

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

RECEIPT OF LETTERS OF NOTICE UNDER SECTION 216A OF THE COMPANIES ACT (CAP 50)

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 18 March 2020, received the following from the solicitors of (i) a substantial shareholder of the Company, and (ii) an individual who has a deemed interest in the Company through his shareholding in that substantial shareholder (collectively, the “**Concerned Shareholders**”):

- (a) a notice under Section 216A of the Companies Act (Cap 50) (“**Section 216A Notice**”) dated 18 March 2020; and
- (b) a letter dated 18 March 2020 requesting for a meeting with the Board and sponsor of the Company, Asian Corporate Advisors Pte. Ltd. (“**ACA**”) to clarify alleged inaccuracies in the announcements made by the Company (“**Letter of Clarification**”).

Section 216A Notice

In brief, Section 216A of the Companies Act (Cap 50) enables, among other things, a shareholder of a company to apply to court for leave to bring an action or arbitration in the name and on behalf of the company, subject to the court being satisfied that (i) the said shareholder of the company has given 14 days’ notice to the directors of the company of his intention to apply to court for derivative or representative actions if the directors do not bring the action or arbitration; (ii) the said shareholder of the company is acting in good faith; and (iii) it appears to be prima facie in the interests of the company that the action or arbitration be brought.

The Concerned Shareholders had, in the Section 216A Notice, alleged, among other things, that certain past members of the Board of the Company have breached their fiduciary duties and/or their duties of care and skill owed to the Company, by, among other things, procuring and/or approving the conduct of unlawful actions which resulted in the Group having suffered significant loss and damage.

Under the Section 216A Notice, the Concerned Shareholders have given notice to the Company to commence legal proceedings against the above relevant individuals of the Company within 14 days from 18 March 2020, failing which the Concerned Shareholders shall apply to the Courts pursuant to section 216A of the Companies Act (Cap. 50) for leave to commence said legal proceedings in the name and on behalf of the Company and/or the Group.

Letter of Clarification

The Concerned Shareholders had also on 18 March 2020 issued a letter to the Company alleging that the announcements made by the Company on the SGXNET on 15 August 2019, 29 February 2020 and 13 March 2020 (collectively referred to as the “**Previous Announcements**”), in relation to ACPAM contain a number of inaccuracies and/or matters of grave concern.

In view of such, the Concerned Shareholders have requested for an audience with the Board of the Company and certain previous directors of the Company alongside ACA to meet the Concerned Shareholders to clarify the matters in which they are alleging to be inaccurate in the Previous Announcements.

The Board is presently seeking legal advice on the (i) Section 216A Notice and (ii) Letter of Clarification and will commence investigations to investigate the allegations set out in both the Section 216A Notice and Letter of Clarification.

The Board will update shareholders when there are further material developments on this matter.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors 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 or circumstances about 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

Lee Sin Ann
Executive Director

25 March 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. Liao H. K.
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