PINE CAPITAL GROUP LIMITED
(Company Registration No. 196800320E)
(Incorporated in the Republic of Singapore)

COMMENCEMENT OF LEGAL PROCEEDINGS BY SUBSIDIARY, ADVANCE CAPITAL PARTNERS MANAGEMENT PRIVATE LIMITED AND INTERIM INJUNCTION AGAINST WANG MENG AND PAN KI RO

The board of directors (the "**Board**") of Pine Capital Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that on 23 September 2019, the Company's subsidiary, Advance Capital Partners Assets Management Private Limited ("**ACPAM**") had commenced legal proceedings against two of ACPAM's former directors, Wang Meng ("**Wang**") and Pan Ki Ro ("**Pan**") for (i) their breaches of their common law, statutory and fiduciary duties and obligations owed to ACPAM; and (ii) conspiring to injure ACPAM by unlawful means.

As background, the Company understands that the management rights of the only fund managed by ACPAM, Advance Credit Fund SPC ("**ACF**" or the "**Fund**") rests with the holder of ACF's one management share. The legal proceedings commenced by ACPAM against Wang and Pan relate to possible mismanagement and the transfer of the one management share in ACF from ACPAM to Wang. To the best of the Board's knowledge, the ACF management share was transferred from ACPAM to Wang, with the approval of Pan. As a result of the said transfer, ACPAM, the principal Fund and contributor to the Company's revenue and earnings, has no other operating Fund. Notwithstanding the above, the Company still has operating business through Pine Capital (Shanghai) Group Limited ("**PCS**"). PCS is the consulting arm for the Company in China with a team working to secure mandates and partnership sales agreement.

As part of these legal proceedings, ACPAM has also applied for and obtained an interim injunction after 2 hearings in the Singapore High Court on 25 September 2019 and on 26 September 2019 (the "**Injunction Order**") against Wang and Pan (including their agents and servants) to restrain Wang and Pan from:

(a) transferring, disposing or otherwise dealing with the one management share in ACF;
(b) acting or purporting to act as ACF's directors and be restrained from acting on ACF's behalf or interfering in the affairs of ACF:
(c) exercising any rights as the holder of the one management share in ACF, including but not limited to voting rights and the right to convene meetings or procure resolutions of ACF;
(d) disposing of, transferring and/or dealing with any of ACF's assets or properties, including but not limited to all of ACF's investments and funds.

Wang and Pan are also ordered to provide a full account of all dealings and transactions carried out by ACF since April 2019 within seven (7) days of the service of the Injunction Order. The Company wishes to add that it understands that ACPAM's lawyers have required time to effect service of the Injunction Order on Wang and Pan, and that an announcement prior to the service of the Injunction Order may irreparably prejudice ACPAM's interests by providing Wang and/or Pan notice prior to the service

of the Injunction Order. The Company received confirmation from ACPAM in the evening of 9 October 2019 that service of the Injunction Order has been effected.

The Company and its legal advisors are closely monitoring the progress of the legal proceedings against Wang and Pan and will updates its shareholders of further developments in due course. The Company wishes to state that the transfer will not have a material impact on the EPS and NTA per Share for this current financial year. While there will be loss of revenue from ACF, ACF was a loss-making activity and, after removing the associated costs, the net effect on the Group's EPS will be positive but immaterial. Further, as stated above, the Company still has PCS as its other operating business.

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 legal proceedings, the Injunction Order, 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

14 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.*

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..
Telephone number: 6221 0271