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

TERM SHEET ENTERED INTO WITH A NEW INVESTOR FOR SUBSCRIPTION OF NEW SHARES AND THE PROPOSED ACQUISITION OF A NEW BUSINESS

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Pine Capital Group Limited (the "**Company**") wishes to announce that the Company has on 22 November 2021 entered into a non-binding term sheet ("**Term Sheet**") with Genv Holdings Private Limited (the "**Investor**" and together with the Company, the "**Parties**" and each a "**Party**"). The Investor is a company incorporated in the Republic of Singapore. The Term Sheet sets out the principal terms and conditions of the Investor's agreement to subscribe for shares issued by the Company ("**Subscription Shares**"), subject to agreement and the entering into of a definitive share subscription agreement ("**Subscription Agreement**"), for the purpose of acquiring a new operating business ("**Target Business**") by the Company ("**Proposed Acquisition**").

Terms and conditions of the Subscription Shares and all other transaction documents to be executed in connection with the issuance of the Subscription Shares together with the Subscription Agreement are herein referred to collectively as the "**Transaction Documents**". The Subscription Shares are attached with an option to subscribe for additional new shares for the Investors (and/ or its affiliates). When issued, new shares will rank pari passu in all aspects with all ordinary shares in the capital of the Company ("**Shares**") existing then.

The Proposed Acquisition, if undertaken and completed, is expected to result in a reverse takeover ("**RTO**") of the Company as defined under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and is subject to, *inter alia*, the approval of shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting to be convened, and the approval of the SGX-ST.

These heads of terms are not exhaustive and are not, and are not intended to be, legally binding, except for certain provisions relating to costs and expenses, confidentiality, third party rights, and the governing law. As such, the Proposed Acquisition remains subject to the entry into the subsequent definitive documentation for the Proposed Acquisition.

2. RATIONALE FOR THE PROPOSED ACQUISITION AND THE TERM SHEET SIGNED WITH THE INVESTOR

Since 1 June 2020, the Company has been deemed to be a cash company, which is one which does not have a core operating business with recurring revenue. The Company is required to comply with the requirements for a new business pursuant to Rule 1017(2) of the Catalist Rules.

To rebuild shareholder value, the Company has been seeking an appropriate business to be injected into the Group. The Company is of the view that the Proposed Acquisition will place the Company in a position to expand into new business areas and grow revenues, both of which will help rebuild shareholder value.

Given the Company's lack of funds, this presented a challenge as any acquisition of a new business will require that the Company to have a fresh injection of funds for the outlay of cost for professional fees including but not limited to legal fees and due diligence of the target

business.

Further, it is projected that the consideration for the acquisition of the Target Business will be settled in a combination of cash and Shares to be issued to the selling shareholders of the Target Business (the "**Vendors**').

To this end, the Company will be required to do a fund raising exercise to seek the necessary funding which has culminated with the execution of the Term Sheet between the Company and the Investor.

3. PRINCIPAL TERMS OF THE TERM SHEET EXECUTED BETWEEN THE COMPANY AND THE INVESTOR

The following are the material terms of the Term Sheet.

3.1 Subscription of new Shares

GENV Holdings Pte Ltd (UEN: 202108165H) ("**the Investor**") will subscribe for Shares for a total consideration amount of S$3,500,000 at an issue price of S$0.002 per Share issued.

3.2 Option to Subscribe

The Company will give the Investor an option to subscribe for a further number of Shares at an issue price of S$0.002 per Share, to be exercised any time within 24 months from the date of the subscription of Shares for a total consideration of S$3,500,000. The exercise of the option is subject to completion of condition precedents.

3.3 Investment by Investor

The funds of S$3,500,000 raised from the issue of the Subscription Shares will be used as follows:

(a) S$500,000 for general work capital needs of the Company; and

(b) S$3,000,000 for subsequent acquisitions of companies / businesses and capital expenditure.

Should it be mutually agreed amongst Parties, the Investor will make an advance loan (the "**Loan**") for the general working capital needs of the Company of up to S$500,000.00.

The Loan will be subject to a separate agreement amongst the Parties and any sum advanced will form part of the funds of S$3,500,000 raised from the Subscription Shares.

3.4 Corporate Advisors

The Company shall appoint Alternative Advisors Pte Ltd as corporate advisors ("the **Advisors**") for the series of contemplated transactions. The Advisors fee shall be set at S$30,000 per month. The payment of the Advisors' fee may be in shares priced at equivalent price per share as the investor's subscription issue price.

3.5 Conditions Precedent

The Transaction Documents are subject to, inter alia, the following conditions precedent having been satisfied or waived by, as the case may be:

(a) Approval by the Board for the Subscription Agreement;

(b) Satisfactory completion of the Company's scheme of arrangement to convert existing debt holders (if any) to equity shareholders ("**Debt-to Equity shareholders**");

(c) Approval by Shareholders (both existing and the Debt-to-Equity shareholders) in an Extraordinary General Meeting for the following:

(i) Approval of a share consolidation of 100 Shares to one Share each;

(ii) Approval for the acquisition of the target company(ies) with a combined net profit of no less than S$1,500,000.00; and

(iii) Approval for the "White-Wash Waiver".

Where necessary Messrs Pine Partners Pte Ltd, JMO Pte Ltd and other substantial shareholders will provide an irrevocable undertaking to vote in support of the resolutions to be tabled.

(d) The resumption of trading in the Shares of the Company on SGX-ST;

(e) All relevant approvals being obtained (and such approvals not being withdrawn or revoked), including but not limited to approval-in-principle from the SGX-ST;

(f) The current board of directors of the Company shall be retained until the SGX-ST had given their approval-in-principle;

(g) No circumstances shall have arisen, or an event of force majeure shall have occurred, which may have a material adverse effect on the businesses, operations, prospects or condition (financial or otherwise) of the Company and/or its subsidiaries; and

(h) Any other conditions determined by the Investor to be necessary pursuant to the due diligence review.

The Investor is entitled to waive, to such extent as it may in its absolute discretion think fit, any of the Conditions Precedent.

For the avoidance of doubt, Completion will only take place after all the Conditions Precedent set out above have been satisfied or waived by the Investor. The Company shall use its best endeavours to procure the satisfaction of the Conditions Precedent within 6 months of the date of the Subscription Agreement.

3.6 Cost and expenses

Each Party shall bear and pay its own costs and expenses in connection with the negotiation, preparation and execution of this Term Sheet and the definitive agreement.

3.7 Board Representative

The Investor shall have the right to appoint up to two members onto the board of directors of the Company as its representatives upon the allotment of the new Shares.

The Directors and the officers shall be determined with approval by Parties subject always that the majority shall be designated by the Investor. Further, the Chairman of the Company is to be a person nominated by the Investor.

3.8 Exclusivity and Non-competition

In consideration of commitment of time and personnel of the Investor and incurring expenses of instructing advisers for the purposes of the transactions contemplated in this Term Sheet, the Company undertakes that for a period of 6 months from the date of this Term Sheet or such longer time until the Subscription Agreement is signed, that it shall not, and will procure that any other person acting its behalf shall not, directly or indirectly:

(a) solicit or encourage the initiation or submission of any expression of interest, inquiry, proposal or offer from any person (other than the Investor or any affiliate of the Investor) relating to or connection with the terms or transactions set out in this Term Sheet; or

(b) participate in any discussions or negotiations or enter into any agreement with, or provide any information to, any person (other than the Investor or any affiliate of the Investor and its advisers) relating to or in connection with the terms or transactions set out in this Term Sheet.

The transactions above does include the fund raising exercise, including but not limited to, subscription for any Shares in the Company and/or issuance of convertible instruments by the Company.

3.9 Event of Default

The following events shall constitute an event of default:

(a) failure by the Company to comply with any listing rules issued by the SGX-ST (except for any breach of the Catalist Rules in existence as at the date of this term sheet);

(b) breach of the representations, warranties, covenants, and obligations under the Transaction Documents; or

(c) an order is made, or an effective resolution is passed, for the winding-up, liquidation, administration or dissolution of the Company or any of its subsidiaries (except for the purpose of reorganisation or amalgamation of the Company or any of its subsidiaries).

3.10 Confidentiality

The matters contemplated by the Term Sheet shall be treated as confidential and should not be disclosed to any person (except with the prior written consent of the other party, or in order to comply with law or the regulations of SGX-ST or by the rules and regulations of any other regulatory body).

3.11 Third party rights

A person who is not a party to the Term Sheet shall not have any rights under the Contracts (Rights of Third Parties) Act Cap. 53B to enforce any term of the Term Sheet.

3.12 Governing Law

The Term Sheet and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Singapore.

Any and all disputes, controversies and conflicts arising out of or in connection with these head of terms or its performance, including disputes on its existence, validity, binding effect, amendment or termination shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre (**SIAC**) for the time being in force. The law of arbitration shall be the International Arbitration Act (Chapter 143A) of Singapore. The Tribunal shall consist of three arbitrators to be appointed in the first instance by the parties by mutual agreement, and failing agreement, by the chairman of the SIAC.

4. INFORMATION ON THE INVESTOR AND THE TARGET BUSINESS

The information in this section relating to the Target Business and Investor is based on information provided by and/or representations made by the Investor. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below.

The Investor, **GENV Holdings Pte Ltd** was established and incorporated in Singapore on 8 March 2021. GENV is the acronym for Green Environment. GENV Holdings is a strong advocate for "Care for the Environment with Sustainable and Liveable Solutions". The Vision of GENV Holdings is to help to contribute to an exceptional Singapore for People to Live, Work and Play – A City of Nature with Clean and Sustainable Environment, with effective Zero Waste Management.

In alignment with the Singapore Government's agenda: – a) Singapore Green Plan 2030 with focus on Environment Sustainability, b) City in the Garden, City in Nature and c) Waste and Recycling Management, GENV Holdings works to identify, consolidate and amalgamate like-minded and quality companies in the business areas of landscape management, cleaning management and waste management. GENV Holdings plans to have a major investment into the Company and acquire the Target Businesses as subsidiaries to be a local and then regional conglomerate focusing on effective environmental solutions.

The Investor has identified certain companies in the environmental industry to be considered as the Target Business for the Company to acquire in connection with the RTO, a landscape management company and a cleaning management company.

The landscape management company, which is privately owned, was established in 2002 focusing on providing landscape management services to the government sector and the private condominiums.

The cleaning management company, which is also privately owned, was established in 2017 focusing on providing cleaning management services to government and private dormitories and commercial buildings.

The acquisition of these companies are subject to the Company's financial and legal due diligence.

The Target Business, its management and the Vendors are not related to GENV, its shareholders and its management.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Lee Tze Wee Andrew has recused himself from any decisions relating to this Term Sheet as he has an outstanding senior unsecured loan extended to the Company for operating expenses and is deemed a creditor under the proposed scheme of arrangement contemplated to be carried out by the Company, in connection with the transactions referred to in this announcement.

Save for the foregoing, none of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition or any other transaction contemplated under the Term Sheet (other than in their respective capacity as a director or shareholder of the Company).

6. APPLICATION FOR AN EXTENSION OF TIME

As announced on 2 September 2021, the Company had not met the requirements for a new business with a view to comply with Catalist Rule 1017(2) by the deadline of 31 August 2021.

In light of the Company having procured the signed Term Sheet, the Company will be seeking an extension of time from the SGX-ST to comply with the requirements for a new business pursuant to Rule 1017(2) of the Catalist Rules.

7. FURTHER ANNOUNCEMENT

The Company will make further announcements, in compliance with the requirements of the Catalist Rules, upon the execution of the definitive agreement and/or when there are material developments in respect of the Proposed Acquisition or any other transaction contemplated under the Term Sheet, and will seek the approval of Shareholders where required.

BY ORDER OF THE BOARD
PINE CAPITAL GROUP LIMITED

Dhakshitha Bogollagama
Chairman and Independent Non-Executive Director

Date: 22 November 2021

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.