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**")

NOTIFICATION OF LEGAL PROCEEDINGS

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 8 April 2019 been served with a writ of summons issued by the High Court of Singapore ("the **Action**"). The plaintiff in the Action is Mr. Tan Choon Wee (the "**Plaintiff**"). The Company is a co-defendant. In this Action, the Plaintiff alleges that the affairs of the Company's 51%-owned subsidiary, Advance Capital Partners Asset Management Private Limited ("**ACPAM**") have been conducted in a manner which unfairly discriminates against and/or is prejudicial to the Plaintiff. In particular, the Plaintiff relies on the Extraordinary General Meeting on 5 April 2019 ("**5 April EGM**") whereby he and Mr Lin Kuan Liang Nicolas ("**NL**") were removed as directors of ACPAM and new directors were appointed to ACPAM's board ("**5 April Resolutions**"). The reliefs claimed by the Plaintiff are to, amongst others, invalidate any resolutions passed to remove him and NL as directors of ACPAM and further or in the alternative, for ACPAM to be wound up. There are no claims for damages against the Company.

The Plaintiff had also, on 8 April 2019, taken out an injunction application seeking orders *inter alia* for him and NL to be reinstated as directors of ACPAM and to restrain the appointment of new directors pending the final determination of the Action (**"the Injunction Application"**).

On 10 April 2019, the Company applied by way of Originating Summons for *inter alia*, an order from the Court that a separate and further Extraordinary General Meeting ("**EGM**") of ACPAM be convened and held forthwith for the purposes of among other things, ratifying the 5 April Resolutions, and that at such EGM, the presence of the said member shall be sufficient to form a quorum (the "**EGM Application**"). On 24 April 2019, the EGM Application was allowed by the Court. Accordingly, an EGM of ACPAM was held on 10 May 2019 ("**10 May EGM**"), and a resolution was duly passed to ratify the 5 April Resolutions. The details of the 10 May EGM are set out in the Company's announcement dated 10 May 2019.

The Injunction Application was dismissed by the Court on 24 April 2019 and the Plaintiff was ordered to pay costs to the Company. The Plaintiff has since filed an application for leave to appeal to the Court of Appeal against this decision ("**Leave Application**") which is fixed for hearing on 31 May 2019 at 10:00 am. The Company did not make an announcement on the above earlier due to interim orders made by the Court restraining the disclosure of certain information concerning the subject matter of the Action. These interim orders have since been discharged on 10 May 2019, after the 10 May EGM was held.

The Action, Injunction Application and Leave Application are challenges brought by the Plaintiff against his removal as a director of ACPAM at the 5 April EGM. The Company would like to clarify that it had requisitioned the 5 April EGM due to the Board having received numerous allegations from various parties concerning the operations of ACPAM, including allegations in respect of potential conflict of interest and possible lapses in internal control. The Company was also concerned about the notice of termination of management agreement between ACPAM and Advance Opportunities Fund I that ACPAM received on 19 March 2019. These matters are set out in the Company's trading suspension announcement dated 21 March 2019. Finally, the Company would like to highlight that the Plaintiff was reprimanded by MAS on 12 April 2019 for the following misconduct: (a) *omitting information in a capital markets services (CMS) licence application to MAS, which made the application misleading in a material respect; and/or (b) failing to discharge his duty and function as CEO and director.*

The announcement can be retrieved at the following MAS enforcement site http://www.mas.gov.sg/News-and-Publications/Enforcement-Actions/2019/Reprimand-of-Advance-Capital-Partners-Asset-Management.aspx

The Company is currently seeking legal advice from its legal advisors and will, in consultation with its legal advisors, take such steps as necessary to vigorously defend the Action and the Leave Application. At this juncture, the financial impact, if any, arising from these legal proceedings cannot yet be determined. The Company will provide updates on material developments on this matter as necessary or appropriate.

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 about the Action, Injunction Application and Leave Application, the Company and its subsidiaries, and the directors 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.

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

Tomi-Jae Wanlun Tjio
Independent Director and
Non-Executive Chairman

21 May 2019

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*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.

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