PINE CAPITAL GROUP LIMITED

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

FINDINGS OF INDEPENDENT REVIEWER'S REPORT

The board of directors (the "**Board**") of Pine Capital Group Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to update the shareholders of the Company that the Company has on 12 June 2020 received the independent review report from KordaMentha Pte. Ltd, the independent reviewer appointed by the Company as announced on 15 July 2019.

FINDINGS OF INDEPENDENT REVIEWER'S REPORT

To recap, the Board had on 21 March 2019 announced the decision to suspend the trading of the Company in view of the following:

(a) The Board had received numerous allegations from various parties concerning, *inter alia* its then sole operating 51% wholly-owned subsidiary, Advance Capital Partners Asset Management Private Limited ("**ACPAM**") and its operations, including allegations in respect of potential conflict of interest and possible lapses in internal control; and

(b) On 19 March 2019, ACPAM had received a notice of termination of management agreement between ACPAM and Advance Opportunities Fund I.

In light of the numerous allegations received by the Board, as announced on 15 July 2019, the Company had on 15 July 2019 appointed KordaMentha Pte. Ltd. as the independent reviewer ("**Independent Reviewer**") to review, *inter-alia*:

(a) The various allegations received by the Company since January 2019 and the internal controls, policies and procedures of the Group surrounding the operations of ACPAM including allegations in respect of potential conflict of interest and possible lapses in internal control.

(b) To identify and make appropriate recommendations on any internal control lapses and potential breaches or non-compliance of rules, laws and regulations (in relation to the scope of work) and the parties responsible for the respective potential breaches or non-compliance.

The Company had on 12 June 2020 received the independent review report from the Independent Reviewer ("**Independent Review Report**").

The Board wishes to apprise the Shareholders on the key findings of the Independent Review Report; the Independent Reviewer's recommendations and the Company's follow-up actions. In compliance with the Notice of Compliance issued by Singapore Exchange Regulation on 20 July 2020 on SGXNET, a copy of the Executive Summary of the Independent Review Report ("**Executive Summary**") is attached herein to this announcement as **Appendix A**.

The Board wishes to further inform Shareholders that certain sections of the attached Executive Summary which refers to private correspondences between ACPAM and the Monetary Authority of Singapore has been removed for confidentiality purposes.

FINDINGS OF INDEPENDENT REVIEWER'S REPORT

Key Findings of the Independent Review Report

The Independent Reviewer addressed the following allegations and issues at large in the Independent Review Report:

(a) Potential conflict of interest in regards to transactions entered into by various individuals who had interest in both the Company and ACPAM;

(b) Failure by the Group to make timely disclosures to the relevant authorities;

(c) Oversight by the Company in maintaining and adhering to good and proper corporate governance policies.

Recommendations by the Independent Reviewer

In summary, the Independent Reviewer had made the following recommendations in the Independent Review Report:

(a) The Company is to make adequate disclosures and timely announcements to the relevant authorities;

(b) That a full internal controls review be undertaken by the Group focusing on areas such as, but not limited to (i) transparency; (ii) disclosures; (iii) conflicts; (iv) independence; and (v) regulatory obligations; and

(c) That a comprehensive risk review is to be undertaken by the Company in respect to ongoing regulatory regulations.

Follow-up Actions by the Company

The Board takes cognisance of the recommendations made by the Independent Reviewer in the Independent Review Report which largely relates to lapses in existing compliance policies of the Company. In order to address the aforementioned recommendations, the Board will use its best endeavours to engage a compliance firm and/or compliance personnel to address the compliance matters of the Company.

However, considering that the Company has been declared a cash company as announced on 24 June 2020, the appointment of a compliance firm and/or compliance personnel is subject to the prevailing financial circumstances of the Company.

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 and the attached summary constitutes full and true disclosure of all material facts or circumstances about the update on the Company including *inter alia* the Independent Review Report which

was prepared by the said reviewer (its findings, recommendations and follow-up actions) 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
22 July 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.
Telephone number: 6221 0271

FINDINGS OF INDEPENDENT REVIEWER'S REPORT

Appendix A
Executive Summary of the Independent Review Report

B. Executive summary

Background

25. This report addresses a series ofallegations and issues borne out in the form of responses to the Terms of Reference (i.e. 'TOR') outlined as part of our independent review to PCGL.

26. There are numerous allegations and issues contained within the TOR as such we have sought to address each of these on individual merit.

27. To this end a summary of each issue or allegation has been created with pertinent findings and suggested conclusions outlined below. Where we feel that further consideration should take place, we have made observations and recommendations appropriately.

Summary of findings

TOR	Allegation	Conclusion	Comments
1.1	To ascertain and confirm that PCGL still owns 51% of its core-operating subsidiary, ACPAM.	• PCGL maintained at least 51% ownership of ACPAM based on the issued and paid up share capital of ACPAM since the PCGL Acquisition through 18 July 2019.	• Substantiated
1.2	To ascertain whether there is any actual, pending or threatened legal proceedings against PCGL and ACPAM.	• There were three ongoing legal proceedings against Mr Tan and ACPAM as of 18 July 2019.	• Substantiated
1.3	To ascertain whether PCGL has control over ACPAM's Board.	• Although PCGL is the majority shareholder of ACPAM, it appeared that the control of the ACPAM Board rested with Mr Tan due to: – The appointments of directors of ACPAM from March 2017 to March 2019 were undertaken by way of passing a DRIW, which was executed solely by Mr Tan; – It is apparent that Mr Tan has been proximate to each of the individuals who were appointed as director of ACPAM between March 2017 to March 2019. • The question of whether PCGL has control over ACPAM's Board is a matter of interpretation, and on the face of it would appear that Mr Tan in fact held influence and perhaps control of the ACPAM Board.	• Not substantiated • We suggest further legal analysis and interpretation could be given to this question.

TOR	Allegation	Conclusion	Comments
2.1	To investigate the potential conflict of interest in respect of TCW and his roles in PCGL, ACPAM and the relevant funds managed by ACPAM.	• We observed that there is apparent conflict of interest in respect of Mr Tan and his roles in ACPAM and PCGL and suggest further work to be done in respect of a conflict controls review. • From our understanding of the Code of Corporate Governance 2012 and 2018, there is no specific clause that addresses whether there are conflicts of interest when a person holds multiple offices within the same organisation, specifically if the individual holds executive roles in both a parent and subsidiary.	• Substantiated • We note that perceived conflicts in respect of Mr Tan and his roles in both PCGL and ACPAM can be rectified/balanced by the presence of independent directors on both the PCGL and ACPAM Boards.
2.2	To investigate whether approvals were properly obtained for ACPAM's involvement in the following transactions, including without limitation:		
2.2a	the proposed acquisition by Global Invacom Group Limited ("GIGL") of the entire issued and paid up capital of Tactilis Sdn. Bhd. ("Tactilis SB") held by Tactilis Pte. Limited ("Tactilis PL") pursuant to the conditional sale and purchase agreement dated 23 October 2018 (the "Proposed RTO")	• The Proposed RTO did not require approval from ACPAM or PCGL.	• Not substantiated
2.2b	the proposed loan on or about 30 May 2018 to Tactilis PL by Advance Credit Fund SPC (for and on behalf of Golden Fund SP) ("ACF"), a fund managed by ACPAM (the "Proposed Loan")	• Mr Tan and Mr Wang were both directors of ACF at the time of the Proposed Loan. From the correspondence reviewed, Mr Tan was consulting Mr Wang on the Proposed Loan, which is the expected procedure in the normal course of business. • We have no other information or documentation to prove otherwise that the Proposed Loan was approved by either Mr Tan or Mr Wang and we have not sighted any documentation that indicate that the Proposed Loan took place. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.2 c	the subscription agreement dated 23 October 2018 relating to the issue of 1.0% redeemable convertible notes due 2021 in aggregate principal amount of up to S$20 million issued by GIGL to funds managed by ACPAM, namely ACF, Advance Opportunities Fund I ("AOF1") and Advance Opportunities Fund ("AOF") (the "Proposed RCN")	• In respect to ACPAM's involvement in the Proposed RCN, we consider that Mr Tan as the CEO and Executive Director of ACPAM, was authorised to act and approve the proposed transaction. • In respect to ACF's involvement in the Proposed RCN, since Mr Wang had signed the GIGL RCN SA on behalf of ACF along with an email approval before the Proposed RCN was announced on 24 October 2018, we consider that approval for ACF's involvement in the Proposed RCN was obtained. • In respect to AOF1's involvement in the Proposed RCN, we consider Mr Tan had the authority to act on behalf of AOF1 due to the manner in which the AOF1 Board Resolution to approve the Proposed RCN was drawn up.	• Substantiated • There were late disclosures made to the directors of AOF1 and ACF. • There was inconsistent messaging around Mr Tan's conflict of interest and his involvement with Tactilis PL, which resulted in the perceived or actual lack of approvals for the Proposed RCN. • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the Investment Management Agreement that is in place between ACPAM and any funds managed by ACPAM. • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater logic applied, which may have mitigated the lapses in controls and perceived conflicts.
2.3	To investigate the following concerns raised by Jessie during her exit interview as Chief Operating Officer, including without limitation:		
2.3a	whether ACPAM's repeated capital calls were justified and to look into the utilisation of funds by ACPAM and whether ACPAM's funds were unlawfully and/or improperly depleted. To review and assess whether ACPAM was in compliance with regulatory and licencing requirements, including but not limited to adequacy of working capital and regulatory capital requirements	• The three capital calls made by ACPAM between May 2018 and April 2019 were justified considering the need to fulfil MAS base capital requirements. • We have no evidence to show that ACPAM's funds were unlawfully and/or improperly depleted. Although employees' compensation has been increasing, this seem to be in the ordinary course of business. However, we observe that referral fees of total expenses had increased from 0% in 2017, 29% in 2018 and 47% in 2019 which appears to be quite high. • ACPAM appears to be in compliance with MAS base capital requirements with the exception of the backdating of the second share allotment in relation to the first capital call.	• Substantiated • Further consideration is required in relation to the capitalisation of Mr Tan's waived salaries as capital contribution to ACPAM during the capital calls. This is discussed further under TOR 2.4f. • Further review may be required to examine the appropriateness of the referral fees and the commerciality of such. • We note that if not for the backdating of the second share allotment in relation to the first capital call, ACPAM would have breached MAS base capital requirements in July 2018.

TOR	Allegation	Conclusion	Comments
2.3b	whether the Proposed Shareholder's loan from PCGL to ACPAM, which was stated to be interest free and "payable when able", was adverse to the interests of PCGL	• The Proposed Shareholder's Loan does not appear to be commercial and/or enforceable and would appear to be adverse to the interests of PCGL. • Since the Proposed Shareholder's Loan did not materialise, this allegation of adversity to PCGL cannot be completely examined and it would therefore be a negative assumption to assume that the loan was adverse to the interests of PCGL.	• Not substantiated
2.3c	whether Mr. Tan Choon Wee had requested the use of substantial funds of PCGL without taking into account the restrictions applicable for the usage of such funds	• In relation to the second capital call, the funds requested from PCGL appears to have been utilised by ACPAM in February and March 2019 in accordance with PCGL's understanding of how the funds would be used. We observe that the funds were required to cover ACPAM's expenses during that period as ACPAM's revenues were not sufficient to cover said expenses.	• Not substantiated • We note that rather than "restrictions" being applied to the usage of PCGL funds, we understand this allegation as PCGL's consideration for the capital call request, and what the funds requested would be used for. • Consideration should also be given to the level of Mr Tan's monthly remuneration of SGD 36,500 in ACPAM, given that ACPAM had been making losses since the year ended 30 June 2018. This is discussed further under TOR 2.4f.
2.3d	whether Mr. Tan Choon Wee made promises to an external party to invest PCGL's money amounting to US$1 million into that third party's fund without getting approval from the Board	• This allegation potentially refers to an allegation that Mr Tan made promises to Silver Tree Hong Kong Limited for an investment into Silver Tree Hong Kong's fund amounting to USD 1 million without getting approval from the Board. • We do not have any evidence to substantiate whether Mr Tan made such promises nor any written record on when he made such promises in the event he did. • On the basis that the allegation happened around the timeframe when Silver Tree Hong Kong Limited entered the Silver Tree Proposed Acquisition with PCGL in December 2018 but for subsequent development, it would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.3e	whether Mr. Tan Choon Wee had continued to receive his salary as the interim CEO of PCGL despite volunteering not to do so	• Mr Tan received a salary as the Interim CEO of PCGL from July to September 2018, as per the service agreement for his appointment dated 16 July 2018. The PCGL board members were aware of the service agreement and the remuneration terms as they had signed off on the respective board resolutions.	• Not substantiated • We note that Mr Tan's PCGL salary in relation to his appointment as the Interim CEO was not announced on SGX, and did not appear to be disclosed to Ms Sun, other officers or relevant staff at PCGL, resulting in confusion around whether Mr Tan was entitled to receiving the said salary. • We recommend that adequate disclosures and announcements should always be made in relation to material appointments.
2.3f	the allegation that Mr. Tan Choon Wee and Mr. Bernard Ong Kheng Chye had a conflict of interests at the time of the Proposed RTO, as they were both directors of Tactilis PL and ACPAM, were beneficial owners of 8.2% and 6.8% shareholding in Tactilis PL respectively, and were using funds raised from the Proposed RCN ("ACPAM Third-Party Funds") to finance the Proposed RTO, which if unsuccessful, would result in the payment of a US$20 million break fee by Tactilis PL	• Mr Tan and Mr Ong appeared to have conflicts of interest in the Proposed RTO and Proposed RCN. This conflict of interests may have resulted in the concurrent resignations of Mr Tan and Mr Ong on 29 October 2018. • Mr Tan and Mr Ong did not have the authority to decide how the gross proceeds from the issuance of RCN Notes would be used by GIGL, hence it would appear that the allegation that they were using the funds from the Proposed RCN to finance the Proposed RTO cannot be taken any further. • There is no information from the GIGL RTO Announcement to indicate that if the Proposed RTO is unsuccessful, it would result in Tactilis PL paying a USD 20 million break fee.	• Not substantiated • It appears that the investment management agreement ('IMA') between ACPAM (as the fund manager) and the funds managed by ACPAM (AOF1, ACF) allows a director of ACPAM to be involved in other financial investment or other professional activities which may on occasion cause conflicts of interest. • We recommend a review of the IMA that is in place between ACPAM and any funds managed by ACPAM to mitigate any perceived or actual conflicts for these transactions.

TOR	Allegation	Conclusion	Comments
2.3g	the concealment of Mr. Tan Choon Wee and Mr. Bernard Ong Kheng Chye's conflict of interests	• There is no direct evidence to indicate that Mr Tan and/or Mr Ong concealed their respective interests in Tactilis PL with respect to the Proposed RTO and Proposed RCN.	• Not substantiated • We note that there were inaccurate and/or late disclosures made to the directors of AOF1 and ACF. • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the IMA that is in place between ACPAM and any funds managed by ACPAM. • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater logic applied, which may have mitigated perceived conflicts.
2.3h	the non-disclosure of the complete facts and risks of the Proposed RTO to the ACPAM Third-Party Funds and the shareholders of GIGL	• In addressing the allegation of non-disclosure of the complete facts and risks of the Proposed RTO to AOF1 and ACF, we observe that there were inaccurate and/or late disclosures made to the directors of AOF1 and ACF in relation to the Proposed RCN, including Mr Tan's and Mr Ong's interests in Tactilis PL. • In addressing the allegation of non-disclosure of the complete facts and risks of the Proposed RTO to the shareholders of GIGL, as the Proposed RTO are by its term, proposed, we consider that GIGL had made preliminary disclosures to shareholders.	• Not substantiated • At the time of execution of the Proposed RCN, the directors of AOF1 and ACF (Mr Wang and Mr Ahmed) may not be fully aware of the circumstances involving the Proposed RCN.

TOR	Allegation	Conclusion	Comments
2.3i	the allegation that the Proposed RTO may result in significant losses to the ACPAM Third-Party Funds, and that Mr. Tan Choon Wee may have been aware that AOF and AOF1 did not have sufficient funds, that ACF had no intention to provide funding to Tactilis SB, and that Mr. Wang Meng and Mr. Alauddin Ahmed had previously refused Mr. Tan Choon Wee's request to extend a loan to Tactilis SB as Tactilis SB had weak financials according to their analysis	• In addressing the allegation that the Proposed RTO may result in significant losses to AOF1 and ACF, we consider that AOF1 and ACF may earn 1.0% coupon rate in 2021 from the RCN Notes allocated to them if the Proposed RCN consummated. However, in the event of default, AOF1 and ACF could likely lose their funds provided to GIGL. We are not in the position to ascertain whether there will be earnings or losses with respect to this transaction as the Proposed RCN lapsed in January 2019. • In addressing the allegation that Mr Tan may have been aware that AOF and AOF1 did not have sufficient funds, we consider that Mr Tan was likely to have been aware of AOF's and AOF1's financial status at the relevant time. We are not in a position to determine whether AOF would have had sufficient funds based on the records provided to us, and given the uncertainty of future events at the time of the Proposed RCN, we are not in the position to determine whether AOF1 would have sufficient funds in the future. • In addressing the allegation that ACF had no intention to provide funding for the Proposed RCN (i.e. to GIGL), we consider that ACF provided approval for the Proposed RCN when it first announced in October 2018. It is apparent that the directors of ACF may not have had a full understanding of the Proposed RCN transaction and subsequently had the intention to remove ACF from the Proposed RCN in February 2019. • In addressing the allegation that Mr Wang and Mr Ahmed had previously refused Mr Tan's request to extend a loan to Tactilis SB, we consider that Mr Wang had declined a proposed loan of USD 600,000 to Tactilis PL on or about 30 May 2018. We have not identified any documents or information regarding Mr Ahmed's refusal to extend the said loan to Tactilis PL, or any other loan to Tactilis PL and/or Tactilis SB. • Given these findings, it would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.3j	the allegation that Mr. Tan Choon Wee, Mr. Bernard Ong Kheng Chye, Mr. Yap Lian Seng and Ms. Margaret Yue (who was the ex-compliance officer of ACPAM) appeared to have adopted deceptive measures to induce and mislead AOF1 and ACF's directors to approve the Proposed RTO and to take steps to conceal this scheme, including the unusual and inappropriate circumstances under which the approval of AOF1 and ACF's directors was sought	• There is no direct evidence to suggest that Mr Tan, Mr Ong, Mr Yap and Ms Yue took deliberate action to deceive the directors of AOF1 and ACF, or to induce and mislead the directors to approve the Proposed RCN, given the following: – There is no evidence that Mr Ahmed and Mr Wang were intentionally left out of the email correspondence during the time when the Proposed RCN agreements were drafted and circulated by Zico Law; – Due to conflicting accounts of the events that occurred on 19 October 2018, there is inconclusive evidence to confirm whether questionable behaviour was applied to Mr Wang to sign the signature page of the GIGL RCN SA on behalf of ACF, however he may have been under pressure due to the circumstances at that time; – Due to the manner in which the AOF1 Board Resolution to approve the Proposed RCN was drawn up, Mr Tan had the authority to act on behalf of AOF1 despite the previous declaration that he would abstain from approving the transaction due to his perceived or actual conflict of interests.	• Not substantiated • Mr Ahmed and Mr Wang were not copied on the email correspondence during the time when the Proposed RCN agreements were drafted and circulated by Zico Law, and prior to the night of 23 October 2018 when the execution versions of the agreements were circulated. This could be due to an oversight or poor compliance procedures and controls. • There were inaccurate and/or late disclosures made to the directors of AOF1 and ACF in relation to the Proposed RCN. • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the IMA that is in place between ACPAM and any funds managed by ACPAM. • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater consideration to all parties in terms of timing and comprehension of the undertakings.
2.3k	the allegation that it was not disclosed that Mr. Tan Choon Wee was able to collect fees amount to 6% through AOF for the drawing down of the Proposed RCN	• The 6% administrative fee would be paid out to ACPAM and/or AOF by the respective Subscribers (AOF, AOF1, ACF) for each subscription of each sub-tranche of the RCN Notes, and was disclosed in the GIGL RCN SA, which was distributed to the directors of AOF1 and ACF. • Despite Mr Tan's personal interests in ACPAM and AOF, there is no direct correlation that Mr Tan would be able to "collect fees amounting to 6% through AOF" hence it would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.3l	the allegation that Mr. Tan Choon Wee executed the Proposed RCN on behalf of AOF1, despite his representation and declaration that he shall abstain from voting on the transaction on behalf of AOF1, and thereby acted beyond his authority as a director	• Mr Tan was authorised to execute the Proposed RCN on behalf of AOF1, based on the following reasons: – He was the sole shareholder and one of the two directors of AOF1; – Mr Ahmed provided an email approval and signed the AOF1 board resolution to approve the Proposed RCN; • Due to the manner in which the AOF1 board resolution was drawn up, Mr Tan had the authority to act on behalf of AOF1 despite the previous declaration that he would abstain from approving the transaction due to his perceived or actual conflict of interests.	• Not substantiated • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the IMA that is in place between ACPAM and any funds managed by ACPAM. • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater logic applied, which may have mitigated the confusion around Mr Tan's actual authority.
2.3m	the allegation that Mr. Wang Meng raised his concerns regarding ZICO Insight Law LLC's ("ZicoLaw") conflicts of interest to Ms. Margaret Yue (ACPAM's then compliance officer), who left ACPAM shortly after the Proposed RTO was announced without any follow up action on Mr. Wang Meng's concerns	• We understand that Mr Wang had spoken to Ms Yue verbally regarding his concern of the incident that occurred on 19 October 2018, when he was asked to attend Zico Law's office to sign a blank signature page, which he realised afterwards that it was for the GIGL RCN SA. • There was no follow up action taken by Ms Yue regarding Mr Wang's concerns in relation to the incident. Subsequently, Mr Wang also spoke to Ms Sun regarding the same incident. • We have no other information or documentation to prove otherwise that Mr Wang made any complaint to Ms Yue regarding Zico Law's conflict of interest nor any other written record on when he made such complaint to Ms Yue. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.3n	the allegation that Mr. Wang Meng raised his concerns to Ms. Jessie Sun (then PCGL's COO), who was abruptly and forcefully terminated by Mr. Tan Choon Wee (then CEO and Chairman of PCGL) in end January 2019	• Mr Wang had raised his concerns on the Proposed RCN to Ms Sun verbally sometime in November 2018. Aside from our interviews with Ms Sun and Mr Wang, we have no other information or documentation to corroborate the events and communication between Mr Wang and Ms Sun in relation to this allegation. • It is apparent that Ms Sun was abruptly terminated because of the reasons outlined in the SGX Announcement of Cessation on 3 February 2019, the Sponsor's exit interview notes and termination letter dated 31 January 2019. • There are conflicting statements in respect to whether Ms Sun was forcefully terminated by Mr Tan. We note that this forms part of the allegation to the police and therefore we will leave it to the police to further examine this allegation of force.	• Not substantiated
2.3o	the allegation that Mr. Tan Choon Wee, Mr. Bernard Ong Kheng Chye and Mr. Yap Lian Seng may have misled the public shareholders of GIGL on the viability of the Proposed RTO	• The Proposed RTO was a proposed transaction between GIGL and Tactilis PL; ACPAM and the funds managed by ACPAM, namely AOF1 and ACF were not parties to the transaction. • It is apparent that the Proposed RTO and Proposed RCN are not inter-conditional on each other and the Proposed RTO should not be contingent on whether the Proposed RCN succeeds or fails. • We are not aware that Mr Tan, Mr Ong and/or Mr Yap, had any authority or could act in any capacity to issue statements, circulars or announcements regarding the Proposed RTO to GIGL shareholders. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.3 p	the allegation that Mr. Tan Choon Wee and Mr. Bernard Ong Kheng Chye seemed to have conspired to utilise ACPAM's Third-Party Funds for their personal benefit and failed to act in the best interests of ACPAM	• We have not identified any evidence to suggest a conspiracy between Mr Tan and Mr Ong to utilise the funds from the Proposed RCN for their personal benefit. However, as the funds from the Proposed RCN may be used to satisfy GIGL's takeover of Tactilis SB, Mr Tan and/or Mr Ong as shareholders of Tactilis PL may receive benefits indirectly from the Proposed RCN. • There is no evidence to suggest that Mr Tan and Mr Ong failed to act in the best interests of ACPAM given that as part of the Proposed RCN, a 6% administrative fee would be paid out to ACPAM and/or AOF for each subscription of each sub-tranche of the RCN Notes. • It would appear that this allegation cannot be taken any further.	• Not substantiated
2.4	To investigate the following concerns state in the email from Sun Weiyeh entitled "Undisclosed Matters of PCGL and ACPAM", including without limitation:		
2.4a	the circumstances leading to ACPAM's failure to disclose in its application for a capital markets services licence that a shareholder of ACPAM, Mr. Sun Weiyeh, had been a director and substantial shareholder of One Asia Investment Partners Pte Ltd ("One Asia"), whose CMS licence in fund management was revoked by MAS on 11 April 2017	• Mr Tan, as a director of ACPAM, had the obligation to disclose the revoking of One Asia's CMSL and Mr Sun's civil lawsuits. However, in ACPAM's CMSL applications to MAS on 9 June 2017 and 22 September 2017, Mr Tan: – Had failed to disclose the revoking of One Asia's CMSL on both occasions; – Had disclosed the liquidation of One Asia on 9 June 2017, however failed to do so on 22 September 2017 due to an oversight by Mr Tan; and – Had failed to disclose Mr Sun's civil lawsuits on both occasions.	• Substantiated

TOR	Allegation	Conclusion	Comments
2.4b	the circumstances leading to ACPAM's failure to disclose in its application for a capital markets services licence that Mr. Sun Weiyeh had been involved in several civil lawsuits, namely Case No. HC/CWU 35/2017 in the matter of Section 254(1)(e) of the Companies Act (Cap. 50) ("CA") and in the matter of One Asia between Sun Weiyeh (as Plaintiff) and One Asia (as Defendant) commenced on 24 February 2017, Case No. HC/S 298 of 2017 between Sun Weiyeh (as Plaintiff) and Wang Weidong, Zhou Xing, D&R Asset Management Group Co Ltd and Szdaren Investment Ltd (as Defendants) commenced on 6 April 2017 and Case No. HC/S 974/2017 between XGenesis 2 Pte. Limited (as Plaintiff) and Sun Weiyeh (as Defendant) commenced on 20 October 2017	• As above under TOR 2.4b.	• Substantiated
2.4c	the circumstances leading to ACPAM's failure to lodge any changes in business interests and shareholdings of Mr. Tan Choon Wee and Mr. Philip Wong Yee Teng and changes in shareholdings of ACPAM's shareholders	• As directors of ACPAM, Mr Tan and Mr Wong had obligations to disclose to MAS on a timely basis their changes in shareholdings or business interests. Mr Tan and Mr Wong failed to comply with this obligation due to what they described as an oversight. They therefore failed to comply with the CMSL requirements set out at paragraph 5(7I)(a) of the Second Schedule to the SF(LCB)R.	• Substantiated

TOR	Allegation	Conclusion	Comments
2.4d	the non-disclosure of Mr. Tan Choon Wee and ACPAM's Board regarding the apparently sudden deterioration in financial circumstances of ACPAM, whether there were undisclosed debts or liabilities at ACPAM during the period from July 2017 to December 2018, and whether the working capital confirmation announced by ACPAM in July 2017 for the acquisition of ACPAM was accurate	• In addressing the allegation of the non-disclosure of Mr Tan and ACPAM's Board regarding the apparently sudden deterioration in ACPAM's financial circumstances, we consider that Mr Tan and ACPAM appear to have disclosed ACPAM's financial circumstances to PCGL, and that PCGL appears to have disclosed these to the public. • From our review of the ACPAM management accounts and audited financial reports from July 2017 to December 2018, we have not identified any undisclosed debts or liabilities. Rather, the deterioration in financial circumstances of ACPAM was mainly due to the increase in referral fees and employee compensation since the completion of PCGL's acquisition of ACPAM on 7 August 2017. • The working capital confirmation for the PCGL's acquisition of ACPAM announced in July 2017 of adequate cash balance of not less than SGD 300,000 for the next 12 months after completion of the acquisition on 7 August 2017 does not appear to be accurate.	• Substantiated insofar as the working capital was inaccurate. • Without the capital call on 31 May 2018 of SGD 100,000, the net working capital of ACPAM as at 31 December 2017 to 31 August 2018 is less than the required cash balance of SGD 300,000.

TOR	Allegation	Conclusion	Comments
2.4e	the conflict of interests surrounding Mr Tan's remuneration and 49% shareholding in ACPAM	• Given that there had been disclosures around his remuneration based on Mr Tan's ACPAM employment contract and Mr Tan's waived salaries for ACPAM in the PCGL DRIW dated 7 February 2019, it would be difficult to conclude that there is a conflict of interest in relation to Mr Tan's remuneration and his 49% shareholding in ACPAM.	• Not substantiated • Moving forward, we recommend consideration to be taken in respect to the appropriateness of Mr Tan's level of remuneration. • Rather than Mr Tan contributing cash to ACPAM during capital calls, Mr Tan was capitalising his basic salaries as capital for ACPAM. This can be viewed as creating a new liability for the company (which would not be present if not for the "reversing" of the waived salaries through issuance of new shares) and would not improve ACPAM's financial standing in terms of meeting MAS base capital requirements as the capital injection by Mr Tan in-kind have been used to satisfy a liability that is not present previously (being Mr Tan's waived salaries). This may also result in a reduced effect to aid with ACPAM's financial status since majority of the cash injection for capital calls were contributed by ACPAM's 51% shareholder, PCGL[3]. • The accounting treatment of Mr Tan's waived salaries is a matter of interpretation on the underlying transaction; as to whether Mr Tan's intention to capitalise waived salaries legally overwrites his agreement to waive his salaries. This is subject to legal interpretation which will affect the accounting treatment of the waived salaries. • We would also advise PCGL to scrutinise any future capital calls as to whether it is for the benefit of PCGL's shareholders to do so, and if it is, whether it is justifiable for Mr Tan to capitalise his waived salaries as capital for ACPAM.

[3] Mr Tan contributed SGD 432 in cash, with PCGL contributing SGD 356,714 as set out in Table 5.

TOR	Allegation	Conclusion	Comments
2.4 f	the circumstances and escalation process within ACPAM and PCGL leading to the "gating" of an investor's redemptions in AOF1 and AOF in December 2018 (as well as gating of other investors' redemptions), and the effect and consequence of the "gating" of redemptions, including the materiality of the "gating" of redemptions	• We consider the redemptions, and the gating of redemptions material. • We consider that full disclosure should have been provided to all shareholders, rather than only to those shareholders whose funds were gated. This is because this raises an issue as to the extent other shareholders would be able to redeem if they request for a redemption. We consider that in not doing so, it would appear that preferential treatment was provided to selected shareholders. Full disclosure would provide transparency and remove the perception of preferential treatment.	• We have not identified any documents relating to the gating of AOF in December 2018 therefore this subsection relates to our review of the gating of AOF1.
2.5	To investigate the circumstances leading to the suspension and termination of fund manager, Wang Meng	• Mr Wang had an employment contract dated 6 February 2018 and it appears that he was terminated under termination clauses exercised as per that contract of employment.	• Substantiated
2.6	To investigate the following allegations of Wang Meng and Ali in their letters dated 18 February 2019, including without limitation:		
2.6a	the allegation that Mr. Tan Choon Wee and/or Mr. Bernard Ong Kheng Chye concealed information relating to their directorships and shareholdings in Tactilis PL	• There is no direct evidence to indicate that Mr Tan and/or Mr Ong concealed their respective interests in Tactilis PL with respect to the Proposed RTO and Proposed RCN.	• Not substantiated • We note that there were inaccurate and/or late disclosures made to the directors of AOF1 and ACF. • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the IMA that is in place between ACPAM and any funds managed by ACPAM, so as to improve the transparency of information exchanged between the relevant stakeholders.

TOR	Allegation	Conclusion	Comments
2.6b	the allegation that Mr. Tan Choon Wee forcefully procured the ACPAM Third-Party Funds for the Proposed RCN	• There is no direct evidence to suggest that Mr Tan forcefully procured the funds managed by ACPAM, namely AOF1 and ACF, for the Proposed RCN.	• Not substantiated • We note that there were inaccurate and/or late disclosures made to the directors of AOF1 and ACF. • We recommend a review of the applicable controls and approvals process for these transactions at the ACPAM level and a review of the IMA that is in place between ACPAM and any funds managed by ACPAM. • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater consideration to all parties in terms of timing and comprehension of the undertakings.

TOR	Allegation	Conclusion	Comments
2.6c	the allegation that Mr. Tan Choon Wee's conflict of interests due to his interests in Tactilis PL was against the interest of the investors of the funds managed by ACPAM	• In addressing the allegation of whether Mr Tan had a conflict of interests due to his interests in Tactilis PL, as Mr Tan may receive benefits directly or indirectly from the Proposed RTO and Proposed RCN from being a shareholder of Tactilis PL, this may create a conflict of interest whether perceived or actual. • In addressing the allegation of whether Mr Tan's interests in Tactilis PL was against the interest of the investors of the funds managed by ACPAM, we consider that if the Proposed RCN consummated, AOF1 and ACF may earn 1.0% coupon rate in 2021 from the RCN Notes allocated to them. However, in the event of default of the Proposed RCN, AOF1 and ACF could likely lose their funds provided to GIGL. • We understand that details of the Proposed RCN would have been considered by ACPAM on behalf of the investors and consideration would continue until the consummation of the Proposed RCN. Therefore, we could only assume what may or may not be considered up till the point of consummation which may be adverse or beneficial to those investors. We are not in the position to ascertain this as the Proposed RCN lapsed in January 2019. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.6d	the allegation that the Proposed RCN was adverse to the interests of the investors of the funds managed by ACPAM	• In addressing the allegation of whether the Proposed RCN was adverse to the interests of the investors of AOF1 and ACF, we consider that if the Proposed RCN consummated, AOF1 and ACF may earn 1.0% coupon rate in 2021 from the RCN Notes allocated to them. However, in the event of default of the Proposed RCN, AOF1 and ACF could likely lose their funds provided to GIGL. • We understand that details of the Proposed RCN would have been considered by ACPAM on behalf of the investors and consideration would continue until the consummation of the Proposed RCN. Therefore, we could only assume what may or may not be considered up till the point of consummation which may be adverse or beneficial to those investors. We are not in the position to ascertain this as the Proposed RCN lapsed in January 2019. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.6e	the allegation relating to the lack of express approval from Mr. Wang Meng and Mr. Alauddin Ahmed for the Proposed RCN	• In addressing the allegation relating to lack of express approval from Mr Wang for the Proposed RCN, we consider that Mr Wang provided express approval by signing the GIGL RCN SA on behalf of ACF along with an email approval before the Proposed RCN was announced on 24 October 2018. It is apparent that the circumstances under which Mr Wang's approval was obtained indicate that he may not have had a full understanding of the Proposed RCN transaction despite his express approval. • In addressing the allegation relating to lack of express approval from Mr Ahmed for the Proposed RCN, we consider that there was a lack of express approval from Mr Ahmed at the time of the announcement of the Proposed RCN on 24 October 2018, as he only provided his email approval two days later on 26 October 2018. Even as Mr Ahmed later signed off on the AOF1 and ACF Board Resolutions to approve the Proposed RCN in December 2018, we cannot ascertain whether Mr Ahmed had a full understanding of the Proposed RCN transaction at that time.	• Substantiated • We believe that the Proposed RCN transaction could have been undertaken with more transparency and with greater consideration to all parties in terms of timing and comprehension of the undertakings.
2.6 f	the allegation that it is GIGL's sole decision to force ACF to fund the Proposed RCN	• The Subscribers were obliged to subscribe for the first sub-tranche of Tranche 1 Notes of a principle amount of SGD 250,000 upon fulfilment of conditions precedent by GIGL before 22 January 2019. • There was no requirement for ACF to come out with an amount of SGD 4 million before 25 April 2019 in relation to the Proposed RCN. • The issuance or subscription of Tranche 2 Notes, Tranche 3 Notes and Tranche 4 Notes would not be GIGL's sole decision to enforce and the allocation of all RCN Notes were determined by AOF and/or ACPAM. • It would appear that this allegation cannot be taken any further.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.7	To investigate the potential conflict of interest surrounding ZicoLaw, in the involvement of Yap Lian Seng, who is the Managing Director and 49% shareholder of ZicoLaw, the Legal Counsel of PCGL, the Legal Counsel of GIGL, the transactional lawyer for GIGL and ACPAM for the Proposed RTO, and the single largest investor of AOF1	• It is apparent that Zico Law and Mr Yap have been proximate to many of the individuals, entities, and transactions relevant to this review. However, it does appear that reasonable disclosures in relation to apparent conflicts have been made throughout.	• Not substantiated • Mr Yap's positions and interests at Zico Law, AOF1 and CICF did not appear to pose a conflict of interest in the Proposed RTO transaction where Zico Law is acting for GIGL. Furthermore, Mr Yap stated that he had disclosed his interests in CICF to GIGL and it was GIGL's decision to engage CICF as their financial advisor for the Proposed RTO. • Zico Law was the sole legal advisor on the Proposed RCN and may have the appearance of a conflict of interest, as they had provided legal services to parties of the Proposed RCN prior to October 2018. However, we note that Zico Law prepared the agreements but did not appear to be involved with structuring the commercial aspects of the Proposed RCN. • Mr Yap's interest in AOF1 as an investor may have the appearance of a conflict of interest in the Proposed RCN transaction. However, Mr Yap did not have the authority to enter the RCN subscription agreement on behalf of AOF1.
2.8	To investigate whether ZicoLaw (assuming they are also retainer counsel of PCGL at the material time) was in position of conflict in respect of the following:		
2.8 a	acting for Global Invacom	• With respect to the Proposed RTO, Zico Law was not in a position of conflict as neither ACPAM nor the funds managed by ACPAM (AOF1, ACF) were parties to the proposed transaction. • With respect to the Proposed RCN, we note that Zico Law was the sole legal advisor on the Proposed RCN and this may have the appearance of a conflict of interest, as they had provided legal services to parties of the Proposed RCN prior to October 2018. However, we note that Zico Law prepared the agreements but did not appear to be involved with structuring the commercial aspects of the Proposed RCN.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.8b	whether ZicoLaw obtained PCGL's consent and/or waiver of conflict to act for Global Invacom	• With respect to the Proposed RTO, Zico Law was not in a position of conflict and did not obtain PCGL's consent and/or waiver of conflict to act for GIGL. • With respect to the Propose RCN, Zico Law acted for GIGL on the proposed transaction, which may have the appearance of a conflict of interest due to their proximity to the parties of the transaction. We note that Zico Law did not obtain PCGL's consent and/or waiver of conflict to act for GIGL, however Mr Tan, on behalf of ACPM and the funds managed by ACPAM, acknowledged Zico Law's representation that they acted for GIGL.	• Not substantiated
2.8c	if the answer to 8(b) above is in the affirmative, the basis on which PCGL's Board gave the said consent and/or waiver	• Not applicable. See above.	
2.8 d	Whether PCGL was separately represented in the Global Invacom transaction.	• PCGL was not separately represented in the GIGL transaction as they were not a party to the Proposed RTO or Proposed RCN. • ACPAM and the funds managed by ACPAM (AOF1, ACF) were not separately represented in the Proposed RCN.	• Not substantiated
2.9	To investigate whether the appointments of Mr. Lin Kuan Liang Nicolas, Ling Ching Yee Roy, Bernard Ong and Philip Wong as directors of ACPAM were properly approved.	• The appointments of Mr Lin, Mr Ling, Mr Ong and Mr Wong as directors of ACPAM were approved in accordance to statutory requirement. However, there are apparent concerns implicating the independency of the board, disclosure of conflict of interest and assessment of any potential conflict of interest surrounding Mr Tan's sole approval on behalf of ACPAM's board.	• Substantiated • We suggest that further work to be done in respect of a conflict controls review. Future appointments of such nature could be disclosed at PCGL level as policy, and it would be prudent to exercise greater transparency including any disclosures in respect to perceived or actual conflicts.
2.10	To investigate and evaluate responses to exit interviews for directors of PCGL, namely Prof. Ling Chung Yee Roy and Mr. Chong Chee Hoong, who have resigned during this period.	• Mr Ling and Mr Chong underwent exit interviews with ACA in accordance with the exit process. • We note that one of the recommendations was to engage an independent reviewer to investigate the allegations raised. A number of these allegations are covered in this report and are material in respect to the TOR.	

TOR	Allegation	Conclusion	Comments
2.11	To review existing controls and identify deficiencies in internal controls and potential lapses at PCGL and ACPAM.	• Please refer to Section N TOR 2.11 and 2.12 - Internal controls at PCGL and ACPAM for details.	• We note that a number of the people that may be relevant to any historical deficiencies, lapses, or non-compliance are no longer with PCGL and/or ACPAM. • We recommend full internal controls review to be undertaken by PCGL and/or ACPAM, taking into account our observations and findings as set out in this report. It would be prudent to use the findings of this report to structure an internal controls review, and to focus on areas such as, but not limited to: – Transparency; – Disclosures; – Conflicts; – Independence; and – Regulatory obligations.
2.12	To identify instances of non-compliance of applicable internal controls at PCGL and ACPAM and the persons responsible for non-compliance.	• Please refer to Section N TOR 2.11 and 2.12 - Internal controls at PCGL and ACPAM for details.	• See above.
2.13	To determine whether there are any facts which suggest that there have been breaches of SGX Listing Rules, relevant laws and regulations.	• Please refer to Section O TOR 2.13 - Breaches of SGX Listing Rules, relevant laws and regulations for details.	• The examples given may be subject to further factual and legal considerations. We would recommend a comprehensive risk review be undertaken in respect to ongoing regulatory obligations.
2.14	To determine whether there are any facts which suggest that the Board had not discharged its fiduciary duties and/or had not acted in the interests of PCGL's shareholders.	• During the course of our review, we have not established any express breach of fiduciary duties by any of the directors listed above. However, further consideration could be given in relation to whether the directors have acted in the interests of PCGL shareholders in respect of the areas such as, but not be limited to the following: – Capital calls; – Mr Tan's remuneration; – Independence of directors; – Proposed transactions in terms of commerciality and disclosures; and – Conduct and management of the group.	• Not substantiated

TOR	Allegation	Conclusion	Comments
2.15	To look into such other matters as may be brought up by the Company, in consultation with the Sponsor and SGX.	• Mr Tan alleged that Mr Wang had transferred the single management shareholding from ACF to his account. • In respect of the allegation that Mr Wang had transferred the single management shareholding of ACF from ACPAM to himself, we understand that this matter is an ongoing investigation with the police. • Other than the above, no matters have yet to be brought up by PCGL, in consultation with the Sponsor or SGX.	
2.16	To look into the matters raised in the letters raised in the letters sent by Company to the SGX dated 21 February 2019 insofar as such matters relate to breaches of SGX Listing Rules as well as relevant laws and regulations.	• From our review of the letter sent by PCGL to SGX dated 21 February 2019, we have identified four alleged breaches. • The mere implied assertion of control on the asserted relationship between Mr Sun and Ms Sun is insufficient to prove the alleged breaches 1 to 3. • In relation to alleged breach 4 on Ms Sun's acquisition of PCGL shares during the "blackout period", by acquiring shares on 4 February 2019, Ms Sun had traded in the blackout period and therefore it appears that she may have breached the internal policy of PCGL and Catalist Rule 1204(19).	• Alleged breaches 1 to 3 are not substantiated. • Alleged breach 4 substantiated but open to interpretation.