PINE CAPITAL GROUP LIMITED

(formerly known as "OLS Enterprise Ltd.")
(Company Registration Number: 196800320E)
(Incorporated in the Republic of Singapore)
(the "**Company**", together with its subsidiaries, the "**Group**")

RECEIPT OF LETTER OF DEMAND

Unless defined otherwise, all capitalised terms used but not defined in this announcement shall have the meanings ascribed to them in the Company's announcements released on 11 December 2018, 15 April 2019 and 4 July 2019.

The board of directors (the "**Board**") of Pine Capital Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company had on 9 July 2019 received two letters by way of emails timed at 9:59am and 11:58pm (each, the "**Letter of Demand**") from the solicitors acting for Mr. David Sarkis (the "**Vendor**") in relation to the Company's alleged breach of a Share Purchase Agreement dated 10 December 2018, as amended, supplemented and modified by the supplemental agreement dated 15 April 2019 ("**Share Purchase Agreement**"), under which the Vendor was to sell to the Company 51.0% of the issued and paid up share capital of Silver Tree Hong Kong Limited.

It is provided in the Letter of Demand received at 9:59am that:

(a) the Company has failed, refused and/or neglected to allot and issue the Stage 1 Consideration Shares on or before the Extended Stage 1 Long Stop Date, as defined under the Share Purchase Agreement;

(b) the Vendor is entitled to, and does hereby exercise his rights pursuant to clauses 6.4(c) and 8.3(a)(ii) of the Share Purchase Agreement to terminate the Share Purchase Agreement; and

(c) the Vendor fully reserves his right in respect of antecedent breaches of the Share Purchase Agreement, and shall, if necessary, commence legal proceedings against the Company without further reference.

Pursuant to the Letter of Demand received at 11:58pm, the Vendor has demanded compensation of an aggregate sum of 10 million Hong Kong Dollars for the following:

(a) loss and damage suffered by the Vendor due to the fall in market value of licensed fund management companies in Hong Kong regulated by the Securities and Futures Commission of Hong Kong permitted to carry out asset management services (Type 9 licence);

(b) loss and damage suffered due to monies owing for the purpose of the funding requirements of Silver Tree Hong Kong Limited; and

(c) loss of chance and opportunity to acquire the Stage 1 Consideration Shares as defined under the Share Purchase Agreement.

As provided in the announcement dated 11 December 2018 in relation to the Share Purchase Agreement, the Company wishes to reiterate as follows:

(a) The consideration as set out in the Share Purchase Agreement will be payable by way of allotment and issuance of new ordinary shares (equivalent to $447,368.43 Singapore Dollars) in the share capital of the Company and not in cash terms.

(b) At all times, the completion and obligations of the Share Purchase Agreement is subject to satisfaction (or waiver) of Conditions Precedent, including but not limited to, relevant regulatory approvals, approval on the listing of and quotation for Consideration Shares, satisfactory due

diligence and no material adverse change in the financial position or operations of Silver Tree Hong Kong Limited.

(c) The valuation of Silver Tree Hong Kong Limited is 5 million Hong Kong Dollars.

(d) The relative figures in relation to the proposed acquisition under the Share Purchase Agreement under Rule 1006(b) of the Listing Manual of the SGX-ST Section B: Rules of Catalist ("**Catalist Rules**") involve negative figures. Hence, under Rule 1007 of the Catalist Rules, consultation with Singapore Exchange Securities Trading Limited (the "**Exchange**") is required on, *inter alia,* the application of Chapter 10 of the Catalist Rules including the requirement, if applicable, to seek shareholders' approval. As at the date of this announcement, the Company and the Vendor have yet to finalise the consultation paper required by the Exchange. As such, the Company is unable to issue and allot any shares to the Vendor.

The Company is in consultation with its legal advisors and will make further announcements in relation to the above as appropriate in due course and on any other material developments as and when necessary.

Shareholders and potential investors are advised to carefully read this announcement and any further announcements made by the Company. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD
PINE CAPITAL GROUP LIMITED

Andrew Lee
Executive Director

12 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 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