financial statements for FY2019 and as announced by the Company on 21 March 2019, the Board, in consultation with the SGX-ST, will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019. The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

As at the date of this announcement, the Board is still in the process of finalising the scope and terms of reference of the independent review (“IR”), however, the Board, believes that the IR will focus mainly on corporate governance and will not have significant impact on the financial statements of the Group. The Board had assessed several candidates to act as Independent Reviewer and is in the midst of appointing a suitable candidate.

The majority of the Board, save for Mr. Tomi Tjio who has abstained, is of the view that barring unforeseen circumstances and subject to the finalization of the scope and terms of reference of the IR and appointment of the Independent Reviewer, the working capital available to the Group is sufficient for its present requirements for the next 12 months, and the Group will be able to continue to operate as a going concern taking into account, *inter alia*, the Group’s existing cash balance (which is sufficient

to cover the estimated contracted expenses known to the Board, and the Board's expectation of fees to be reasonably incurred in the short to medium term) and subject to controls on costs which has been or will be contracted for.

Any material updates will be provided as and when the situation changes. The Board's objectives when managing the working capital is to safeguard the Group's ability to continue as a going concern.

The Company will continue to make announcements as and when appropriate to update shareholders on the above matters.

The majority of the Directors, save for Mr. Tomi Tjio who has abstained, collectively and individually 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 about the Disclaimer of Opinion, the MAS Direction Letter and the Independent Review, the Company and its subsidiaries, and the majority of the Directors, save for Mr. Tomi Tjio who has abstained, are not aware of any facts the omission of which would any statement in this announcement misleading. Where information in the 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 the announcements in its proper form and context.

By Order of the Board

Andrew Lee  
Executive Director  
9 July 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.  
Telephone number: 6221 0271*

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PINE CAPITAL GROUP LIMITED**

**Report on the Audit of the Financial Statements**

*Disclaimer of Opinion*

We were engaged to audit the accompanying financial statements of Pine Capital Group Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 62.

We do not express an opinion on the accompanying financial statements of the Group and the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

***Basis for Disclaimer of Opinion***

The Group's operation was mainly dependent on its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("ACPAM"). At the date of our report, the following regulatory matters involving ACPAM are outstanding:

*a. Monetary Authority of Singapore ("MAS") Direction Letter*

As disclosed in Note 32, ACPAM has received a MAS Direction Letter on 13 May 2019 to suspend all fund raising activities and all subscription activities, and not to enter into new investments or draw down any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until certain conditions are satisfied.

At the date of our report, the MAS has not lifted its direction letter to ACPAM and accordingly, we are unable to ascertain the possible impact of this MAS directive on the Group's business operations.

*b. Independent Review*

As disclosed in Note 32, the Company's Board of Directors (the "Board"), in consultation with Singapore Exchange Securities Trading Limited ("SGX-ST"), will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019 concerning the operations of its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("ACPAM").

The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

At the date of our report, the Board is still in the process of finalising the scope and terms of reference of the independent review ("IR"). Accordingly, we are unable to ascertain whether the IR, the outcome of which is unknown, would have an impact on the Group's business operations. We are also unable to ascertain the extent of pervasiveness and/or significance of any adjustments that may arise from the IR, if any, on the financial statements of the Group.

Because of the significance of the uncertainty arising from the MAS Direction Letter and IR as described above, we are unable to express an opinion on the accompanying financial statements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PINE CAPITAL GROUP LIMITED (CONT'D)**

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards (International) ("SFRS(I)s"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

**Report on Other Legal and Regulatory Requirements**

In our opinion, except for those matters described in the Basis for Disclaimer of Opinion section of our report, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Low See Lien.

**Nexia TS Public Accounting Corporation  
Public Accountants and Chartered Accountants**

Singapore

## **NOTE 32. OTHER MATTERS**

### *MAS Direction Letter*

As announced by the Company's Board, ACPAM has received a MAS Direction Letter on 13 May 2019 to suspend all fund raising activities and all subscription activities, and not to enter into new investments or draw down any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until certain conditions are satisfied.

At the date of this report, the MAS has not lifted its direction letter to ACPAM.

### *Independent Reviewer*

The Company's Board of Directors (the "Board"), in consultation with Singapore Exchange Securities Trading Limited ("SGX-ST"), will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019 concerning the operations of its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("ACPAM").

The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

At the date of this report, the Board is still in the process of finalising the scope and terms of reference of the independent review ("IR").