PINE CAPITAL GROUP LIMITED
(formerly known as "OLS Enterprise Ltd.")
(Company Registration No. 196800320E)
(Incorporated in the Republic of Singapore)
(the "**Company**", together with its subsidiaries, the "**Group**")

PROPOSED PLACEMENT OF 611,111,110 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

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1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of the Company wishes to announce that the Company has on 6 September 2018 entered into 3 conditional placement agreements (collectively, the "**Placement Agreements**", and each a "**Placement Agreement**") with three (3) Placees (as defined in paragraph 2 below), pursuant to which the Company shall allot and issue an aggregate of 611,111,110 ordinary shares in the capital of the Company (the "**Placement Shares**") at the issue price of S$0.0009 per Placement Share ("**Issue Price**") to the Placees for an aggregate subscription amount of S$550,000 (the "**Placement**").

2. INFORMATION RELATING TO THE PLACEES

Shareholders should note that information relating to the Placees in this paragraph and elsewhere in this Announcement was provided by each of the Placees. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.

Placee	Background of Placee	No. of Placement Shares	As a percentage of the Enlarged Share Capital (as defined herein) (%)[1]	Subscription Amount (S$)
Lee Peck Huat ("**Mr Lee**")	Mr. Lee is a private investor. As of the date of this announcement, Mr Lee does not hold any ordinary shares of the Company. He was introduced to the Company by Mr. Sun Weiyeh, Director of Pine Partners Pte Ltd and he does not have any material relationships /connections (including business relationship) with the Company, its directors and/or substantial shareholders.	333,333,333	6.58%	S$300,000
Tan Sze Seng ("**Mr Tan**")	Mr Tan is a director at TSS Capital Pte Ltd, a business and management consultancy services. As of the date of this announcement, he holds 56,715,666 ordinary shares of the Company representing approximately 1.27% of the total issued and paid up capital	166,666,666	3.29%	S$150,000

	of the Company. He was introduced to the Company by Mr. Tan Choon Wee, Interim CEO and Executive Chairman of the Company, to participate in the placement exercise. Upon completion of the Placement, Mr Tan will hold 223,382,332 shares representing approximately 4.41% of the Enlarged Share Capital (as defined herein). He does not have any material relationships /connections (including business relationship) with the Company, its directors and/or substantial shareholders.			
Lei Tsen Siang (**"Mr. Lei"**)	Mr. Lei is a private investor. As of the date of this announcement, Mr Lei does not hold any ordinary shares of the Company. He was introduced to the Company by Mr. Tan Choon Wee, Interim CEO and Executive Chairman of the Company, to participate in the placement exercise. and he does not have any material relationships /connections (including business relationship) with the Company, its directors and/or substantial shareholders.	111,111,111	2.19%	S$100,000
Total		611,111,110	12.06%	S$550,000

Notes:

(1) Pursuant to a settlement agreement ("**Settlement Agreement**") entered into between the Company and Jessie Sun May Gze (the "**Vendor**") on 5 September 2018, the Company had agreed to allot and issue 775,000,000 new ordinary shares ("**Settlement Shares**") in the capital of the Company to the Vendor (the "**Settlement**"). Please refer to the announcement released on 5 September 2018 for further details on the Settlement (the "**Settlement Announcement**"). Please also note that the percentage figures in the table above and in section 3.c below do not take into account the issuance of the Settlement Shares.

Each of the Placees are separate private investors and are subscribing for the Placement Shares purely for investment purposes. None of the Placees are persons restricted under Rule 812(1) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Placement is not expected to give rise to any material conflicts of interest.

No placement agent has been appointed in respect of the Placement and no introducer fee/commission is paid or payable by the Company in connection with the Placement.

To the best knowledge of the Directors, save as disclosed above and in relation to the Placement, the Placees do not have any other connections (including business relationships) with the

Company, its directors and substantial shareholders. The Placees do not fall within any of the prohibited categories as set out in Rule 812(1) of the Catalist Rules to whom the Company is prohibited from issuing the Shares.

3. THE PLACEMENT

a. Issue Date. The Company will allot and issue the Placement Shares at the Issue Price to each Placee within five (5) market days from the date on which the last condition precedent of the respective Placement Agreement is satisfied, or on such other date as the relevant parties may agree in writing.

b. Issue Price. The Issue Price of the Placement Shares is S$0.0009, equivalent to a discount of 10% to S$0.001, being the volume weighted average price for trades done on the Shares on the SGX-ST on 3 September 2018, the last full market day prior to the trading halt being implemented and before the Placement Agreements were signed.

c. Bases of Placement. The Placement has been agreed on *inter alia* the following bases:

(i) the Placement Shares shall be issued and allotted by the Company to each Placee in reliance of the ordinary resolution approved by the shareholders of the Company at the annual general meeting of the Company held on 27 July 2018 ("**2018 AGM**") authorising the Directors to allot and issue Shares pursuant to Section 161 of the Companies Act and Rule 806 of the Catalist Rules;

(ii) the Placement Shares represent approximately 13.71% of the issued and paid-up share capital of the Company comprising 4,457,794,948 Shares, being the number of Shares as of the 2018 AGM and as of the date of the Placement Agreements, and approximately 12.06% of the enlarged issued and paid-up share capital of the Company ("**Enlarged Share Capital**") comprising 5,068,906,058 Shares following the completion of the Placement; and

(iii) the Placement Shares shall be issued and allotted by the Company to the Placees (and/or their respective nominees) free from all claims, charges, liens and other encumbrances whatsoever and the Placement Shares, shall be freely transferable and rank *pari passu* in all respects with and carry all rights similar to existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before each closing date.

d. Conditions Precedent to the issue of the Placement Shares

The allotment and issuance of the Placement Shares by the Company to the Placees under each Placement Agreement is conditional upon the satisfaction or the wavier (as the case may be) of *inter alia* the following:

(i) approval-in-principle for the listing of and quotation for the Placement Shares on the Catalist of SGX-ST having been obtained from the Company's sponsor and/or the SGX-ST;

(ii) the issue and subscription of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of each Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;

(iii) the representations and warranties by each Placee and the Company as set out in the respective Placement Agreement remaining true and correct in all material respect as at the Issue Date; and

(iv) the specific approval of the shareholders of the Company at the 2018 AGM for the general mandate of the directors of the Company to allot and issue new Shares being in full force and effect as at the Issue Date.

If any of the conditions precedent are not satisfied within three (3) months from the date of a Placement Agreement, the obligations of the Company to issue the Placement Shares pursuant to such Placement Agreement shall *ipso facto* cease and determine thereafter and neither such Placee nor the Company shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise in respect of the Placement (except for any antecedent breach of any Placement Agreement).

e. **Private Placement**. There will not be any Prospectus or Offer Information Statement issued by the Company in connection with the Placement as it will be made pursuant to exemptions under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore.

4. SHARE ISSUE MANDATE

a. The Placement Shares are intended to be issued pursuant to the authority given to the Directors under the general mandate obtained at the 2018 AGM (the "**Share Issue Mandate**").

b. Pursuant to the Share Issue Mandate, the Directors are authorised and empowered to, *inter alia*, issue Shares in the Company not exceeding 100% of the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of passing of the Share Issue Mandate, of which the aggregate number of Shares to be issued other than on a pro-rata basis to all existing shareholders shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company. Pursuant to such thresholds, as the Company's total and issued share capital as at the date of the Share Issue Mandate was 4,457,794,948 Shares, the Company is authorised to issue up to 2,228,897,474 Shares other than on a pro-rata basis.

c. As of the date of this Announcement, the Company has not issued any Shares under the Share Issue Mandate.

d. The Company had, on 5 September 2018, announced that the Company has agreed to allot and issue 775,000,000 Settlement Shares to the Vendor pursuant to the Settlement Agreement. Please refer to the Settlement Announcement for further details. The proposed issue and allotment of the Settlement Shares to the Vendor, together with the proposed issue and allotment of the Placement Shares (i.e. an aggregate of 611,111,110 Shares) to the Placees will be done within the limits of the Share Issue Mandate.

5. RATIONALE

The purpose of the Placement is to increase resources available to the Company to improve its cash flow, provide working capital for the Company and to enable it to settle the Outstanding Consideration (as defined in the Settlement Announcement).

6. USE OF PROCEEDS

The aggregate gross proceeds amount from the Placement is S$550,000 and the net proceeds from the Placement (subsequent to deducting expenses relating thereto) will be approximately S$510,000 ("**Net Proceeds**").

The purpose of the Placement is to meet the Group's anticipated general working capital as well as to enable the Group to pay its existing liabilities including the Outstanding Consideration (as defined in the Settlement Announcement, being the sum of S$326,721). Please refer to the Settlement

Announcement for further details on the Outstanding Consideration. The Company intends to use the Net Proceeds in the following manner:

(a) General working capital: approximately 36%; and

(b) Payment of existing liabilities including the Outstanding Consideration (as defined in the Settlement Announcement): approximately 64%.

Shareholders should note that the proposed use of Net Proceeds set out above only serves as a general guideline. In the event that the Net Proceeds initially allocated for the purposes set out above are not fully applied towards such uses for any reasons, the Company may use such net proceeds for such other purposes as the Company in its discretion may deem fit.

Pending the deployment of the Net Proceeds, such proceeds may be placed as deposits with banks and/or financial institutions, invested in short term money markets or debt instruments or for any other purpose on a short term basis as the Directors may, in their absolute discretion, deem fit from time to time.

Pursuant to Rule 704(30) and Rule 1204(22) of the Catalist Rules, the Company will make periodic announcements on the utilisation of the Net Proceeds, as and when such proceeds from the Placement are materially disbursed or utilised and subsequently provide a status report on the specific use of such proceeds in the annual report of the Company. When there is any material deviations therefrom, the Company will announce the reasons for such deviations, in its annual report. In addition, if there is any material deviation from the specific use of such proceeds, the Company will make a separate announcement setting out the reasons for such deviation. The Company undertakes to provide a breakdown with specific details on the use of the proceeds for working capital in the announcements and annual reports.

The Directors are of the opinion that, after taking into consideration the Company's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding, the Placement will increase the resources available to the Company, improve its cash flow as well as provide working capital for the Company.

The Directors are also of the opinion that, after taking into consideration the Company's present bank facilities and the Net Proceeds, the working capital available to the Group will be sufficient to meet its present requirements.

7. FINANCIAL EFFECTS

The financial effects as set out below are strictly for illustrative purposes and do not necessarily reflect the actual financial position and performance of the Group, prepared according to the relevant accounting standards, following the Placement.

The financial effects of the Placement are prepared based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2018 ("**FY2018**") and the following assumptions:

(i) the allotment and issuance of 611,111,110 Placement Shares at the Issue Price of S$0.0009 per Placement Share;

(ii) the Group's net tangible assets ("**NTA**") was computed assuming that the Placement was completed on 31 March 2018;

(iii) the Group's loss per share ("**LPS**") was computed assuming that the Placement was completed on 1 April 2017;

(iv) the estimated expenses in connection with the Placement are disregarded for the purposes of calculating the financial effects; and

(v) the allotment and issuance of the Settlement Shares has not been taken into consideration.

a. Share Capital

Issued and Paid-up Share Capital	Before the issuance of the Placement Shares	Immediately following issuance of the Placement Shares
Number of Shares	4,457,794,948[(1)]	5,068,906,058
Share Capital (S$'000)	21,995[(1)]	22,545

[(1)] Adjusted with the issuance of 787,210,747 Rights Shares pursuant to the Rights and Warrants Issue which was completed on 7 May 2018.

b. Net tangible assets ("NTA")

	Before the issuance of the Placement Shares	Immediately following issuance of the Placement Shares
NTA of the Group (S$'000)	2,154[(2)]	2,704
Number of Shares	4,457,794,948	5,068,906,058
NTA Per Share (Singapore cents)	0.0483[(2)]	0.0533

[(2)] Adjusted with the net proceeds raised from the Rights and Warrants Issue which was completed on 7 May 2018. NTA per share is calculated based on 4,457,794,948 ordinary shares of the Company after taking into account the issuance of 787,210,747 Rights Shares pursuant to the Rights and Warrants Issue.

c. Loss per Share ("LPS")

	Before the issuance of the Placement Shares	Immediately following issuance of the Placement Shares
Loss attributable to the shareholders of the Company (S$'000)	2,055	2,055
Weighted average number of Shares	3,215,998,939	3,827,110,049
Loss per share [(3)] (Singapore cents)	(0.0639)	(0.0537)

[(3)] The LPS is calculated by dividing the net loss after tax attributable to owners of the Company by the ordinary shares of the Company after completion of the Rights and Warrants Issue as announced on 7 May 2018.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors (other than in his capacity as director or shareholder of the Company, as the case may be) of the Company has any interest, direct or indirect in the Placement. To the best of the knowledge of the Board, there are no substantial shareholders in the Company who have any interest, direct or indirect, in relation to the Placement.

9. APPLICATION TO SGX-ST

The Company will be making an application to the SGX-ST through its continuing sponsor for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST, and will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.

10. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

11. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement (other than information relating to the Placees) 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 Placement, 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 or reproduced 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.

12. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of each Placement Agreement is available for inspection during normal business hours at the Company's registered office at 8 Robinson Road, #13-00 ASO Building, Singapore 048544 for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Tan Choon Wee
Interim CEO and Executive Chairman

6 September 2018

*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 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.

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