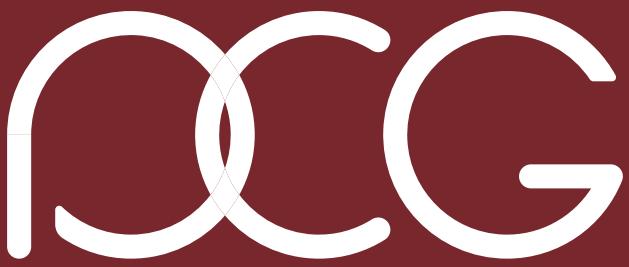
Annual Report 2019



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Proxy Form

This Annual Report 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 Annual Report, including the correctness of any of the figures used, statements or opinions made.

This Annual Report has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person for the Sponsor is Mr Liau H.K.
Telephone number: 6221 0271

Chairman's Statement and Operation Review

Dear Shareholders,

The management of Pine Capital Group Limited (the "**Company**" or "**PCG**", and together with its subsidiaries, the "**Group**") would like to thank everyone for your support not only for the current year, but over the years, which has been integral to PCG's progress and success. It is our pleasure to present to you the Annual Report for the financial year ended 31 March 2019 ("**FY2019**").

2018 in Review

The year 2018 was an extraordinary time for PCG. Each year, with each strategic move, we aim for PCG to move towards strength and prosperity. We continue to see exciting opportunities to invest for the future and are confident that we are in an optimal position in some of the world's fast-growing markets. With our resilience, be it geopolitical risks, global uncertainties or meeting the accelerating changes worldwide, we are focused and dedicated to power our future not only in sustaining and accelerating PCG's growth but, as importantly, to bring benefits to communities locally and worldwide.

January 2018: The year started with two acquisitions that were completed end of 2017;

- Acquisition of 51% stake in Advance Capital Partners Asset Management Pte Ltd ("**ACPAM"**) was completed in August 2017. ACPAM is a fund management company registered with the Monetary Authority of Singapore. ACPAM's assets under management is approximately USD30 million (as of March 2019).

- Acquisition of a 100% stake in Pine Ventures Management Pte Ltd (previously known as BSDCN Pte. Ltd.) was completed in September 2017. Pine Ventures Management Pte Ltd ("**Pine Ventures"**) currently holds a 9.33% stake in Pine Asia Asset Management Inc. ("**PAAM**"). PAAM is a Korean asset management company licensed under the Financial Supervisory Service in South Korea. PAAM's asset under management is approximately KRW 0.9 trillion as of March 2019 (estimated in SGD equivalent of SGD1.07 billion).

May 2018: PCG completed a Renounceable Non-Underwritten Rights and Warrants Issue exercise, issuing a total of approximately 787.2 million Rights Shares and approximately 251.9 million Warrants and raising gross proceeds of approximately SGD1.97 million.

October 2018: PCG completed the Proposed Placement of approximately 611.1 million Shares, raising an aggregate of SGD550,000.

November 2018: PCG secured a convertible loan of SGD2.7 million. The loan is convertible into 1 billion new shares at 0.27 cents each. This loan was subsequently amended and restated into an interest-free and unsecured loan as mentioned on an announcement dated 15 April 2019. PCG also entered into a conditional subscription agreement which was completed in December 2018, pursuant to which it will issue an aggregate of 799 million shares, raising proceeds of approximately SGD2.2 million.

December 2018: PCG has announced the proposed acquisition of 51% stake in Silver Tree Hong Kong Limited ("STHK"), a licensed entity registered with the Securities and Futures Commission of Hong Kong providing financial services to professional investors. This acquisition will enhance PCG's service capacity in the asset management industry particularly in Hong Kong and extend our client base to procure new sources of revenue for the group. According to the announcement dated 11 December 2018, the long stop date for stage 1 and 2 of this acquisition has lapsed and PCG is currently liaising with the Vendor on the extension of the long stop date and/or on the completion of this acquisition, subject to, inter alia approval by the Singapore Exchange Securities Trading Limited. The Board will continue to make announcement as and when appropriate to update shareholders on this matter.

These achievements are recognitions of our prudent strategy and profound management insights. At PCG, we combine data, research and the talents of our people to help drive improvement, ultimately creating value for all shareholders. We are of the view of the bright future of PCG and that there is still plenty to be achieved in PCG's evolution.

We will continue to strive to make impressive progress and, at the same time, continue to raise our profile and prominence in the industry. We see next year lined up with many successes and great achievements and we hope you will be part of our growth and pride.

Chairman's Statement and Operation Review

Towards 2019

In early 2019, PCG began its journey of transformation, focusing on strengthening and renewing PCG's leadership positions. Board and management roles, unlike before, have expanded beyond conventional governance and operations to include shareholder relations, development of strategies as well as talent management and development. Such reshaping of the board and management will enable opportunities for the Company to gain new insight and wisdom to meet new challenges. This journey will take effort but will establish clear targets and milestones. This is a major step in promoting and building organizational culture and greater efficiency which in return, creates value for shareholders.

With regards to business expansion, PCG's global journey has only just began. To date, PCG holds subsidiaries for businesses in Shanghai, Hong Kong and Sri Lanka. Pine Capital Group Shanghai ("**PCS**") and Pine Ventures are incorporated to engage investors and share information about PCG's financial services and products in Greater China whereas Beacon (East Ceylon) Pte. Ltd. ("**BEC**") and East Ceylon Management and Development Pte. Ltd. ("**ECMD**") are incorporated to explore the Group's growth potential and new business vision in project management. With the wide and expanding platform, the Group welcomes joint ventures and/or strategic alliances with third parties as and when opportunity arises.

On an announcement dated 21 March 2019, for better governance, the Company, in consultation with the Singapore Exchange Securities Trading Limited, will appoint an Independent Reviewer to look into the issues that was received since January 2019. The appointment of the Independent Reviewer is subject to the Exchange being satisfied with inter-alia the appointment, scope and terms of reference. Details pertaining to the Independent Reviewer inter-alia, name of firm and scope of review will be announced in due course. The Company will continue to make announcements as and when appropriate to update shareholders on this matter.

Shareholders and potential investors are advised to refer to the announcements made by the Company pertaining to the changes to the Board, ACPAM and the suspension of trading.

FY2019 FINANCIAL STATEMENT REVIEW

Income Statement review

The Group's FY2019 revenue was mainly derived from the financial services provided by the Company's 51% owned subsidiary, ACPAM.

For the twelve months ended 31 March 2019 the Group's revenue was S$2,410,000. The cost of sales was approximately S$1,333,000, thus resulting in a gross profit margin of 44.70%.

Administrative expenses comprise staff costs, operating leases, professional fees, client business expenses, SGX listing compliance costs, travelling expenses and general office expenses. Administrative expenses have decreased by 54.50% from approximately S$8,668,000 in FY2018 to approximately S$3,944,000 in FY2019 mainly due to the impairment loss on goodwill recognised on both ACPAM and Pine Ventures in FY2018.

The Group's loss from the discontinued operation of S$391,000 was due to the disposal of Ellebeau Group during the financial period ended 31 December 2017.

As a whole, the Group recorded a total loss of S$2,857,000 for FY2019 as compared to a total loss of S$8,458,000 for FY2018.

Balance Sheet review

Decreased in Group's property, plant and equipment by S$45,000 from S$94,000 in FY2018 to S$49,000 in FY2019 was due to depreciation charges for the financial period.

For FY2019, there was a fair value loss of S$144,000 on the investment on PAAM, which was recorded at fair value through other comprehensive income.

Chairman's Statement and Operation Review

The Group's trade and other receivables comprised of deposits, and other receivables. Increase in trade and other receivables by S$357,000 from S$96,000 in FY2018 to S$453,000 in FY2019 was mainly due to the increase in trade receivables of S$177,000 and deposits of S$158,000.

The Group's trade and other payables decreased by S$2,494,000 from S$3,007,000 in FY2018 to S$513,000 in FY2019, and the Company's trade and other payables decreased by S$2,450,000 from S$2,826,000 in FY2018 to S$376,000 in FY2019. Decrease in other payables was mainly attributed to the settlement of the outstanding balances for the acquisition of Pine Ventures amounting to S$2,524,000 by way of cash payment of S$1,826,000 and the remaining balance of S$698,000 has been settled by the issuance of shares in accordance with the "Settlement Agreement" signed on 5 September 2018. The allotment of the shares was completed on 18 October 2018. This was partially offset by an increase in deferred revenue of S$92,000 and other creditors of S$230,000.

On 27 November 2018, the Company recorded borrowings of S$2,700,000 due to the interest-free convertible loan agreement with its controlling shareholder, JMO Pte. Ltd. with a nominal value of $2,700,000. All the convertible loan shall be converted into 1,000,000,000 conversion shares at $0.0027 conversion price 24 months after the draw down date. Subsequently, the Company entered into an Amendment and Restatement Agreement with JMO Pte Ltd to modify an existing interest-free convertible loan agreement, previously entered on 27 November 2018. The loan structure would be revised from being a convertible loan to a loan without any conversion rights with maturity period of 24 months with effect from 12 December 2018.

The Group recorded net current assets of S$3,417,000 in FY2019 as compared to net current liabilities of S$2,137,000 for FY2018.

Looking Ahead

Looking to the future, we will build on our fundamental strengths, global presence and continuous innovation to move forward to create more value in 2020.

We wish to move towards 2019 with four main objectives:

1. **Revenue Growth.** We look forward to our key initiatives of generating growth, scale and financial development.

2. **Capital Allocation.** We aim to continue to generate cumulative free cash flow through 2020. This would give us significant flexibility to re-invest into our company, expand our business and boost the value of PCG.

3. **Global Expansion.** We understand the importance of optimizing the distribution of our network and have plans to expand the company's footprint into prime locations in South East Asia.

4. **Employee Recognition.** We recognise that the strength of a company is the strength of its employees. Going forward, we will emphasize on reinforcement and reward towards employees with the goal of creating employee ownership towards the Company. We hope to contribute to the subjective well-being of our employees as much as we appreciate their contribution towards the growth of the Company.

To stay abreast with international best practices, developments and corporate regulatory standards, the Company will aim to participate actively in international and regional seminars, events and trainings. All told, when we look towards the future, we see a gold mine of opportunity – opportunity for growth, opportunity for innovation and opportunity for talent cultivation. We are committed to achieving our goals and, in doing so, we will drive sustainable, long-term, incremental value for our clients and for our shareholders.

Chairman's Statement and Operation Review

Acknowledgements

In conclusion, on behalf of the Board, PCG would like to take the opportunity to express appreciation for the confidence and support bestowed upon us by our shareholders, partners, business associates and clients that underpins our progress and inspire us to achieve sustainable growth.

I would also like to thank the Board for their invaluable contributions steering the Company towards its strategic objectives. Lastly, PCG would like to emphasize that the success of any business is directly linked to the performance of its employees and would like to specially thank the management and staff of the Group for their dedication and hard work.

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

8 July 2019

Board of Directors

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

Mr Tomi-Jae Wanlun Tjio ("**Mr Tomi Tjio"**) was appointed as an Independent Director of the Company on 1 March 2019. Mr Tomi Tjio is currently an Executive Director of Puxun (Singapore) Private Limited and its wholly owned subsidiary, First Legacy Sdn Bhd and Asia Prestige Travels Pte Ltd. He also serves as an Executive Director at several private limited companies across Asia.

Mr Tomi Tjio has more than 25 years of hospitality, tourism, asset management & commercial experience, responsible for overall strategic planning, development of corporate policies, investments and financial management. He brings with him extensive knowledge and experience in real estate, business operations, funding and assets acquisitions.

Mr Tomi Tjio has gained international work experience in United States, Hong Kong & Thailand with companies in venture funding, investments and real estate. In 2013, he co-funded SmartMedia, an ePublishing & Media Company in Singapore that was eventually acquired by a UK based Media Conglomerate in 2016.

Mr Tomi Tjio holds a Diploma in Mechanical Engineering from Singapore Polytechnic and Financial Planning from Singapore Insurance Institute and a Bachelor of Business Administration from Columbia University. Mr Tomi Tjio is an Associate Member of the Singapore Chinese Chamber of Commerce & Industry and also Member of Singapore Business Federation and Singapore Institute of Directors.

Lee Tze Wee, Andrew
Executive Director

Mr Lee Tze Wee, Andrew ("**Mr Andrew Lee"**) was appointed as an Executive Director of the Company on 18 June 2019. Mr Andrew Lee is also the Chief Executive Officer of Beacon (East Ceylon) Pte. Ltd. ("**BEC**") and East Ceylon Management and Development Pte. Ltd. ("**ECMD**"), both being subsidiaries of Pine Capital Group Limited ("**PCG**"). Apart from his management role as the Executive Director in PCG, he is also responsible for expansion and exploration of Alternative Investments and Real Estate projects globally.

Mr Andrew Lee has more than 15 years in the real estate sector with experience in project and client management, strategic planning, valuation and development of corporate and operational policies. He brings with him extensive knowledge and experience in real estate business operations. Prior to PCG, Mr Lee served at the Singapore Land Authority as a Collector of Land Revenue, where he was in charge of Licensing of State Land as well as mentoring and coaching of new leaders and staff.

Mr Andrew Lee graduated from the National University of Singapore with a Second Class Honours Degree in Bachelor of Science (Real Estate).

Board of Directors

Mr Pan Ki Ro
Non-Independent Non-Executive Director

Mr Pan Ki Ro ("**Mr Pan"**) joined the Group on 12 February 2018 as a Non-Independent Non-Executive Director. In accordance with Article 98 of the Constitution of the Company, Mr Pan was re-elected on 27 July 2018. Mr Pan has more than 30 years of experience in finance and banking industry in South Korea. Mr Pan is currently a Director of Advance Capital Partners Asset Management Private Limited ("**ACPAM**") and was the Chief Executive Officer of Pine Asia Asset Management Inc ("**PAAM**") from 2013 to 2017.

Prior to PAAM, Mr Pan was the Chief Executive Officer of Korean Infrastructure Investments Asset Management Co from 2005 to 2009. He was appointed as the Chief Financial Officer for Korean Development Bank ("**KDB**") from 2003 to 2005. He had worked in KDB since 1973.

Mr Pan holds a Master of Business Administration (MBA) Degree from the Graduate School of Business, Indiana University at Bloomington (USA) and a Bachelor of Law Degree from Seoul National University (Korea).

Mr Wee Heng Yi, Adrian
Independent Non-Executive Director

Mr Wee Heng Yi, Adrian **("Mr Adrian Wee")** was appointed as an Independent Director of the Company on 19 March 2019. Mr Adrian Wee is currently a Director of Characterist LLC. He is also an Independent Director of Huationg Global Limited, as well as the Chairman of the Audit Committee and Remuneration Committee and a Member of its Nominating Committee.

Mr Adrian Wee heads his firm, Characterist LLC's Criminal Litigation and Advocacy Practice Group. His current areas of practice include civil and commercial litigation and criminal defence.

Mr Adrian Wee obtained his Bachelor of Laws (Honours) from the National University of Singapore in 2003 and is admitted to the roll of solicitors in England and Wales. He is a member of the Asean Law Society and the Law Society of Singapore.

Key Management

Wang Meng
Head of Greater China

Mr Wang Meng was appointed as Head of Greater China of the Company on 1 April 2019. Mr Wang is also the Executive Director with effect of 5 April 2019 and Chief Executive Officer of Advance Capital Partners Asset Management Pte Ltd ("**ACPAM**") with effect of 10 May 2019.

Prior to that, Mr. Wang is a portfolio manager of Ferrell Asset Management. In his role, he managed a multi-strategy fund including global credit, equity and special situations with Assets Under Management ("**AUM**") in excess of US$500 million as of August 2017

Prior to that, Mr. Wang was Vice President in group strategy in One Asia Investment Partners. In his role, he conducted bottom-up approach to identify new public and private direct investments in investment grade, high yield and distressed and special situations in Asia. He assisted the portfolio manager to oversee US$800 million in AUM .

Mr. Wang holds a Master in Financial Engineering from Tepper Business School (Carnegie Mellon University) and from Nanyang Business School, Singapore. He graduated with First Class Honours in Electrical & Electronics Engineering from Nanyang Technological University, Singapore. He is a CFA charterholder.

Disclosure of Information on Directors Seeking Re-election

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(5) OF THE RULES OF CATALIST OF THE SGX-ST (THE "CATALIST RULES")

Mr Tomi-Jae Wanlun Tjio is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2019 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Retiring Director as set out in Appendix 7F to the Catalist Rules:

Date of Appointment	1 March 2019
Date of last re-appointment	Not applicable
Age	57
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Tomi-Jae Wanlun Tjio for re-election as the Independent Director of the Company. The Board have reviewed and concluded that Mr Tomi-Jae Wanlun Tjio possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Chairman and Independent Director Chairman of Nominating Committee Member of Audit Committee Member of Remuneration Committee
Professional qualifications	Bachelor of Business Administration
Working experience and occupation(s) during the past 10 years	2014 to present Executive Director, Puxun (Singapore) Private Limited 2012 to present Executive Director, First Legacy Sdn Bhd 2018 to present Executive Director, Asia Prestige Travels Pte Ltd 2016 to present Executive Director, Cue Hotel (Malaysia) Management Sdn Bhd 2016 to 2018 Executive Director, Cue (Singapore) Hotel Management Pte Ltd 2014 - 2016 Executive Director, Smart Media Pte Ltd 2013 - 2016 Executive Director, Digital Communication Media Private Limited

Disclosure of Information on Directors Seeking Re-election

	2012 - 2015 Executive Director, Nenking Metals (Singapore) Pte Ltd 2009 - 2017 Executive Director, Urban9z (S) Pte Ltd 2001 - 2009 Executive Director, Sterling Senses Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	<u>Past</u> Cue (Singapore) Hotel Management Pte Ltd Smart Media Pte Ltd Digital Communication Media Private Limited Nenking Metals (Singapore) Pte Ltd Urban9z (S) Pte Ltd <u>Present</u> Puxun (Singapore) Private Limited First Legacy Sdn Bhd Asia Prestige Travels Pte Ltd Cue Hotel (Malaysia) Management Sdn Bhd
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No

Disclosure of Information on Directors Seeking Re-election

(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c)	Whether there is any unsatisfied judgment against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

Disclosure of Information on Directors Seeking Re-election

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	He has attended the courses/training organized by Singapore Institute of Directors.

Disclosure of Information on Directors Seeking Re-election

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(5) OF THE RULES OF CATALIST OF THE SGX-ST (THE "CATALIST RULES")

Mr Lee Tze Wee, Andrew is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2019 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Retiring Director as set out in Appendix 7F to the Catalist Rules:

Date of Appointment	18 June 2019
Date of last re-appointment	Not applicable
Age	39
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Lee Tze Wee, Andrew for re-election as the Executive Director of the Company. The Board have reviewed and concluded that Mr Lee Tze Wee, Andrew possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Appointment is executive. Area of responsibility includes developing and implementing the Group's operating policies, business plans and strategies, overseeing employees and maintaining effective operational systems.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director Member of Nominating Committee Member of Remuneration Committee
Professional qualifications	Bachelor of Science (Real Estate)
Working experience and occupation(s) during the past 10 years	February 2019 to present: Project Manager, Pine Capital Group Limited, Singapore December 2008 to February 2019: Senior Manager, Singapore Land Authority, Singapore February 2006 to December 2008: Valuer, United Premas Limited, Singapore November 2004 to February 2006: Assistant Centre Manager, Singapore Sports Council, Singapore
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None

Disclosure of Information on Directors Seeking Re-election

Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	Past Nil Present Beacon (East Ceylon) Pte. Ltd. East Ceylon Management and Development Pte. Ltd.

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c)	Whether there is any unsatisfied judgment against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

Disclosure of Information on Directors Seeking Re-election

(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

Disclosure of Information on Directors Seeking Re-election

Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	The Company will arrange for him to attend the mandatory training as set out in the Catalist Rule to familiarise himself with the roles and responsibilities of a director of a public listed company, including seminars conducted by the Singapore Institute of Directors within 1 year from the date of his appointment as Executive Director.

Disclosure of Information on Directors Seeking Re-election

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(5) OF THE RULES OF CATALIST OF THE SGX-ST (THE "CATALIST RULES")

Mr Pan Ki Ro is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2019 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Retiring Director as set out in Appendix 7F to the Catalist Rules:

Date of Appointment	12 February 2018
Date of last re-appointment	27 July 2018
Age	68
Country of principal residence	Republic of Korea
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Pan Ki Ro for re-election as the Non-Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Pan Ki Ro possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent Non-Executive Director Member of Audit Committee Member of Nominating Committee Member of Remuneration Committee
Professional qualifications	Master of Business Administration (MBA) Degree Bachelor of Law Degree
Working experience and occupation(s) during the past 10 years	2015 - 2017 Chief Executive Officer and Executive Director, Pine Asia Asset Management Inc. 2013 - 2015 Chief Executive Officer and Executive Director, Phoenix Asset Management Inc. 2011 - 2013 Auditor (Non-standing) – Phoenix Asset Management Inc. 2017 – 2019 Auditor (Non-standing), Ecoenergy Holdings Co., Ltd 2005 - 2009 Chief Executive Officer and President, Korea Infrastructure Investments Asset Management Co.
Shareholding interest in the listed issuer and its subsidiaries	No

Disclosure of Information on Directors Seeking Re-election

Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	<u>Past</u> Chief Executive Officer and Executive Director, Pine Asia Asset Management Inc. Chief Executive Officer and Executive Director, Phoenix Asset Management Inc. Non-standing Auditor, Ecoenergy Holdings Co., Ltd <u>Present</u> Director, PKR Investment Services Incorporation Independent Director, Advance Capital Partners Asset Management Private Limited ("ACPAM")

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c)	Whether there is any unsatisfied judgment against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No

Disclosure of Information on Directors Seeking Re-election

(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	On 9 April 2019, the Court made an interim order, inter alia, to the effect that pending the hearing of an injunction application, I was not to perform the functions of Non-Executive Director of ACPAM ("the 9 April 2019 Order"). At the hearing of the substantive injunction application on 24 April 2019, the Court ordered that the 9 April 2019 Order was to be discharged upon the convening of the EGM of ACPAM. The EGM of ACPAM was convened on 10 May 2019. I was therefore no longer subject to any restriction vis-a-vis my exercise of functions as Non-Executive Director of ACPAM. By way of a board resolution on 10 May 2019, I was duly appointed as Non-Executive Director of ACPAM with immediate effect.

Disclosure of Information on Directors Seeking Re-election

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	2010 – 2013 Non-Standing Director Kumho Petrochemical Co., Ltd 2015 – 2016 Non-Standing Director Ecoenergy Holdings Co., Ltd The Company will arrange for Mr Pan to attend training courses to familiarise himself with the rules and responsibilities as a director of a public listed company in Singapore.

Disclosure of Information on Directors Seeking Re-election

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(5) OF THE RULES OF CATALIST OF THE SGX-ST (THE "CATALIST RULES")

Mr Wee Heng Yi, Adrian is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2019 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Retiring Director as set out in Appendix 7F to the Catalist Rules:

Date of Appointment	19 March 2019
Date of last re-appointment	Not applicable
Age	40
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Wee Heng Yi, Adrian for re-election as the Independent Director of the Company. The Board have reviewed and concluded that Mr Wee Heng Yi, Adrian possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director Chairman of Audit Committee Chairman of Remuneration Committee Member of Nominating Committee
Professional qualifications	Solicitor, England and Wales (Non-practicing) Advocate & Solicitor of Singapore
Working experience and occupation(s) during the past 10 years	2008 to 2009 Advocate & Solicitor, Characterist LLC 2009 to present Director, Characterist LLC 2014 to present Independent Director, Huationg Global Limited
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None

Disclosure of Information on Directors Seeking Re-election

Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	Past Advocate & Solicitor, Characterist LLC Present Independent Director, Huationg Global Limited Director, Characterist LLC

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c)	Whether there is any unsatisfied judgment against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

Disclosure of Information on Directors Seeking Re-election

(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

Disclosure of Information on Directors Seeking Re-election

Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	November 2014 to present Independent Director, Huationg Global Limited

Corporate Information

BOARD OF DIRECTORS

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

Lee Tze Wee, Andrew
(Executive Director)

Pan Ki Ro
(Non-Independent Non-Executive Director)

Wee Heng Yi, Adrian
(Independent Non-Executive Director)

AUDIT COMMITTEE

Wee Heng Yi, Adrian
Chairman

Tomi-Jae Wanlun Tjio
Member

Pan Ki Ro
Member

REMUNERATION COMMITTEE

Wee Heng Yi, Adrian
Chairman

Tomi-Jae Wanlun Tjio
Member

Pan Ki Ro
Member

Lee Tze Wee, Andrew
Member

NOMINATING COMMITTEE

Tomi-Jae Wanlun Tjio
Chairman

Wee Heng Yi, Adrian
Member

Pan Ki Ro
Member

Lee Tze Wee, Andrew
Member

CORPORATE OFFICE

16 Collyer Quay
#29-01 Income @ Raffles
Singapore 049318.
Telephone: (65) 6718 2337
Fax: (65) 6221 2097
Company Registration Number: 196800320E

REGISTERED OFFICE

80 Robinson Road, #02-00
Singapore 068898
Telephone: (65) 6236 3333
Fax: (65) 6236 4399

COMPANY SECRETARY

Pan Mi Keay
(Appointed on 11 April 2019)

SHARE AND WARRANT REGISTRAR

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
80 Robinson Road, #11-02
Singapore 068898
(Appointed on 15 May 2019)

AUDITORS

Nexia TS Public Accounting Corporation
100 Beach Road
#30-00 Shaw Tower
Singapore 189702

Partner-In-Charge: Low See Lien
Year Appointed: Since financial year ended 31 March 2018

PRINCIPAL BANKERS

United Overseas Bank Limited

SPONSOR

Asian Corporate Advisors Pte. Ltd.
160 Robinson Road
#21-05 SBF Center
Singapore 068914

Corporate Governance Report

Pine Capital Group Limited (the "**Company**") is committed to maintaining a high standard of corporate governance and has put in place self-regulatory corporate practices to protect the interests of its shareholders and enhance long-term shareholders value.

The Company is in compliance with most of the guidelines in the Singapore Code of Corporate Governance 2012 (the "**2012 CG Code**") and any deviations from the 2012 CG Code are disclosed and explained within this Report. The Board will continue to enhance its corporate governance practices appropriate to the conduct of its business and to review such practices from time to time to ensure compliance with applicable laws, rules and regulations, the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the 2012 CG Code.

On 6 August 2018, the revised Code of Corporate Governance (the "**2018 Code**") was issued with the aim to enhance quality of the Board by strengthening the Board's independence and diversity and encouraging better engagement between the companies and all the stakeholders. As the 2018 Code is effective from 1 January 2019, the Company will endeavour to comply with the 2018 Code from 1 April 2019 onwards.

BOARD MATTERS

Principle 1 – The Board's Conduct of Affairs

Principle: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

Board of Directors

The Company is effectively headed by the Board to lead and control it. Apart from its statutory duties and responsibilities, the Board is collectively responsible for the success of the Company and its subsidiaries (the "**Group**") and it works with the management ("**Management**") to achieve this. The Management remains accountable to the Board. The Board oversees the affairs of the Group and focuses on strategies and policies, with particular attention paid to financial performance. It delegates the formulation of business policies and day-to-day management to the Executive Director(s). In addition, the Board is directly responsible for decision making in respect of the following matters:

1. providing entrepreneurial leadership, setting strategic aims, and ensuring appropriate financial and human resources are in place for the Group to meet its objectives;

2. establishing a framework of prudent and effective controls which enables risks to be assessed and managed including safeguarding of shareholders' interest and the Company's assets;

3. reviewing Management performance and approving the nomination and appointment of key executives, as may be recommended by the Nominating Committee ("**NC**");

4. reviewing and endorsing the framework of remuneration for the Board and key management personnel, as may be recommended by the Remuneration Committee ("**RC**");

5. identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation;

6. setting the Group's values and standards, and ensuring that obligations to shareholders and other stakeholders are understood and met;

7. considering sustainability issues, e.g. environmental and social factors, as part of its strategic formulation;

Corporate Governance Report

8. ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct;

9. assuming responsibilities for good corporate governance and business practices; and

10. approving quarterly and full-year result announcements and interested person transactions.

The Company has adopted internal guidelines with clear directions to Management which set forth matters that require Board's approval, examples of which include corporate plans and budgets, acquisitions and disposals of investment and assets by the Company or any of its subsidiaries, change in capital structure, dividends and other returns to shareholders. All Directors objectively discharge their duties and responsibilities at all times in the interests of the Company. The Board also delegates certain of its functions to the Audit Committee ("**AC**"), NC and RC and these functions are described separately under the various sections of each Committee below. Each Committee has its own defined terms of reference and operating procedures which are reviewed on a regular basis. The effectiveness of each Committee is also reviewed by the Board.

Directors' attendance at Board and Board Committee Meetings

The Board is scheduled to meet at least four (4) times a year and as and when warranted by circumstances. In order to assist the Directors in planning their attendance at Board and Committee Meetings, meeting dates are scheduled in advance in consultation with the Directors. Telephonic attendance, audio-video conferencing or by means of similar communication equipment whereby all persons participating in the meeting are able to hear each other at meetings are allowed under Article 107 of the Company's Constitution.

The number of meetings of the Board and the respective Board Committees held and attendance of each Director at these meetings in the financial year ended 31 March 2019 ("**FY2019**") are as follows:

Name	Board	Audit Committee	Nominating Committee	Remuneration Committee
Mr Tan Choon Wee [(1)]	4	4**	1	1
Mr Pan Ki Ro	4	4	1**	1**
Prof. Ling Chung Yee, Roy [(2)]	3	4	1	1
Mr Chong Chee Hoong [(3)]	4	4	1	1
Mr Philip Wong Yee Teng [(4)]	1	1**	1**	1**
Mr Tomi-Jae Wanlun Tjio [(5)]	N.A.	N.A.	N.A.	N.A.
Mr Wee Heng Yi, Adrian [(6)]	N.A.	N.A.	N.A.	N.A.
Mr Lee Tze Wee, Andrew [(7)]	N.A.	N.A.	N.A.	N.A.
Number of meetings held	**4**	**4**	**1**	**1**

***: By Invitation*
N.A.: Not Applicable

Notes:

(1) Mr Tan Choon Wee resigned as the Interim Chief Executive Officer and Executive Chairman of the Company with effect from 1 March 2019.
(2) Prof. Ling Chung Yee, Roy resigned as the Lead Independent Director of the Company with effect from 18 March 2019.
(3) Mr Chong Chee Hoong resigned as an Independent Director and the Acting Non-Executive Chairman of the Company with effect from 18 March 2019.
(4) Mr Philip Wong Yee Teng resigned as the Executive Director and Chief Executive Officer ("CEO") of the Company with effect from 31 May 2018.
(5) Mr Tomi-Jae Wanlun Tjio has been appointed as an Independent Director with effect from 1 March 2019 and re-designated as the Non-Executive Chairman and Independent Director of the Company with effect from 20 March 2019.
(6) Mr Wee Heng Yi, Adrian has been appointed as an Independent Non-Executive Director of the Company with effect from 19 March 2019.
(7) Mr Lee Tze Wee, Andrew has been appointed as an Executive Director of the Company with effect from 18 June 2019.

Corporate Governance Report

Training

All of the Directors have many years of corporate experience and are familiar with their duties and responsibilities as Directors. Directors are encouraged to undergo relevant training to enhance their skills and knowledge, particularly on new laws, regulations and changing risks affecting the Group's operations, from time to time. Other forms of training may include governance practices and training in accounting, legal and industry-specific knowledge (in writing or disseminated by way of briefings, presentation and/or handouts). Directors are also briefed by professionals either during Board meetings or at separate meetings on regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company.

Newly appointed Directors will receive information, by way of a letter, an email or otherwise, setting out the Director's duties and obligations and will undergo an orientation program where the Executive Director(s) will brief them on the Group's business, policies and governance practices to ensure that they are familiar with the same.

The Company welcomes Directors to seek explanations or clarifications from and/or convene informal discussions with the Management on any aspect of the Group's operations or business. Necessary arrangements will be made for the informal discussions or explanations as and when required.

The Directors have participated in seminars and training programmes to keep abreast with the development in the business environment, financial sector issues and challenges as well as the new regulatory and statutory requirements. The training programmes and seminars attended by the Directors during the financial year ended 31 March 2019 are, inter-alia, on areas relating to corporate governance, risk management and role of an effective Board. The seminars and training programmes attended by the Directors during the financial year ended 31 March 2019 are as follows:

- Board Performance
- Nominating Committee Essentials
- Audit Committee Essentials
- Board Risk Committee Essentials
- Stakeholder Engagement
- Director Financial Reporting Fundamentals

Principle 2 – Board Composition and Guidance

Principle: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and substantial shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board, as at the date of this Report, comprises:

Mr Tomi-Jae Wanlun Tjio	(Non-Executive Chairman and Independent Director)
Mr Lee Tze Wee, Andrew	(Executive Director)
Mr Pan Ki Ro	(Non-Independent Non-Executive Director)
Mr Wee Heng Yi, Adrian	(Independent Non-Executive Director)

The Company believes that there should be a strong and independent element on the Board in order for it to exercise objective judgment on corporate and business affairs. Hence, the Board comprises four (4) Directors, out of whom two (2) are Independent Non-Executive Directors, one (1) is Non-Independent Non-Executive Director and one (1) is Executive Director. The Board has a strong and independent element with two (2) Independent Directors that make up to more than one-third of the Board in compliance with the 2012 CG Code. The Company also believes that the Independent Directors should be selected for their diverse expertise so that they can provide a balance of views.

Corporate Governance Report

Mr Tomi-Jae Wanlun Tjio ("**Mr Tomi Tjio**") and Mr Wee Heng Yi, Adrian ("**Mr Adrian Wee**") were appointed as the Independent Directors of the Company with effect from 1 March 2019 and 19 March 2019 respectively and they will be available to shareholders where they have concerns and for which contact through normal channels of the Chairman, the Chief Executive Officer ("**CEO**") (where applicable) or the Chief Financial Officer (where applicable) has failed to resolve or is inappropriate.

The Independent Directors consist of respected individuals from different backgrounds whose core competencies, qualifications, skills and experience are extensive and complementary.

None of the Independent Directors have served on the Board beyond nine years from the date of his appointment. All Independent Directors, Mr Tomi Tjio and Mr Adrian Wee, have confirmed that they do not have any relationship with the Company, its related corporations or its substantial shareholders or officers that could interfere, or be perceived to interfere, with the exercise of their independent business judgment in the best interests of the Company.

The independence of each Director is reviewed annually by the NC. The NC has adopted the 2012 CG Code's definitions of an independent director in its review and has reviewed and determined that the said Directors are independent. Taking into account of the views of the NC, the Board determined that the said Directors are independent in character and judgment and no relationships or circumstances which are likely to affect, or could appear to affect, the said Directors' judgment. To facilitate a more effective check on Management, Non-Executive Directors are encouraged to meet regularly without the presence of Management.

The NC and the Board, taking into account the current nature and scope of the Group's operations and the impact of the number of Directors on the effectiveness in decision making, are of the view that the current size of the Board is appropriate and effective and no individual or small group of individuals dominates the Board's decision making process. The NC and the Board is also of the view that the present Board has the appropriate mix of expertise, experience and competencies such as accounting or finance, business or management experience and industry knowledge for the effective functioning of the Board.

The Non-Executive Directors constructively challenge and help develop proposals on strategy and also review the performance of management in meeting agreed goals and objectives and extend guidance to Management. The Directors' objective judgment on corporate affairs and collective experience and knowledge are invaluable to the Group and allows for the useful exchange of ideas and views.

Principle 3 – Chairman and Chief Executive Officer

Principle: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The current Independent Director, Mr Tomi Tjio is re-designated to the position as Non-Executive Chairman of the Company. Mr Lee Tze Wee, Andrew ("**Mr Andrew Lee**") is appointed the Executive Director of the Company. The Company has been searching for a suitable candidate for the CEO role. In the interim, the Board will assist with the Management of the Company.

Being the Non-Executive Chairman, Mr Tomi Tjio is responsible for:

1. leading the Board to ensure its effectiveness on all aspects of its role;

2. setting the agenda of Board meetings and ensuring that adequate time is available for discussion of all items on the meeting agenda;

3. promoting a culture of openness and debate at the Board;

4. ensuring that the Directors receive accurate, timely and clear information;

Corporate Governance Report

5. ensuring effective communication with shareholders;

6. encouraging constructive relations between the Board and the Management;

7. facilitating the effective contribution of Non-Executive Directors;

8. promoting high standards of corporate governance; and

9. the overall management and to grow the financial management businesses of the Group.

The Company has adopted the recommendation of the 2012 CG Code to have different individuals appointed as the Chairman and the CEO. The Board is of the view that there is an appropriate balance of power and sufficient strong independent element in the Board which could enable the independent exercise of objective judgement on corporate affairs of the Group, taking into account factors such as accountability and capacity of the Board and numbers of Independent Directors on the Board, as well as the size and scope of the affairs and operations of the Group.

Principle 4 – Board Membership

Principle: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The Company is not in compliance with Guideline 4.1 of the 2012 CG Code where majority of the NC of the Company is not an independent director. The Board is of the opinion that the role of Mr Lee Tze Wee, Andrew, an Executive Director, will not affect the independence of the NC and the RC as he shall abstain from voting on any resolutions and making any recommendation and/or participating in deliberations in respect of matters in which he has interest in (including in particular his remuneration) and taking into account that the majority of the NC and RC members are either independent or non-executive directors. The Board endeavours to comply with the requirement under the 2012 CG Code as soon as practicable.

The NC comprises four (4) members as follows:

Mr Tomi-Jae Wanlun Tjio	**Chairman** (Non-Executive Chairman and Independent Director)
Mr Wee Heng Yi, Adrian	**Member** (Independent Non-Executive Director)
Mr Pan Ki Ro	**Member** (Non-Independent Non-Executive Director)
Mr Lee Tze Wee, Andrew	**Member** (Executive Director)

The NC is scheduled to meet at least once a year. The principle functions of and authorities conferred to the NC as delegated to it by the Board include, but are not limited to, the following:

1. making recommendations to the Board on all Board and key management personnel appointments;

2. the re-nomination of Directors having regard to each Director's contribution and performance, including, if applicable, as an Independent Director;

3. determining annually whether or not a Director is independent;

4. deciding whether or not a Director is able to and has adequately carried out his duties as a director;

5. reviewing and recommending the training and professional development programmes for the Board;

6. recommending to the Board the review of board succession plans for Directors, in particular, the Chairman and the CEO; and

7. the development of a process for evaluation of the performance of the Board, its Board Committees and Directors.

Corporate Governance Report

The NC reviews the need for appointment of additional Director(s) from time to time and the composition of the Board, including mix of expertise, skills and attributes of existing Directors, so as to identify needed and/or desired competencies to supplement the Board's existing attributes. The process of the search, selection and appointment of new Directors is as follows:

(a) candidates are sourced and identified based on the needs of the relevant skills, experience, knowledge and expertise;

(b) the NC meets with the short-listed candidates to assess their suitability taking into consideration the existing composition of the Board and strives to ensure that the Board has an appropriate balance of independent directors as well as qualification and experience of each candidate, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with the strategic objectives and to ensure that the candidates are aware of the expectations and the level of commitment required of them; and

(c) the NC makes appropriate recommendation to the Board for approval.

All newly appointed Director(s) during the year will hold office only until the next annual general meeting ("**AGM**") following their appointment and will be eligible for re-election but shall not be taken into account in determining the number of Directors who are retiring by rotation at each financial year.

The NC determines annually, and as and when circumstances require, if a Director is independent, and will present its views, based on Guidelines 2.3 and 2.4 of the 2012 CG Code, to the Board for its consideration.

The NC reviews all nomination for appointments and re-appointments to the Board and submits its recommendations for approval by the Board, taking into account whether Directors are properly qualified for re-appointment by virtue of their skills, experience and contributions and an appropriate mix of core competencies for the Board to fulfill its roles and responsibilities.

Pursuant to Article 92 of the Company's Constitution, at each AGM, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) are required to retire by rotation. All Directors are required to submit themselves for re-election at least once every three (3) years.

The NC has recommended to the Board that Mr Pan Ki Ro be nominated for re-election at the forthcoming AGM of the Company pursuant to Article 92 of the Company's Constitution and that Mr Tomi Tjio, Mr Adrian Wee and Mr Lee Tze Wee, Andrew be nominated for re-election at the forthcoming AGM of the Company pursuant to Article 98 of the Constitution of the Company and they being eligible, have offered themselves for re-election at the forthcoming AGM. The Board recommends the shareholders approve the re-election of the said Directors. The details of the proposed resolutions are stipulated in the Notice of AGM.

The NC Chairman does not have any relationships including immediate family relationships between himself and the Directors, the Company and the substantial shareholders.

Each member of the NC shall abstain from voting on any resolutions and making any recommendation and/or participating in any deliberations in respect of matters in which he has an interest in.

The NC reviews and determines annually whether Directors who have multiple board representations and other principal commitments, give sufficient time and attention to the affairs of the Company and adequately carry out his duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and his actual conduct on the Board, in making this determination.

For FY2019, despite some of the Directors having multiple board representations and/or other principal commitments, the Directors had devoted sufficient time and attention to the affairs of the Company and adequately discharged their duties as Directors of the Company. The NC and the Board are of the view

that such multiple board representations held presently by the Directors do not impede their respective performance in carrying out their duties to the Company. These Directors would widen the experience of the Board and give it a broader perspective. As such, the NC has decided not to fix a maximum limit on the number of directorships a Director can hold.

Key information regarding the Directors such as academic, professional qualifications, shareholding in the Company and its related corporations, Board Committees served on (as a member or chairman), date of first appointment as a Director, date of last re-appointment as a Director, directorships or chairmanships both present and those held over the preceding three (3) years in other listed companies, and other principal commitments are disclosed in the "Board of Directors", "Disclosure of information on directors seeking re-election pursuant to Rule 720(5) of the Catalist Rules", and "Directors' Statement" sections of the Annual Report.

The Board has not appointed any alternate directors.

Principle 5 – Board Performance

Principle: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The Board has implemented a process to be carried out by the NC for assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board. The appraisal process focuses on a set of performance criteria which includes the individual evaluation of Directors, the evaluation of the Board composition and size, the Board process, the Board effectiveness and training, provision of information to the Board and the Board standards of conduct. Such performance criteria are approved by the Board and they address how the Board will enhance long term shareholders' value. The performance criteria do not change unless circumstances deem it necessary and a decision to change such performance criteria would be justified by the Board.

The Chairman will act on the results of the performance evaluation, and in consultation with the NC, where appropriate, propose the gradual refreshment of the Board.

During the financial year under review, the Board evaluation exercise has been carried out by way of a Board assessment checklist, which was circulated to the Board members for completion. The assessment covers areas such as Board composition, information to the Board, Board procedures, Board accountability, CEO / Key Management, standards of conduct, risk management and internal control, communication with shareholders and Director self-evaluation. Directors can also provide input on issues which do not fall under these categories, for instance, addressing specific areas where improvements can be made. The Company noted that the composition of the Board has recently changed substantially and that certain aspects of the Board evaluation exercise may not have practicable to carry out for the financial year under review.

Furthermore, the NC and the Board is in the process of searching for an additional Board member with relevant accounting or related management expertise or experience.

The NC will review the appropriateness of the Board size, taking into consideration changes in the nature of the Group's business, the scope of operations, as well as changing regulatory requirements.

Principle 6 – Access to Information

Principle: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Corporate Governance Report

In order to ensure that the Board is able to fulfill its responsibilities, the Management provides the Board with periodic updates covering operational performance and financial results, market and business development updates and other important and relevant information.

Prior to each Board meeting, the Board is provided with relevant background or explanatory information relating to the business of the meeting and information on major operational, financial and corporate issues. This is to give the Directors sufficient time to review and consider the matters being tabled and/or discussed. In addition, all relevant information on material events and transactions are circulated to Directors as and when they arise. Whenever necessary, Management staff will be invited to attend the Board meetings to answer queries and provide detailed insights into their areas of operations. The Board, either individually or as a group, also has separate and independent access to Management staff. Directors are entitled to request from Management and are provided with such additional information as needed to make informed decisions in a timely manner.

The information provided by the Management includes board papers and related materials, background or explanatory information relating to matters to be brought before the Board, and copies of disclosure documents, budgets, forecasts and monthly internal financial statements. In respect of budgets, any material variance between the projections and actual results will also be disclosed and explained by the Management.

The Board, and the chairman of the respective Committees, whether individually or as a group, are able to seek independent professional advice as and when necessary in furtherance of their duties at the Company's expense.

The Board members also have separate and independent access to the Company Secretary who ensures good information flow within the Board and its Committees and between the Management and Non-Executive Directors, as well as facilitates orientation and assists with professional development as required. The Company Secretary or his representative(s) attends all Board and Committees' meetings and ensures that the Board procedures and relevant rules and regulations are complied with. The appointment and removal of the Company Secretary are both subject to the Board's approval.

REMUNERATION MATTERS

Principle 7 – Procedures for Developing Remuneration Policies

Principle: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The Company is not in compliance with the 2012 CG Code where the majority of whom, including the RC Chairman, are independent Directors and all RC members are non-executive directors. The Board endeavours to comply with the requirement under the 2012 CG Code as soon as practicable.

The RC comprises four (4) members as follows:

Mr Wee Heng Yi, Adrian	**Chairman** (Independent Non-Executive Director)
Mr Pan Ki Ro	**Member** (Non-Independent Non-Executive Director)
Mr Tomi-Jae Wanlun Tjio	**Member** (Non-Executive Chairman and Independent Director)
Mr Lee Tze Wee, Andrew	**Member** (Executive Director)

The RC is scheduled to meet at least once a year. The RC is regulated by a set of terms of reference and has access to independent professional advice inside and outside the Company, if necessary, in respect of the remuneration of all Directors and key management personnel. If such independent professional advice is

sought, the RC will ensure that its existing relationships, if any, between the Company and its remuneration consultants will not affect their independence and objectivity. The Company will also disclose the names and firms of the remuneration consultants in its annual remuneration report, which will include a statement on whether the remuneration consultants have any relationships with the Company. For FY2019, the RC has not engaged the services of a remuneration consultant.

The RC's main duties include, but are not limited to, the following:

1. to review and recommend to the Board a framework covering all aspects of remuneration and to determine the specific remuneration packages and terms of employment for each of the Executive Director(s) and key management personnel, including those employees related to the Executive Director(s) and substantial shareholders of the Group, if any, bearing in mind the need for a cautious comparison (in order to prevent the risk of an upward ratchet of remuneration levels with no corresponding improvement in performance) of pay and employment conditions of comparable companies in the same or similar industries, and to submit such recommendations for endorsement by the entire Board;

2. to review the Company's obligations arising in the event of termination of the Executive Director(s)' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid awarding poor performance; and

3. to carry out its duties in a manner that is deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board from time to time.

Each RC member shall abstain from voting on any resolutions or making any recommendations and/or participating in the deliberations of the RC in respect of his remuneration package.

Principle 8 – Level and Mix of Remuneration

Principle: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

As part of its review, the RC shall ensure that:

1. all aspects of remuneration, including Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind are covered;

2. the remuneration packages of Directors and key management personnel are comparable to companies in same or similar industries;

3. the level of remuneration of Non-Executive Director(s) are appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors, but also bearing in mind that Non-Executive Director(s) are not over-compensated to the extent that their independence may be compromised;

4. the level of remuneration is appropriate to attract, retain and motivate the Directors needed to run the Group successfully without such levels being more than is necessary for this purpose; and

5. the remuneration package of employees related to Executive Director(s) and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

Corporate Governance Report

The Company adopts a formal and transparent procedure for developing its policy on key management personnel remuneration and for determining the remuneration packages of the individual Director. No Director is involved in making recommendation and/or deciding his own remuneration. In setting remuneration packages, the Company takes into account pay and employment conditions of comparable companies in the same or similar industries, as well as the Group's relative performance and the performance of the individual Director or key management personnel. The RC also reviews whether Executive Director(s) or key management personnel should be eligible for benefits under long-term incentive schemes. The Company has adopted the Performance Share Scheme (the "**PSS**") on 27 July 2018 as benefits under long-term incentive schemes. The PSS was implemented to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate Executive Director(s) or key management personnel to promote higher performance, goals and recognise exceptional performance

The remuneration policy for Executive Director(s) and key management personnel consists of salary, bonus, pension fund contributions and other allowances. The Executive Director(s) are paid in accordance with their respective service agreements. These service agreements are not excessively long and they do not have onerous removal clauses.

Independent Directors are paid a basic fee and additional fees for serving on any of the Board Committees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account.

The Company does not make use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Director(s) and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Director(s) owe fiduciary duties to the Company and the Company should be able to avail itself to remedies against the Executive Director(s) in the event of such breach of fiduciary duties.

Principle 9 – Disclosure on Remuneration

Principle: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

Directors' Remuneration

The Company believes that the disclosure in bands of S$250,000 provides sufficient overview of the remuneration of the Directors. The Board is of the view that it would not be in the best interests of the Company to disclose the breakdown of each individual Director's remuneration, having regard to the highly competitive human resource environment, the confidential nature of staff remuneration matters and so as not to hamper the Company's efforts to retain and nurture its talent pool. For the same reasons, the Company does not believe it to be in its best interest to disclose the key performance indicators that are linked to the remuneration package, including any termination, retirement and post-employment benefits.

The variable bonus or incentive portion of the remuneration packages of the Executive Director and key management personnel are linked to key performance indicators ("KPIs") that are determined in advance. Such KPIs typically include financial and non-financial KPIs. Financial KPIs are directly linked to the performance of the Group. Non-financial KPIs include action plans that are important to the long-term sustainability of the Group's performance, such as succession planning.

Corporate Governance Report

The breakdown showing the level and mix of each individual Director's remuneration for FY2019 are as follows:

Remuneration Band and Name of Directors	Salary and Benefit (inclusive of Employer's CPF) (%)	Bonus (%)	Other Benefits (%)	Director's Fee (%)	Total (%)
Below S$250,000					
Mr Tan Choon Wee [1]	N.A.	N.A.	N.A.	100%	100%
Mr Pan Ki Ro	N.A.	N.A.	N.A.	100%	100%
Prof. Ling Chung Yee, Roy [2]	N.A.	N.A.	N.A.	100%	100%
Mr Chong Chee Hoong [3]	N.A.	N.A.	N.A.	100%	100%
Mr Philip Wong Yee Teng [4]	100%	N.A	N.A	N.A	100%
Mr Tomi-Jae Wanlun Tjio [5]	N.A.	N.A.	N.A.	100%	100%
Mr Wee Heng Yi, Adrian [6]	N.A.	N.A.	N.A.	100%	100%
Mr Lee Tze Wee, Andrew [7]	N.A.	N.A.	N.A.	N.A.	N.A.

Notes:

(1) Mr Tan Choon Wee resigned as the Interim Chief Executive Officer and Executive Chairman of the Company with effect from 1 March 2019 .
(2) Prof. Ling Chung Yee, Roy resigned as the Lead Independent Director of the Company with effect from 18 March 2019.
(3) Mr Chong Chee Hoong resigned as an Independent Director and the Acting Non-Executive Chairman of the Company with effect from 18 March 2019.
(4) Mr Philip Wong Yee Teng resigned as the Executive Director and CEO of the Company with effect from 31 May 2018.
(5) Mr Tomi-Jae Wanlun Tjio has been appointed as an Independent Director with effect from 1 March 2019 and re-designated as the Non-Executive Chairman and Independent Director of the Company with effect from 20 March 2019.
(6) Mr Wee Heng Yi, Adrian has been appointed as an Independent Non-Executive Director of the Company with effect from 19 March 2019.
(7) Mr Lee Tze Wee, Andrew has been appointed as an Executive Director of the Company with effect from 18 June 2019.

Key Management Personnel's remuneration

In FY2019, Ms Jessie Sun May Gze ("**Ms Jessie**"), was the Company's sole key management personnel. Ms Jessie was appointed as Chief Operating Officer ("**COO**") of the Company with effect from 1 November 2018 and her remuneration did not exceed S$50,000 in FY2019. Ms Jessie was terminated as COO of the Company with effect from 31 January 2019.

There are currently no benefits for termination, retirement and/or post-employment benefits granted to the Directors, CEO and key management personnel.

The remuneration of Ms Charlene Tan ("**Ms Tan**"), who is the daughter of Mr Tan Choon Wee, Interim CEO and Executive Chairman of the Company, did not exceed S$50,000 in FY2019. Ms Tan is a Client Services Manager of Advance Capital Partners Asset Management Private Limited ("**ACPAM**"), a 51% owned subsidiary of the Company. The Board, is of the opinion that Ms Tan's role as a Client Services Manager at ACPAM does not constitute a managerial position which requires disclosure under Rule 704(10) of the Catalist Rules as Ms Tan's duties and responsibilities in ACPAM do not involve decision-making with respect to the business and operation of ACPAM.

"**Immediate family member**" means the spouse, child, adopted child, stepchild, brother, sister and parent.

Corporate Governance Report

The Company has adopted the Employee Share Option Scheme (the "**ESOS**") on 27 July 2018. The ESOS shall be administered by the RC. The purpose of the ESOS is to provide an opportunity for employees of the Group to participate in the equity of the Company so as to motivate them towards greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The ESOS, which forms an integral and important component of a compensation plan, is designed to primarily reward and retain employees whose services are vital to the success of the Group.

Under the rules of the ESOS, the options that are granted may have exercise prices that are, at the RC's discretion, set at the price ("**Market Price**") equal to the average of the last dealt prices for the Company's ordinary shares ("**Shares**") on the Catalist for the five consecutive trading days immediately preceding the relevant date of grant of the relevant option, or (provided that Shareholders' approval is obtained in a separate resolution) at a discount to the Market Price (subject to a maximum discount of 20% or such other percentage or amount as may be determined by the RC and as permitted by the SGX-ST). Options which are fixed at the Market Price may be exercisable at any time by the participant after the first anniversary of the date of grant of that option while options granted at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the Scheme will have a life span of ten (10) years. The options may be exercisable in whole or in part, on payment of the exercise price. Since its adoption till the date of this report, no option has been granted under the ESOS.

In addition to the ESOS, the Company has adopted the Performance Share Scheme (the "**PSS**") on 27 July 2018. The PSS was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to promote higher performance, goals and recognise exceptional performance. The PSS shall be managed by the RC. No performance share has been granted under the PSS during the FY2019 up to the date of report.

ACCOUNTABILITY AND AUDIT

Principle 10 – Accountability

Principle: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

In presenting the annual financial statements and announcements to the shareholders of the Company, it is the aim of the Board to provide the shareholders with a balanced and understandable assessment of the Group's financial performance, financial position and business prospects. In respect of the annual budgets, any material variances between the projections and actual results are disclosed and explained to the Board by the Management during the Board meetings.

The Board is primarily responsible for presenting a fair and balanced report of the financial affairs of the Group (including interim and other price sensitive public reports, and reports to regulators (if required) which is prepared in accordance with the Companies Act and the Singapore Financial Reporting Standards).

The financial performance and annual reports are announced or issued within the mandatory period under the Catalist Rules. The Board also provides negative assurance confirmation to shareholders for the half-yearly and quarterly financial results announcements pursuant to Rule 705(5) of the Catalist Rules.

The Management also provides the Board with management accounts and monthly updates covering operational performance, financial results, marketing and business development efforts as well as other important and relevant information as the Board may require from time to time, to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Corporate Governance Report

Principle 11 – Risk Management and Internal Controls

Principle: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board oversees the design of and ensures that the Management implements and maintains a sound system of internal controls and effective risk management policies to safeguard shareholders' investments and the Group's assets.

The Board annually reviews the adequacy and effectiveness of the Company's risk management and internal control systems including finance, operational, compliance and IT control. For the period under review, based on the internal controls established and maintained by the Group, work performed by the external auditors, and regular reviews performed by the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology controls, and risk management were adequate and effective to provide reasonable assurance of the integrity and effectiveness of the Company in safeguarding its assets and shareholders' value as at 31 March 2019.

As disclosed in the announcement dated 21 March 2019, the Board will appoint an Independent Reviewer to investigate the numerous allegations which it had received since January 2019. The appointment of the Independent Reviewer is subject to the SGX-ST being satisfied with inter-alia the appointment, scope and terms of reference. Details pertaining to the Independent Reviewer inter-alia, name of firm and scope of review will be announced in due course.

The system of internal controls provides reasonable, but not absolute assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives.

However, the Board notes that, despite their best efforts to implement risk management systems, no cost-effective system of internal control can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities. The system is designed to manage rather than eliminate all risks. As such, risk assessment and evaluation is an essential part of business planning and monitoring.

The Board had received assurance from Mr Lee Tze Wee, Andrew, the Executive Director that:

(a) the financial records as at 31 March 2019 have been properly maintained and the financial statements for FY2019 give a true and fair view of the Company's operations and finances; and

(b) the Company's risk management and internal control systems in place are adequate and effective.

Whistle-blowing policy

The Company has put in place a whistle-blowing framework, endorsed by the AC, where employees of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow up actions. The Company has received whistle-blowing letters in 2019 and is currently in the process of investigating the issues contained therein.

Principle 12 – Audit Committee

Principle: The Board should establish an Audit Committee ("**AC**") with written terms of reference which clearly set out its authority and duties.

Corporate Governance Report

The AC comprises three (3) members, the majority of whom, including the AC Chairman, are independent directors. The members of the AC are as follows:

Mr Wee Heng Yi, Adrian	**Chairman** (Independent Non-Executive Director)
Mr Tomi-Jae Wanlun Tjio	**Member** (Non-Executive Chairman and Independent Director)
Mr Pan Ki Ro	**Member** (Non-Independent Non-Executive Director)

The Board considers that the members of the AC are appropriately qualified to discharge their responsibilities, However, the Board is in the process of searching for an additional Board member with relevant accounting or related management expertise or experience. The AC takes measures to keep abreast of the changes to accounting standards and issues which have impact on financial statements, with training conducted by professionals or external consultants. The AC members are regularly updated on changes to accounting standards and issues related to financial reporting through, *inter alia*, their meetings with the external auditors of the Company. Updates on changes in accounting standards and issues which have a direct impact on financial statements are prepared by external auditors and circulated to members of the AC periodically. No former partner or director of the Company's existing auditing firm is a member of the AC.

The AC, which has written terms of reference, meets periodically to perform the following functions:

(a) review with the external auditors, the audit plans, their evaluation of the system of internal controls, their audit report, their management letter and Management's response;

(b) review the internal controls and internal procedures and ensure coordination between the external auditors and Management, and review the assistance given by Management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of Management where necessary);

(c) review the internal and external auditors' reports;

(d) review the co-operation given by the Company's officers to the internal and external auditors;

(e) review the annual and quarterly financial statements and results announcements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments arising from the audit, going concern basis of the Company, compliance with accounting standards as well as compliance with the Catalist Rules and other relevant statutory/regulatory requirements;

(f) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and Management's response;

(g) consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;

(h) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(i) review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;

(j) review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures annually;

(k) review the key financial risk areas, with a view to providing independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGXNET;

(l) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(m) review arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

(n) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

The AC is scheduled to meet at least four (4) times a year. For FY2019, the AC carried out the following activities in the discharge of its functions and duties including the deliberation and review of:

1. the unaudited quarterly and full-year financial results of the Group and the announcements and audited financial statements of the Group and of the Company prior submission to the Board for approval and release the results to the SGX-ST;

2. significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any formal announcements relating to the Group's financial performance before their submission to the Board;

3. the external audit plan in terms of the external auditors' scope of audit prior to commencement of the annual audit;

4. the external auditors' report in relation to audit and accounting issues arising from the audit and meeting with the external auditors at least annually without presence of the executive board members and Management;

5. co-operation given by Management to the external auditors;

6. reviewing at least annually adequacy and effectiveness of the Group's internal audit function and material internal controls, including financial, operational and compliance and information technology controls and risk management policies and systems established by Management (collectively "**internal controls**");

7. nomination or recommendation of the re-appointment of external auditors;

8. approval for the remuneration and terms of engagement of the external auditors;

9. independence and objectivity of the external auditors at least annually; and

10. interested person transactions.

In addition to the above, the AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

External Auditors

Nexia TS Public Accounting Corporation ("**Nexia TS**"), the external auditors of the Company, was responsible for providing services in connection with the audit of the financial statements of the Group for FY2019. The external auditors have unrestricted access to the AC. For FY2019, the AC had met with the external auditors without the presence of the Management. There were no major issues raised.

Corporate Governance Report

For FY2019, the remuneration for audit services provided by Nexia TS to the Group amounted to approximately S$60,000.00. There were no non-audit services provided by Nexia TS to the Group.

The AC has reviewed the independence of the external auditors and is satisfied with Nexia TS position as independent external auditors. Accordingly, the AC has recommended the re-appointment of Nexia TS as external auditors of the Company for the financial year ending 31 March 2020 at the forthcoming AGM.

In the financial year ended 31 March 2019, the appointment of auditing firms for the Group, the AC is satisfied that the Company has complied with the Rules 712 and 715 of the Catalist Rules. Nexia TS is the auditors of Advance Capital Partners Asset Management Private Limited ("**ACPAM**"), a 51% owner subsidiary of the Company. In this regard, the Board and AC are satisfied that the appointment of Nexia TS as the auditors of ACPAM would not compromise the standard and effectiveness of the audit of the Company.

Principle 13 – Internal Audit

Principle: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company has not engaged any external professional firm for its internal audit function. The Company currently has five (5) subsidiaries where two (2) out of three (3) incorporated in Singapore are investment holding company and one (1) is a registered fund and investment management company ("**RFMC**") registered under paragraph 5(1)(i) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations of Singapore, one is a Hong Kong Type 9 Licensed company and the other a China incorporated company primarily engaged in marketing and business development in Greater China.

The AC and the Board will from time to time review the size and complexity of the Group and to engage an external professional firm for this function when the need arises.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14 – Shareholder Rights

Principle: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company is committed to establishing a corporate governance culture that promotes fair and equitable treatment of all shareholders. All shareholders are treated fairly and equitably and enjoy specific rights under the Companies Act and the Company's Constitution.

These rights include, amongst others, pecuniary rights, for example, the right to participate in profit distributions and membership rights such as the right to participate in general meetings and the right to exercise their voting rights. Under Article 65 of the Company's Constitution, all shareholders are entitled to attend and vote at the general meetings in person or by proxy. Further, pursuant to Article 72 of the Company's Constitution, a shareholder can appoint up to a maximum of two proxies, who need not be shareholders of the Company, to attend and vote at general meetings.

Shareholders are encouraged to participate and vote at all general meetings. The Directors ensure that the shareholders are well informed of the rules, including voting procedures that govern general meetings.

As at 3 January 2016, the Companies Act has been amended to, amongst other things, allow certain members who are "relevant intermediaries" to attend and participate at general meetings without being constrained by the two-proxy requirement. A "relevant intermediary" as defined under the Companies Act includes (a) corporations holding licenses in providing nominee and custodial services and who hold shares in that capacity and (b) the CPF Board which purchases shares on behalf of the CPF investors.

Corporate Governance Report

Shareholders are given notice of general meetings with sufficient notice period as required in the Companies Act and are informed of the relevant rules and procedures governing general meetings. Shareholders are provided with the opportunity to raise questions and participate at such general meetings on any issues that they may have with respect to the resolutions to be passed.

The Company respects the equal information rights of all shareholders and is committed to the practice of fair, transparent and timely disclosure. All material information and changes in the Company or its business which would be likely to materially affect the price or value of the Company's shares are disclosed in a timely manner via SGXNET announcements.

Principle 15 – Communication with Shareholders

Principle: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Company communicates regularly, effectively and fairly with shareholders on all material matters affecting the Group and does not practice selective disclosure. In this respect, the Board presents a balanced and understandable assessment of the Group's performance, position and prospects and such responsibility extends to price sensitive announcements, including quarterly, half-year and full-year results and reports to regulators, if any, all of which are released through SGXNET. All press/media releases are announced timely through SGXNET before they are published. Where there is inadvertent disclosure made to a selected group, the Company ensures that the same is disclosed publicly to all others as soon as practicable. To date, there have been no such inadvertent disclosures.

The Chairman and Board members engage in dialogue with shareholders before and after every general meeting to gather the views and/or inputs and address the concerns of shareholders. The Company had also engaged an external investor relation firm to ensure its communication with shareholders is carried out in an effective manner.

The Directors had not recommended payment of final dividend for FY2019 as the Group did not have profits available for distribution for FY2019.

Principle 16 – Conduct of Shareholder Meetings

Principle: Companies should encourage greater shareholder participation at general meetings of shareholders and allow shareholders the opportunity to communicate their views on various matters affecting the company.

All shareholders of the Company will receive the Annual Report and notice of the upcoming AGM. The notice of the upcoming AGM will also be advertised in the newspaper and announced through SGXNET. At the AGM, shareholders are encouraged to participate and vote, and are given the opportunity to air their views and ask questions regarding the Group and its businesses. Separate resolutions on each substantially separate issue are proposed at general meetings for approval. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one significant proposal and only where there are reasons and material implications involved. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution.

The external auditors and legal advisors (if necessary) are present to assist the Directors in addressing any queries by shareholders. In addition, the Chairman of the Board, and the respective chairman of the AC, NC and RC endeavor to be present to address questions at the AGM.

The Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic mail may only be possible following careful study to ensure that the integrity of the information and authentication of the identity of the shareholders through the web is not compromised.

Corporate Governance Report

The Company Secretary minutes the proceedings of all AGMs, substantial and relevant comments and queries from shareholders together with the respective responses from the Board and the Management. These minutes are available to shareholders of the Company at their request.

The Company will put all resolutions to vote by poll at the forthcoming AGM in the presence of independent scrutineers. Explanation on the polling procedures will be provided to shareholders before the poll voting is conducted. The total numbers and percentage of valid votes cast for and against each resolution will be announced at the AGM and also to the SGX-ST after the AGM via the SGXNET.

SUSTAINABILITY REPORTING

The Company is working towards the issuance of its second sustainability report by 31 August 2019 and such report will be made available to the shareholders on the SGXNet and the Company's website.

Dealings in Securities

In line with Rule 1204(19) of the Catalist Rules on dealings in securities, the Company has in place a policy prohibiting share dealings by all Directors and officers of the Group during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year, and one (1) month before the announcement of the Company's full year financial statements, as the case may be, and ending on the date of the announcement of the relevant results. The Directors and officers of the Group are required to abstain from dealing in the Company's securities on short term considerations.

The Directors are required to notify the Company of any dealings in the Company's securities (during the open window period) and within two (2) days of the transaction(s). At all times, the Directors and officers are aware that it is an offence to deal with securities in the Company and those of other companies when they are in possession of unpublished price-sensitive information in relation to those securities and that the law on insider trading applies to them at all times. As such, the Directors and officers ensure that their dealings in securities, if any, do not contravene the law.

Material Contracts

In line with Rule 1204(8) of the Catalist Rules, and save for the service agreements entered into between the Executive Chairman and the Company and the relevant announcements of which have been published on SGXNET, there were no other material contracts of the Company or its subsidiaries involving the interests of the CEO, Directors or controlling shareholders, either still subsisting at the end of FY2019 or if not then subsisting, entered into since the end of the previous financial year.

Risk Management

The Group regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as to take appropriate measures to control and mitigate these risks. The Group reviews all significant control policies and procedure and highlights all significant matters to the AC and the Board.

Interested Person Transactions ("IPT")

The AC is satisfied that the review procedures for IPTs and the reviews to be made periodically by the AC in relation thereto are adequate to ensure that the IPTs will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. All IPTs are subject to review by the AC to ensure compliance with the established procedures. In the event a member of the AC is involved in any IPT, he will abstain from reviewing that particular transaction.

In compliance with Chapter 9 of the Catalist Rules, the Group confirms that there were no IPTs entered into during the financial year reported on, which exceeded S$100,000 in value. The Group does not have a general mandate from shareholders for recurring IPTs pursuant to Rule 920(1)(a)(i) of the Catalist Rules.

Corporate Governance Report

Corporate Social Responsibility

The Company recognises the need to foster a positive socially responsible corporate culture. However, in view of the prevailing financial predicament of the Group, the Management and Directors have devoted their efforts towards turning the Company around. Once successful, Management and the Directors will look into developing a policy on corporate social responsibility.

Use of Proceeds

RIGHTS AND WARRANTS ISSUE 2018

The Company had on 7 May 2018 completed the Renounceable Non-Underwritten Rights and Warrants Issue exercise. A total of 787,210,747 Rights Shares with 251,907,400 Warrants were issued. Each Rights Share was issued at an issue price of S$0.0025. Each Warrant carries the right to subscribe for one (1) Warrant Share at an exercise price of S$0.0020, on the basis of twenty-five (25) Rights Shares for every one hundred (100) Shares held by shareholders as at the books closure date.

	S$'000
Proceeds from Rights and Warrants Issue 2018	1,968
Use of proceeds	
Rights issue expenses	(328)
Operating expenses	(140)
Payment for Tranche 2 Consideration of Pine Ventures Management Pte. Ltd. ("**Pine Ventures**") (formerly known as BSDCN Pte Ltd)	(1,500)
Total payments	(1,968)
Balance as at 31 March 2019	–

The above use of proceeds are in accordance with the allocation as announced by the Company on 2 July 2018 via the SGXNET.

PLACEMENT OF 611,111,110 & 799,000,000 SHARES

On 17 October 2018, the Company has completed the Placement Shares of 611,111,110 at the issue price of S$0.0009 and on 27 December 2018, 799,000,000 Placement Shares were issued at S$0.0027 for an aggregate of S$550,000 and S$2,157,300 respectively.

	S$'000
Proceeds from Placement of 611,111,110 Shares	550
Use of proceeds	
Settlement on the cost of acquisition of Pine Ventures	(327)
Professional fees	(40)
Total payments	(367)
Balance as at 31 March 2019	183

The usage of the placement was consistent with the original intended usage per the announcement on 6 September 2018.

Corporate Governance Report

	S$'000
Proceeds from Placement of 799,000,000 Shares	2,157
Use of proceeds	
Subscription of additional shares in ACPAM	(190)
Introducer fees	(240)
Administrative and operational expenses	(379)
	(809)
Balance as at 31 March 2019	1,348

Further to the financial year ended 31 March 2019, an additional S$66,895 was utilized for the subscription of the additional 277 ordinary shares in ACPAM to comply with ACPAM's base capital requirements. The usage of the placement was consistent with the original intended usage per the announcement made on 27 November 2018.

ISSUANCE OF 775,000,000 SHARES

On 18 October 2018, the Company has allotted and issued 775,000,000 new ordinary shares at the issue price of S$0.0009 for an aggregate of S$697,500, for the settlement of outstanding balances on the cost of acquisition of Pine Ventures.

SPONSORSHIP

Asian Corporate Advisors Pte. Ltd. ("**ACA**") was appointed as the Company's continuing sponsor with effect from 1 January 2018. With reference to Rule 1204(21) of the Catalist Rules, ACA did not provide any non-sponsor services to the Company and no non-sponsor fees were paid by the Company to ACA during FY2019

Directors' Statement

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 March 2019 and the balance sheet of the Company as at 31 March 2019.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 52 to 105 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Mr Pan Ki Ro	
Mr Tomi-Jae Wanlun Tjio	(appointed on 1 March 2019)
Mr Wee Heng Yi, Adrian	(appointed on 19 March 2019)
Mr Lee Tze Wee, Andrew	(appointed on 18 June 2019)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director		Holdings in which director is deemed to have an interest	
	At 31.03.2019	At 01.04.2018	At 31.03.2019	At 01.04.2018
The Company				
(No. of ordinary shares)				
Pan Ki Ro	–	–	–	–
Tomi-Jae Wanlun Tjio	–	–	–	–
Wee Heng Yi, Adrian	–	–	–	–
Lee Tze Wee Andrew	–	–	–	–

There was no change in the directors' interests in the ordinary shares of the Company between the end of the financial year and 21 April 2019.

Directors' Statement

Share options

THE PINE CAPITAL GROUP LIMITED ("PCGL") EMPLOYEE SHARE OPTIONS

In conjunction with the Company's listing on the Catalist of Singapore Exchange Securities Trading Limited ("SGX-ST"), the Group adopted the PCGL Employee Share Option Scheme ("ESOS") which was approved by its shareholders at an Extraordinary General Meeting ("EGM") held on 27 July 2018. The ESOS is administered by the Remuneration Committee.

The Remuneration Committee comprised of:

Mr Wee Heng Yi, Adrian	Chairman
Mr Tomi-Jae Wanlun Tjio	Member
Mr Lee Tze Wee, Andrew	Member
Mr Pan Ki Ro	Member

The ESOS provides for the grant of share options ("Options") to Group employees, Non-Executive Directors of the Group, Associated Company employees and Non-Executive Directors of the Associated Company ("ESOS participants").

The selection of the ESOS participants and number of shares which are subject of each Option to be granted to an ESOS participant in accordance with the ESOS shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, inter alia, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Under the ESOS, the number of shares over which the Remuneration Committee may grant Options on any date, when added to the number of shares issued and issuable in respect of all Options granted under the ESOS (including the PCGL Performance Share Scheme and any other share option scheme of the Company) shall not exceed 15% of the number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the date of the relevant grant.

Options granted with the exercise price set at market price shall only be exercisable, in whole or in part only in respect of 100 Shares or any multiple thereof, at any time, by an ESOS participant after the first anniversary of the offer date of that Option, provided always that the Options shall be exercised before the tenth (10^{th}) anniversary of the relevant offer date, and Options granted to Non-Executive Directors shall be exercised before the fifth anniversary (5^{th}) of the relevant offer date, or such earlier date as may be determined by the Remuneration Committee, failing which all unexercised Options shall immediately lapse and become null and void and an ESOS participant shall have no claim against the Company.

Options granted with exercise price set at a discount to market price shall only be exercisable, in whole or in part only in respect of 100 Shares or any multiple thereof, at any time, by an ESOS participant after the second anniversary from the offer date of that option, provided always that the Options shall be exercised before the fifth anniversary of the relevant offer date, or such earlier date as may be determined by the Remuneration Committee, failing which all unexercised Options shall immediately lapse and become null and void and an ESOS participant shall have no claim against the Company.

Options may lapse or be exercised earlier in circumstances which include the termination of the employment of the participant in the Group and the parent company, the bankruptcy of the participant, the death of the participant, a take-over of the Company, and the winding-up of the Company.

There were no options granted to the employees and Directors from the commencement of the ESOS up to the end of the financial year.

No options have been granted to controlling shareholders of the Company and their associates under the ESOS from the commencement of the ESOS up to the end of the financial year.

Share options (Cont'd)

THE PCGL EMPLOYEE SHARE OPTIONS SCHEME (CONT'D)

None of the ESOS participants received 5% or more of the total number of options available under the ESOS.

There were no options being exercised during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares under Option in the Company or its subsidiary corporations as at the end of the financial year.

THE PCGL PERFORMANCE SHARE SCHEME

In conjunction with the Company's listing on the Catalist of SGX-ST, the Group adopted the PCGL Performance Share Scheme ("PSS") which was approved by its shareholders at the EGM held on 27 July 2018. The PSS is administered by the Remuneration Committee. The PSS provides for the grant of incentive share awards ("Awards") to Group Employees, Non-Executive Directors of the Group, Associated Company employees and Non-Executive Directors of the Associated Company ("PSS participants").

The selection of the PSS participants and number of shares which are subject of each Award to be granted to a PSS participant in accordance with the PSS shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, inter alia, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Under the PSS, the total number of shares which may be delivered pursuant to the vesting of Awards on any date, when added to the aggregate number of shares issued and issuable in respect of (a) all Awards granted under the PSS; and (b) all options granted under any share option, shares incentive, performance share or restricted plans of the Company and for the time being in force, shall not exceed 15% of the number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the date of the relevant grant.

The PSS allows for the participation by full-time employees of the Group (including the Executive Directors) and Non-Executive Directors (including Independent Directors) who have attained the age of 21 years and above on or before the relevant date of grant of the Award, provided that none shall be an undischarged bankrupt or have entered into a composition with his creditors. Controlling shareholders of the Company and their associates will not be eligible to participate in the PSS.

Notwithstanding that a PSS participant may have met his performance targets, no Awards shall be vested:

(i) When a PSS participant, being an employee of the Group, ceasing for any reason whatsoever, to be in the employment of a company in the Group or in the event the company by which the PSS participant is employed ceases to be a company in the Group;

(ii) When a PSS participant, being a Non-Executive Director, ceasing to be a director of a company in the Group, for any reason whatsoever;

(iii) Upon the bankruptcy of the PSS participant;

(iv) Upon ill health, injury or death of a PSS participant;

(v) When a PSS participant committing any breach of any of the terms of his Award;

(vi) Upon misconduct on the part of a PSS participant as determined by the Remuneration Committee in its discretion;

Directors' Statement

Share options (Cont'd)

THE PCGL PERFORMANCE SHARE SCHEME (CONT'D)

(vii) When a general offer being made of all or any part of the Shares;

(viii) When a scheme of arrangement or compromise between the Company and the Shareholders being sanctioned by the Court;

(ix) When an order for the compulsory winding-up of the Company being made;

(x) When a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company being made; and/or

(xi) Upon any other event unless approved by the Remuneration Committee. There were no share awards granted pursuant to the PSS from the commencement of the PSS up to the end of the financial year.

There were no share awards granted pursuant to the PSS from the commencement of the PSS up to the end of the financial year.

No share awards have been granted to controlling shareholders of the Company and their associates under the PSS from the commencement of the PSS up to the end of the financial year.

None of the PSS participants received 5% or more of the total number of share awards available under the PSS.

There were no shares issued during the financial year by virtue of the PSS to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares under PSS in the Company or its subsidiary corporations as at the end of the financial year.

Audit Committee

Members of the Audit Committee at the end of the financial year were as follows:

Mr Wee Heng Yi, Adrian	(Chairman)
Mr Tomi-Jae Wanlun Tjio	(Member)
Mr Pan Ki Ro	(Member)

All members of the Audit Committee were non-executive and independent directors.

The Audit Committee performed the functions specified in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Audit Committee reviewed:

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit; and

- the assistance given by the Company's management to the independent auditor; and

- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2019 before their submission to the Board of Directors, as well as the Independent Auditor's Report on the balance sheet of the Company and the consolidated financial statements of the Group.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Directors' Statement

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Wee Heng Yi, Adrian
Director

Lee Tze Wee, Andrew
Director

9 July 2019

Independent Auditor's Report

To the members of Pine Capital Group Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of Pine Capital Group Limited (the "**Company**") and its subsidiary corporations (the "**Group**"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 52 to 105.

We do not express an opinion on the accompanying financial statements of the Group and the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

The Group's operation was mainly dependent on its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("**ACPAM**"). At the date of our report, the following regulatory matters involving ACPAM are outstanding:

*a. Monetary Authority of Singapore ("**MAS**") Direction Letter*

As disclosed in Note 32, ACPAM has received a MAS Direction Letter on 13 May 2019 to suspend all fund raising activities and all subscription activities, and not to enter into new investments or draw down any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until certain conditions are satisfied.

At the date of our report, the MAS has not lifted its direction letter to ACPAM and accordingly, we are unable to ascertain the possible impact of this MAS directive on the Group's business operations.

b. Independent Review

As disclosed in Note 32, the Company's Board of Directors (the "**Board**"), in consultation with Singapore Exchange Securities Trading Limited ("**SGX-ST**"), will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019 concerning the operations of its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("**ACPAM**").

The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

At the date of our report, the Board is still in the process of finalising the scope and terms of reference of the independent review ("**IR**"). Accordingly, we are unable to ascertain whether the IR, the outcome of which is unknown, would have an impact on the Group's business operations. We are also unable to ascertain the extent of pervasiveness and/or significance of any adjustments that may arise from the IR, if any, on the financial statements of the Group.

Because of the significance of the uncertainty arising from the MAS Direction Letter and IR as described above, we are unable to express an opinion on the accompanying financial statements.

Independent Auditor's Report

To the members of Pine Capital Group Limited

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards (International) ("SFRS(I)s"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, except for those matters described in the *Basis for Disclaimer of Opinion section* of our report, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Low See Lien.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
9 July 2019

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2019

	Note	**2019**	2018 (Restated)
		$'000	$'000
Continuing operations			
Revenue	4	**2,410**	893
Cost of sales		**(1,333)**	(361)
Gross profit		**1,077**	532
Other gains - net	5	**10**	69
Administrative expenses		**(3,944)**	(8,668)
Loss from continuing operations before tax		**(2,857)**	(8,067)
Income tax	8	**–**	–
Loss after tax from continuing operations		**(2,857)**	(8,067)
Loss from discontinued operations, net of tax	9	**–**	(391)
Total loss		**(2,857)**	(8,458)
Other comprehensive (loss)/income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation gain arising from consolidation		**–**	77
- Fair value gain on financial assets, available-for-sale		**–**	1,460
Items that will not be reclassified subsequently to profit or loss:			
- Fair value loss on financial asset, at FVOCI		**(144)**	–
Total comprehensive loss		**(3,001)**	(6,921)
Loss attributable to:			
Equity holders of the Company			
- Loss from continuing operations, net of tax		**(2,564)**	(7,919)
- Loss from discontinued operations, net of tax		**–**	(244)
Loss attributed to equity holders		**(2,564)**	(8,163)
Non-controlling interests			
- Loss from continuing operations, net of tax		**(293)**	(148)
- Loss from discontinued operations, net of tax		**–**	(147)
Loss attributed to the non-controlling interests		**(293)**	(295)
Loss per share attributable to equity holders of the Company (cents per share)			
Basic loss per share			
- From continuing operations	10	**(0.048)**	(0.246)
- From discontinued operations	10	**–**	(0.008)
Diluted loss per share			
- From continuing operations	10	**(0.048)**	(0.246)
- From discontinued operations	10	**–**	(0.008)

The accompanying notes form an integral part of these financial statements.

Balance Sheet - Group

As at 31 March 2019

	Note	**31 March 2019**	31 March 2018 (Restated)	1 April 2017
		$'000	$'000	$'000
ASSETS				
Non-current assets				
Property, plant and equipment	11	**49**	94	135
Investment in an associated company	12	**–**	13	89
Goodwill	14	**–**	–	–
Available-for-sale investments	15	**–**	2,287	–
Financial assets, at FVOCI	15	**2,143**	–	–
		2,192	2,394	224
Current assets				
Trade and other receivables	16	**453**	96	948
Prepayment		**34**	6	46
Work-in progress	17	**–**	–	430
Amount due from an associated company	18	**–**	–	225
Income tax recoverable		**–**	–	8
Cash and cash equivalents	19	**3,443**	768	3,622
		3,930	870	5,279
Total assets		**6,122**	3,264	5,503
LIABILITIES				
Current liabilities				
Trade and other payables	20	**513**	3,007	2,177
Finance lease liabilities	21	**–**	–	11
		513	3,007	2,188
Net current assets/(liabilities)		**3,417**	(2,137)	3,091
Non-current liabilities				
Borrowings	22	**2,700**	–	–
Finance lease liabilities	21	**–**	–	27
Provision for reinstatement costs	23	**71**	71	–
		2,771	71	27
Total liabilities		**3,284**	3,078	2,215
Net assets		**2,838**	186	3,288
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	24	**25,400**	20,027	16,426
Accumulated losses		**(24,003)**	(21,439)	(13,276)
Currency translation reserve		**–**	–	(77)
Fair value reserve		**1,316**	1,460	–
		2,713	48	3,073
Non-controlling interests		**125**	138	215
Total equity		**2,838**	186	3,288

The accompanying notes form an integral part of these financial statements.

Balance Sheet - Company

As at 31 March 2019

	Note	**31 March 2019**	31 March 2018 (Restated)	1 April 2017
		$'000	$'000	$'000
ASSETS				
Non-current assets				
Investments in subsidiary corporations	13	**2,409**	2,431	–
Current assets				
Trade and other receivables	16	**183**	18	2
Prepayment		**–**	–	35
Amount due from subsidiary corporation	18	**12**	5	3
Cash and cash equivalents	19	**3,033**	426	3,287
		3,228	449	3,327
Total assets		**5,637**	2,880	3,327
LIABILITIES				
Current liabilities				
Trade and other payables	20	**376**	2,826	506
Total liabilities		**376**	2,826	506
Net current assets/(liabilities)		**2,852**	(2,377)	2,821
Non-current liability				
Borrowings	22	**2,700**	–	–
Net assets/(liabilities)		**2,561**	54	2,821
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	24	**25,400**	20,027	16,426
Accumulated losses		**(22,839)**	(19,973)	(13,605)
Total equity		**2,561**	54	2,821

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2019

	Note	Share capital $'000	Accumulated losses $'000	Fair value reserve* $'000	Total S$'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2018		**20,027**	**(21,439)**	**1,460**	**48**	**138**	**186**
Total comprehensive loss for the financial year		–	(2,564)	(144)	(2,708)	(293)	(3,001)
Issuance of ordinary shares	24	5,373	–	–	5,373	–	5,373
Capital contribution from non-controlling interest		–	–	–	–	280	280
At 31 March 2019		**25,400**	**(24,003)**	**1,316**	**2,713**	**125**	**2,838**

* Not available for distribution.

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2019

		Attributable to equity holders of the Company						
	Note	Share capital $'000	Accumulated losses $'000	Currency translation reserve* $'000	Fair value reserve* $'000	Total S$'000	Non-controlling interests $'000	Total equity $'000
2018 (Restated)								
At 1 April 2017		16,426	(13,276)	(77)	–	3,073	215	3,288
Net loss for the financial year, as previously reported		–	(1,760)	–	–	(1,760)	(295)	(2,055)
Effect of prior year adjustments	30	–	(6,403)	–	–	(6,403)	–	(6,403)
Net loss for the financial year, as restated		–	(8,163)	–	–	(8,163)	–	(8,458)
Other comprehensive income for the financial year, as previously reported		–	–	27	898	925	–	925
Effect of prior year adjustments	30	–	–	50	562	612	–	612
Other comprehensive income for the financial year, as restated		–	–	77	1,460	1,537	–	1,537
Total comprehensive (loss)/income for the financial year, as restated		–	(8,163)	77	1,460	(6,626)	(295)	(6,921)
Acquisition of subsidiary corporations	28	–	–	–	–	–	287	287
Discontinued operations	9	–	–	–	–	–	(69)	(69)
Issuance of ordinary shares	24	3,601	–	–	–	3,601	–	3,601
At 31 March 2018		**20,027**	**(21,439)**	**–**	**1,460**	**48**	**138**	**186**

* Not available for distribution.

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

	Note	2019	2018 (Restated)
		$'000	$'000
Cash flow from operating activities:			
Loss from continuing operations before tax		**(2,857)**	(8,067)
Loss from discontinued operations before tax operations		**–**	(373)
		(2,857)	(8,440)
Adjustments for:			
- Acquisition expenses		**–**	131
- Depreciation of property, plant and equipment	6	**45**	30
- Impairment loss on goodwill	6	**–**	6,403
- Impairment loss on investment in an associated company	5	**13**	–
- Interest income	5	**(6)**	(10)
- Loss on disposal of subsidiary corporations	9	**–**	44
- Unrealised currency translation gains		**–**	(1)
Operating cash flow before working capital changes		**(2,805)**	(1,843)
Trade and other receivables and prepayments		**(385)**	420
Trade and other payables		**30**	(31)
Cash used in operations		**(3,160)**	(1,454)
Interest received		**6**	10
Net cash used in operating activities		**(3,154)**	(1,444)
Cash flows from investing activities			
Additions to property, plant and equipment	11	**–**	(4)
Net cash outflow arising from the acquisition of subsidiaries	28	**(1,826)**	(4,408)
Acquisition related costs	28	**–**	(131)
Net cash outflow from discontinued operations	9	**–**	(468)
Net cash used in investing activities		**(1,826)**	(5,011)
Cash flows from financing activities			
Proceeds from borrowing	22	**2,700**	–
Proceeds from issuance of ordinary shares	24	**4,675**	3,601
Capital contribution from non-controlling interests		**280**	–
Net cash provided by financing activities		**7,655**	3,601
Net increase/(decrease) in cash and cash equivalents		**2,675**	(2,854)
Cash and cash equivalents at beginning of financial year		**768**	3,622
Cash and cash equivalents at end of financial year	19	**3,443**	768

Reconciliation of liabilities arising from financing activities

	31 March 2018 $'000	Cash inflow $'000	Non-cash changes $'000	31 March 2019 $'000
Borrowings	–	2,700	–	2,700

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

Pine Capital Group Limited (the **"Company**") is a public limited liability company incorporated and domiciled in the Republic of Singapore and listed on Catalist Board of Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office of the Company is 80 Robinson Road, #02-00, Singapore 068898. The current principal place of business of the Company is 16 Collyer Quay, #29-01 Income @ Raffles, Singapore 049318.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiary corporations are disclosed in Note 13 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

As disclosed in Note 32, ACPAM has received a MAS Direction Letter on 13 May 2019 to suspend all fund raising activities and all subscription activities, and not to enter into new investments or draw down any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until certain conditions are satisfied.

At the date of this report, the MAS has not lifted its direction letter to ACPAM. However, the Company's Board of Directors (the "Board") believes that the concerns set out in MAS Direction Letter has been addressed and is of the view that there is no significant impact on business operation and financial statements of the Group.

As disclosed in Note 32, the Board in consultation with Singapore Exchange Securities Trading Limited ("SGX-ST") will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019 concerning the operations of its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("ACPAM"). The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

At the date of this report, the Board is still in the process of finalising the scope and terms of reference of the independent review ("IR"). However, the Board believes that the IR will focus mainly on corporate governance and will not have significant impact on the financial statements of the Group.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I)

As required by the listing requirements of Singapore Exchange, the Group has adopted SFRS(I) on 1 April 2018. These financial statements for the year ended 31 March 2019 are the first set of financial statements the group has prepared in accordance with SFRS(I). The Group's previously issued financial statements for the periods up to and including the financial year ended 31 March 2018 were prepared in accordance with Singapore Financial Reporting Standards ("**SFRS**").

In adopting SFRS(I) on 1 April 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) *First-time Adoption of SFRS(I) 1*.

Under SFRS(I), these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 31 March 2019. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group's opening balance sheet has been prepared as at 1 April 2017, which is the Group's date of transition to SFRS(I) ("date of transition").

(a) Optional exemptions applied

SFRS(I) 1 allows the exemption from application of certain requirements under SFRS(I) on a retrospective basis. The Group has applied the following exemptions in preparing this first set of financial statements in accordance with SFRS(I):

(i) Short-term exemption on adoption of SFRS(I) 9 Financial Instruments

The Group has elected to apply the short-term exemption to adopt SFRS(I) 9 on 1 April 2018. Accordingly, the requirements of SFRS 39 *Financial Instruments: Recognition and Measurement* are applied to financial instruments up to the financial year ended 31 March 2018. The Group is also exempted from complying with SFRS(I) 7 *Financial Instruments: Disclosures* to the extent that the disclosures required by SFRS(I) 7 related to the items within scope of SRFS(I) 9.

As a result, the requirements under SFRS are applied in place of the requirements under SFRS(I) 7 and SFRS(I) 9 to comparative information about items within scope of SFRS(I) 9.

Refer to the accounting policies for financial assets under SFRS(I) 9 is as disclosed in Note 2.9.

(i) Classification and measurement

The Group has assessed the business models that are applicable on 1 April 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. Expected significant adjustments to the Group's balance sheet line items as a result of Management's assessment are as follows:

- Equity investments reclassified from AFS to FVOCI

The Group has elected to recognise changes in the fair value of all its equity investments not held for trading and previously classified as Available-for-sale in other comprehensive income.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (Cont'd)

(a) Optional exemptions applied (Cont'd)

(i) Short-term exemption on adoption of SFRS(I) 9 Financial Instruments (cont'd)

(ii) Impairment of financial assets

Trade and other receivables, deposits and cash and cash equivalents that were classified as loans and receivables under FRS 39 are now classified as amortised cost. No adjustment in the allowance for impairment was recognised in opening retained earnings of the Group and of the Company at 1 April 2018 respectively on transition to SFRS(I) 9.

(ii) Practical expedients on adoption of SFRS(I) 15 *Revenue from Contracts with Customers*

The Group has elected to apply the transitional provisions under paragraph C5 of SFRS(I) 15 at 1 April 2018 and have used the following practical expedients provided under SFRS(I) 15 as follows:

- for completed contracts with variable consideration, the Group has used the transaction price at the date the contract was completed, rather than estimating the variable consideration amounts in the comparative reporting period;
- for contracts which were modified before the date of transition, the Group did not retrospectively restate the contract for those contract modifications; and
- for the financial year ended 31 March 2019, the Group did not disclose the amount of transaction price allocated to the remaining performance obligations and explanation of when the Group expects to recognise that amount as revenue.

The adoption of SFRS(I) 15 resulted in no impact to the opening retained profits nor to the opening balance of accumulated other comprehensive income on 1 April 2018.

The accounting policies for revenue recognition under SFRS(I) 15 is disclosed in Note 2.18.

(b) Summary of financial impact

The line items on the Group's financial statement that was adjusted due to significant impact arising from the adoption of SFRS(I) as described above are summarised below:

	As at 31 March 2018 reported under SFRS	As at 31 March 2018 under SFRS(I)	As at 1 April 2017 reported under SFRS	As at 1 April 2017 reported under SFRS(I)
	$'000	$'000	$'000	$'000
Financial assets, Available-for-sale	2,287	–	–	–
Financial assets, at FVOCI	–	2,287	–	–

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Group accounting

(a) Subsidiary Corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of subsidiary corporations' net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in subsidiary corporations, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Group accounting (Cont'd)

(a) Subsidiary Corporations (Cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interests in subsidiary corporations that do not result in a loss of control over the subsidiary corporations are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Group accounting (Cont'd)

(c) Associated companies (Cont'd)

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make or has made payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equal the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

2.4 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company and have been rounded to the nearest thousand ("$'000").

(b) Transactions and balances

Transactions in currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Currency translation (Cont'd)

(b) Transactions and balances (Cont'd)

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other gains and losses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and balance sheet of all the Group entities (none of which has the currency of hyperinflationary economic) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.5 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (Cont'd)

(b) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over the estimated useful life as follows:

Computers	–	5 years
Leasehold improvement	–	2 to 6 years
Motor vehicle	–	10 years
Furniture and equipment	–	2 to 8 years

The residual value, useful life and depreciation method are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other gains - net". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2.6 Intangible asset

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

2.7 Investments in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Property, plant and equipment
Investments in subsidiary corporations

Property, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets

The accounting for financial assets before 1 April 2018 are as follows:

(a) Classification

The Group classifies its financial assets in loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" (Note 16) and "Cash and cash equivalents" (Note 19) on the balance sheet.

(ii) Available-for-sale asset

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the reporting date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial measurement and subsequent measurement

Financial assets are initially recognised at fair value plus transaction costs.

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (Cont'd)

(d) Impairment

The Group assess at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale asset

In addition to the objective evidence of impairment described in Note 2.9(d)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If there is objective evidence of impairment, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit and loss. The impairment losses recognised as an expense for an equity security are not reversed through profit or loss in subsequent period.

The accounting for financial assets from 1 April 2018 under SFRS(I) 9 are as follows:

(e) Classification and measurement

Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income (FVOCI)

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (Cont'd)

(e) Classification and measurement (Cont'd)

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

(i) Debt instruments – at amortised cost

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(f) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and other receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (Cont'd)

(g) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profit along with the amount previously recognised in other comprehensive income relating to that asset.

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and short-term deposits with financial institutions which are subject to an insignificant risk of changes in value. For purpose of the consolidated statement of cash flows, these include bank overdrafts, if any, that form an integral part of the Group's cash management.

2.12 Provisions for liabilities and charges

(a) General

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

(b) Asset dismantlement, removal or restoration

Provisions for asset dismantlement, removal or restoration are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amounts have been reliably estimated.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Provisions for liabilities and charges (Cont'd)

(b) Asset dismantlement, removal or restoration (Cont'd)

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

2.15 Fair value estimation of financial assets and financial liabilities

The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.16 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Group pays fixed contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. The Group has no further payment obligations once the obligations have been paid.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for estimated liability for annual leave as a result of service rendered by employees up to the balance sheet date.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date in accordance with the provision of the employment contract and/or local labour laws.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Leases

When the Group is the lessee:

The Group leases office spaces under operating leases from non-related parties.

Lessee - Operating leases

Leases where substantially all risks and rewards incidental to ownership of the leased assets are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2.18 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Service and consultancy fees

Revenue from administrative services rendered in the subscriptions of notes issued is recognised at a point in time when services are rendered and performance obligation is satisfied. Revenue is recognised based on contractual agreement with the customer.

(b) Management fee

Revenue from the provision of management services are recognised over time when the Company satisfies a performance obligation by transferring control of the promised services to the customer.

(c) Performance fees

Performance fees are recognised at point of time when the right to receive payment is established upon satisfaction of performance obligation pursuant to the management fee agreement with the Fund.

(d) Interest income

Interest income is recognised using the effective interest method.

2.19 Income taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date, in the countries where the Group operates and generates taxable income.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Income taxes (Cont'd)

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable in future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) At the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (productivity and innovation credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.20 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 27, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.21 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.22 Work in progress

Work in progress comprises direct labour and other direct film production costs of uncompleted projects as at year end. Work in progress is carried at lower of cost and net realiseable value. Net realisable value is the project revenue excluding variation order less the estimated costs of completion and applicable variable selling expenses, if any.

Notes to the Financial Statements

For the financial year ended 31 March 2019

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Fair value of Financial assets, at FVOCI

The financial assets, at FVOCI of the Group comprise equity securities that are not traded in an active market. The fair value of the financial assets, at FVOCI is determined by management using valuation techniques. In determining these fair values, the management evaluates and assesses amongst other factors, such as industry and sector outlook, other market comparable and other prevailing market factors and conditions whether there are significant adverse changes in the business environment where the investee operates, probability of insolvency or significant difficulties of the investee.

If the fair value had been 5% higher/lower from the management estimates, the fair value gain would have been higher/lower by $37,000 (2018: $114,000) for the financial year ended 31 March 2019.

The carrying amount of financial assets, at FVOCI at the reporting date is disclosed in Note 15 to the financial statements.

4. REVENUE

	At a point in time	**Over time**	**Total**
	$'000	$'000	$'000
Group			
2019			
Service fees	**1,555**	**–**	**1,555**
Management fees	**–**	**515**	**515**
Performance fees	**167**	**–**	**167**
Consultancy fees	**173**	**–**	**173**
	1,895	**515**	**2,410**
2018			
Service fees	810	–	810
Management fees	–	72	72
Performance fees	11	–	11
	821	72	893

Notes to the Financial Statements

For the financial year ended 31 March 2019

5. OTHER GAINS - NET

	Group	
	2019	2018
	$'000	$'000
Foreign exchange (loss)/gain - net	**(4)**	13
Interest income – short term bank deposits	**6**	10
Waiver of other payable	**13**	–
Impairment of investment in an associated company (Note 12)	**(13)**	–
Others	**8**	46
	10	69

6. LOSS BEFORE TAX

Loss before taxation has been arrived after charging:

	Group	
	2019	2018 (Restated)
	$'000	$'000
Depreciation of property, plant and equipment (Note 11)	**45**	30
Impairment loss on goodwill (Note 14)	**–**	6,403
Rental expense on operating lease	**284**	270
Audit fees paid to		
- Auditor of the Company	**60**	60
- Other auditor	**21**	–
Employee compensation (Note 7)	**1,165**	964
Directors' fees	**225**	125
Professionals and consultants	**1,721**	513

7. EMPLOYEE COMPENSATION

	Group	
	2019	2018
	$'000	$'000
Directors' remuneration other than fee:		
- Wages and salaries	**400**	470
- Employer's contribution to defined contribution plans including Central Provident Fund	**18**	12
	418	482
Other than directors:		
- Wages and salaries	**648**	427
- Employer's contribution to defined contribution plans including Central Provident Fund	**90**	55
- Other short-term benefits	**9**	–
	747	482
	1,165	964

Notes to the Financial Statements

For the financial year ended 31 March 2019

8. INCOME TAX

	Group	
	2019	2018
	$'000	$'000
Current income tax	**–**	–

The income tax expenses on the result of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on losses as a result of the following:

	Group	
	2019	2018 (Restated)
	$'000	$'000
Loss before tax	**(2,857)**	(8,067)
Tax calculated at tax rate of 17% (2018: 17%)	**(486)**	(1,371)
Effect of:		
- Deferred tax asset not recognised	**92**	62
- Expenses not deductible for tax purposes	**422**	1,309
- Tax incentives	**(2)**	–
- Utilisation of previously unrecognised tax losses	**(26)**	–
Tax charge	**–**	–

Subject to agreement with the tax authorities, the Group has unutilised tax losses of approximately $798,000 (FY2018: $410,000) at the balance sheet date which can be carried forward for offsetting against future taxable income subject to compliance with the provisions of the Income Tax Act of Singapore and meeting certain statutory requirements in Singapore.

9. DISCONTINUED OPERATIONS

In November 2017, the Group disposed its 100% interest in Ellebeau Group Pte Ltd., an investment holding corporation with 51% interest in Mojo Films Sdn Bhd and 28% interest in Mojo Films Co Ltd which are both involved in video production and filming services. The Group has derecognised the assets and liabilities of the disposal groups and recognised a loss of $44,000 for the financial year ended 31 March 2018.

The results of the discontinued operation are as follows:

	Group
	2018
	$'000
Revenue	1,437
Expenses	(1,766)
Loss before tax from discontinued operations	(329)
Tax	(18)
Loss after tax from discontinued operations	(347)
Pre-tax loss recognised on the re-measurement of disposal group to fair value less cost to sell	(44)
Loss for the year from discontinued operations	(391)

Notes to the Financial Statements

For the financial year ended 31 March 2019

9. DISCONTINUED OPERATIONS (CONT'D)

The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group 2018 $'000
Operating activities	270
Investing activities	(49)
Financing activities	–
Net cash inflow	221

The assets and liabilities of the discontinued operations at the point of disposal are as follows:

	Group 2018 $'000
Property, plant and equipment (Note 11)	139
Investment in associated company	92
Trade and other receivables	1,209
Cash and bank balance	556
Total assets	1,996
Trade and other payables	1,828
Finance lease liabilities	32
Total liabilities	1,860
Net assets derecognised	136
Non-controlling interests	(69)
Net assets disposed of	67

The aggregate cash outflows arising from the disposal of the discontinued operations were:

	Group 2018 $'000
Net assets disposed of (as above)	67
- Reclassification of currency translation reserve	65
	132
Loss on disposal	(44)
Cash proceed from disposal	88
Less: Cash and cash equivalents in subsidiary disposed of	(556)
Net cash outflow on disposal of discontinued operations	(468)

Notes to the Financial Statements

For the financial year ended 31 March 2019

10. LOSS PER SHARE

(a) Basis loss per share

Basic and diluted loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2019	2018 (Restated)
Loss attributable to equity holders of the Company ($'000)	**(2,564)**	(8,163)
Less:		
Loss for the year from discontinued operations	**–**	(244)
Loss for the purposes of basic loss per shares from continuing operations	**(2,564)**	(7,919)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**5,351,583**	3,215,999
Basic loss per share (cents)		
- Continuing operations	**(0.048)**	(0.246)
- Discontinued operations	**–**	(0.008)

(b) Diluted loss per share

For the purpose of calculating diluted earnings per share, loss attributable to equity holders of the company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

For the financial year ended 31 March 2019 and 2018, the dilutive potential shares from warrants are anti-dilutive. Hence, the diluted loss per share is the same as the basic loss per share.

Notes to the Financial Statements

For the financial year ended 31 March 2019

11. PROPERTY, PLANT AND EQUIPMENT

	Computers $'000	Leasehold improvement $'000	Motor vehicle $'000	Furniture and equipment $'000	Total $'000
2019					
Cost					
Beginning and end of financial year	**13**	**96**	**–**	**15**	**124**
Accumulated depreciation					
Beginning of financial year	**3**	**23**	**–**	**4**	**30**
Depreciation charge (Note 6)	**5**	**35**	**–**	**5**	**45**
End of financial year	**8**	**58**	**–**	**9**	**75**
Net carrying amount					
End of financial year	**5**	**38**	**–**	**6**	**49**

	Computers $'000	Leasehold improvement $'000	Motor vehicle $'000	Furniture and equipment $'000	Total $'000
Group					
2018					
Cost					
Beginning of financial year	16	53	66	85	220
Acquisition of subsidiary corporation (Note 28)	10	95	–	15	120
Additions	5	2	2	13	22
- Continuing operation	3	1	–	–	4
- Discontinued operation	2	1	2	13	18
Disposal (Note 9)	(18)	(54)	(68)	(98)	(238)
End of financial year	13	96	–	15	124
Accumulated depreciation					
Beginning of financial year	6	19	22	38	85
Depreciation charge	5	29	5	5	44
- Continuing operation (Note 6)	3	23	–	4	30
- Discontinued operation	2	6	5	1	14
Disposals (Note 9)	(8)	(25)	(27)	(39)	(99)
End of financial year	3	23	–	4	30
Net carrying amount					
End of financial year	10	73	–	11	94

Notes to the Financial Statements

For the financial year ended 31 March 2019

12. INVESTMENT IN AN ASSOCIATED COMPANY

	Group	
	2019	2018
	$'000	$'000
Unquoted equity investments, at cost		
Beginning of financial year	**13**	89
Additions	**–**	13
Disposal*	**(13)**	(89)
End of financial year	**–**	13

*The Group has recognised an impairment loss of $13,000 (Note 5) prior to disposal of the associated company.

Details of the associated company are as follows:

Name of associated company	**Principal activities**	**Country of incorporation and place of business**	**% of ownership interest**		
			31 March		1 April
			2019	2018	2017
			%	%	%
Held by subsidiary corporation					
Advance Capital Partners Asset Management (HK) Pte Limited	Dormant	Hong Kong	**–**	50%	–

13. INVESTMENT IN SUBSIDIARY CORPORATIONS

	Company	
	2019	2018 (Restated)
	$'000	$'000
Unquoted equity investments, at cost		
Beginning of financial year	**7,524**	477
Acquisition during the financial year (Note 28)	**–**	7,524
Capital injection to Advance Capital Partners Asset Management Private Limited	**290**	–
Incorporation during the financial year	**136**	–
Disposal (Note 9)	**–**	(477)
End of financial year	**7,950**	7,524
Impairment loss		
Beginning of financial year	**(5,093)**	(477)
Disposal (Note 9)	**–**	477
Impairment loss	**(448)**	(5,093)
End of financial year	**(5,541)**	(5,093)
End of financial year	**2,409**	2,431

Notes to the Financial Statements

For the financial year ended 31 March 2019

13. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

(a) Composition of the Group

The Group has the following subsidiary corporations as at 31 March 2019 and 2018 and 1 April 2017:

Name	Principal activities	Country of incorporation and place of business	Effective equity interest held by the Group		
			31 March		1 April
			2019	2018	2017
			%	%	%
Held by the Company					
Ellebeau Group Pte. Ltd.[4]	Investment holding	Singapore	**–**	–	100
Advance Capital Partners Asset Management Private Limited[1,2]	Fund management activities and corporate finance advisory services	Singapore	**51**	51	–
Pine Ventures Management Pte. Ltd. (formerly known as BSDCN Pte. Ltd.)[3]	Investment holding	Singapore	**100**	100	–
Beacon (East Ceylon) Pte. Ltd)[5,8]	Investment holding	Singapore	**100**	–	–
Pine Capital (Shanghai) Limited[6,8]	Marketing and development	People's Republic of China	**100**	–	–
Held by Ellebeau Group Pte. Ltd.					
Mojo Films Sdn Bhd[4]	Video production and filming services	Malaysia	**–**	–	51
Held by Beacon (East Ceylon) Pte. Ltd.					
East Ceylon Management and Development Pte. Ltd[7,8]	Investment holding	Singapore	**100**	–	–

1 The subsidiary is in the midst of changing its statutory auditor from PricewaterhouseCoopers LLP to Nexia TS Public Accounting Corporation, Singapore

2 Audited by Nexia TS Public Accounting Corporation, Singapore for consolidation purpose.

3 Audited by Nexia TS Public Accounting Corporation, Singapore

4 Disposed on November 2017.

5 Incorporated on 14 January 2019.

6 Incorporated on 16 January 2019.

7 Incorporated on 15 January 2019.

8 Not required to be audited.

Notes to the Financial Statements

For the financial year ended 31 March 2019

13. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

(b) Interests in subsidiary corporation with material non-controlling interests ("NCI")

The Group has the following subsidiary corporation that have NCI that are material to the Group.

Name	Country of incorporation and place of business	Proportion of ownership interest held by NCI			Profit/(loss) allocated to NCI during the reporting period			Accumulated NCI at the end of reporting period		
		31 March		1 April	**31 March**		1 April	**31 March**		1 April
		2019	2018	2017	**2019**	2018	2017	**2019**	2018	2017
					$'000	$'000	$'000	**$'000**	$'000	$'000
Mojo Films Sdn Bhd	Malaysia	**–**	–	49%	–	–	43	**–**	–	215
Advance Capital Partners Asset Management Private Limited	Singapore	**49%**	49%	–	**(293)**	(148)	–	**(125)**	(138)	–

(c) Summarised financial information about subsidiary corporation with material NCI

Set out below is the summarised financial information for the subsidiary corporation that has non-controlling interests that are material to the Group. Information presented are before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 March 2019 and 2018.

Summarised balance sheet

	Advance Capital Partners Asset Management Private Limited		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Current			
Assets	**557**	428	–
Liabilities	**(280)**	(181)	–
Net current assets	**277**	247	–
Non-current			
Assets	**50**	107	–
Liabilities	**(71)**	(71)	–
Net non-current assets	**(21)**	36	–
Net assets	**256**	283	–

Notes to the Financial Statements

For the financial year ended 31 March 2019

13. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

(c) Summarised financial information about subsidiary corporation with material NCI (Cont'd)

Summarised balance sheet (Cont'd)

	Mojo Films Sdn Bhd		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Current			
Assets	**–**	–	1,680
Liabilities	**–**	–	(1,494)
Net current assets	**–**	–	186
Non-current			
Assets	**–**	–	297
Liabilities	**–**	–	(43)
Net non-current assets	**–**	–	254
Net assets	**–**	–	440

Summarised statement of comprehensive income

	Advance Capital Partners Asset Management Private Limited	
	2019	2018
	$'000	$'000
Revenue	**2,237**	893
Operating expenses	**(2,834)**	(1,195)
Loss before income tax	**(597)**	(302)
Income tax expense	**–**	–
Loss after tax	**(597)**	(302)
Other comprehensive income	**–**	–
Total comprehensive loss	**(597)**	(302)

Summarised cash flows

	Advance Capital Partners Asset Management Private Limited	
	2019	2018
	$'000	$'000
Operating cash outflows	**(528)**	(130)
Investing cash outflows	**–**	(138)
Financing cash inflows	**589**	610
Total cash inflows	**61**	342

Notes to the Financial Statements

For the financial year ended 31 March 2019

14. GOODWILL

	31 March	
	2019	2018 (Restated)
	$'000	$'000
Cost		
Beginning of financial year	**–**	–
Acquisition of subsidiaries (Note 28)	**–**	6,403
Impairment charge (Note 6)	**–**	(6,403)
End of financial year	**–**	–

Impairment test for goodwill

Goodwill is allocated to the Group's CGUs, identified to the entities, Advance Capital Asset Management Private Limited ("ACPAM"), and Pine Ventures Management Pte. Ltd. (formerly known as BSDCN Pte. Ltd.) ("PVM").

ACPAM

The recoverable amount of the CGU was determined based on value-in-use calculations using management approved discounted cash flow projections covering a period of three years. Cash flows beyond three-year period were extrapolated using the estimated growth rate stated below. The growth rate did not exceed the long-term average growth rate in which the CGU operates.

Key assumptions used for value-in-use calculations

	Group	
	2019	**2018**
Pre-tax weighted average cost of capital	–	9%
Terminal growth rate	–	2%

An impairment charge of $1,202,000 is retrospectively recognised for the financial year ended 31 March 2018 (Note 30).

PVM

The Group performed impairment test of goodwill at the end of financial year by comparing the carrying value of the CGU against its fair value less cost of disposal. The carrying value of the CGU has been determined by taking the net asset value of cash generating assets and the goodwill attributable to the CGU. The fair value was determined based on the valuation of the financial assets, at FVOCI. These financial assets, at FVOCI are the Company's sole asset.

An impairment charge of $5,201,000 is retrospectively recognised for the financial year ended 31 March 2018 (Note 30).

Notes to the Financial Statements

For the financial year ended 31 March 2019

15. FINANCIAL ASSETS, AT FVOCI/AVAILABLE-FOR-SALE INVESTMENTS

(a) Available for sale investments

	Group	
	2019	2018
	$'000	$'000
Unquoted equity investment, at cost	**2,287**	827
Reclassification at 1 April 2018* (As below)	**(2,287)**	
Fair value gain	**–**	1,460
Unquoted equity investment, at fair value	**–**	2,287

(b) Financial Assets, at FVOCI

	Group	
	2019	2018
	$'000	$'000
Unquoted equity investment, at cost	**–**	–
Reclassification at 1 April 2018* (As below)	**2,287**	–
Fair value loss	**(144)**	–
Unquoted equity investment, at fair value	**2,143**	–

*See Note 2.2 (a)(i) for details of reclassification as at 1 April 2018 on adoption of SFRS(I) 9.

16. TRADE AND OTHER RECEIVABLES

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Trade receivables			
- non-related parties	**177**	–	806
Deposits	**252**	94	6
GST receivable	**7**	2	–
Other receivables			
- non-related parties	**17**	–	136
Total trade and other receivables	**453**	96	948

Notes to the Financial Statements

For the financial year ended 31 March 2019

16. TRADE AND OTHER RECEIVABLES (CONT'D)

	Company		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Deposits	183	18	–
Other receivables			
- non-related parties	–	–	2
Total trade and other receivables	183	18	2

17. WORK IN PROGRESS

Work in progress comprises direct labor and other direct film production costs of uncompleted projects. Work in progress is stated at lower of cost and net realisable value.

18. AMOUNT DUE FROM AN ASSOCIATED COMPANY/SUBSIDIARY CORPORATION

Amount due from an associated company and subsidiary corporations are interest free, unsecured and are repayable on demand.

19. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following amounts:

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Bank balances	**3,443**	768	1,594
Cash on hand	**–**	–	21
Short-term bank deposits	**–**	–	2,007
	3,443	768	3,622

	Company		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Bank balances	**3,033**	426	1,280
Short-term bank deposits	**–**	–	2,007
	3,033	426	3,287

Bank balances and short-term bank deposits earn interest at floating rates based on daily bank deposit rates.

Notes to the Financial Statements

For the financial year ended 31 March 2019

20. TRADE AND OTHER PAYABLES

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Current			
Trade payables			
- non related parties	**–**	–	434
Other payables			
- non related parties	**8**	2,569	361
Amount due to ex-director	**59**	–	125
Accrued expenses	**353**	328	781
Deposits	**1**	110	–
Advances received from customers	**92**	–	476
	513	3,007	2,177

	Company		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Current			
Other payables			
- non related parties	**139**	2,524	166
Accrued expenses	**237**	302	340
	376	2,826	506

Other payables as at 31 March 2018 mainly relate to outstanding balances on the acquisition of PVM (Note 28).

Notes to the Financial Statements

For the financial year ended 31 March 2019

21. FINANCE LIABILITIES

The Group leases motor vehicles from non-related party under finance lease. The lease agreement does not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease term.

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Minimum lease payments due			
- Not later than one year	**–**	–	13
- Between one and five years	**–**	–	29
	–	–	42
Less : Future finance charges	**–**	–	(4)
Present value of finance lease liabilities	**–**	–	38

The present values of finance lease liabilities are analysed as follows:

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Not later than one year	**–**	–	11
Between one and five years	**–**	–	27
Total	**–**	–	38

Finance lease liabilities of the Group are effectively secured over the leased motor vehicles (Note 11), as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities.

Notes to the Financial Statements

For the financial year ended 31 March 2019

22. BORROWINGS

	Group and Company		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Loan from non-financial institution	**2,700**	–	–
	2,700	–	–

On 27 November 2018, the Company has entered into interest-free convertible loan agreement with its controlling shareholder, JMO Pte. Ltd. with a nominal value of $2,700,000. All the convertible loan shall be converted into 1,000,000,000 conversion shares at $0.0027 conversion price 24 months after the draw down date.

Subsequently, Pine Capital Group Limited has entered into an Amendment and Restatement Agreement with JMO Pte Ltd to modify an existing interest-free convertible loan agreement, previously entered on 27 November 2018. The loan structure would be revised from being a convertible loan to a loan without any conversion rights with maturity period of 24 months with effect from 12 December 2018.

Fair value of non-current loan

The fair value of non-current loan is not significantly different from the carrying amount of the loan which is determined from cash flow analysis, discounted at market borrowing rates of an equivalent instrument at reporting date which the directors expect to be available to the Group.

23. PROVISION FOR REINSTATEMENT COSTS

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Beginning of financial year	**71**	–	–
Addition	**–**	71	–
End of financial year	**71**	71	–

The provision relates to the Group's obligation to reinstate leased premises to its original condition upon termination of the lease and is based on the management's estimate in similar situations. The Group expects to incur the liability upon the termination of the lease.

Notes to the Financial Statements

For the financial year ended 31 March 2019

24. SHARE CAPITAL

	2019		2018	
	No. of shares '000	**Amount $'000**	No. of shares '000	Amount $'000
Group and Company				
Beginning of financial year	**3,670,585**	**20,027**	2,458,344	16,426
Exercise of warrants	**–**	**–**	120	1
Issuance of ordinary shares[(1)]	**2,185,111**	**3,405**	1,212,121	3,600
Issuance of right shares[(2)]	**787,211**	**1,968**	–	–
End of financial year	**6,642,907**	**25,400**	3,670,585	20,027

(1) Issuance of ordinary shares

On 17 October 2018, the Company issued 611,111,110 ordinary shares of S$0.0009 each pursuant to a placement for an aggregate subscription amount of S$550,000.

On 18 October 2018, the Company issued 775,000,000 ordinary shares of S$0.0009 each pursuant to the settlement agreement for settlement of outstanding balances on the cost of acquisition of Pine Ventures Management Pte Ltd (formerly known as BDSCN Pte Ltd) for an aggregate of S$698,000.

On 27 December 2018, the Company issued 799,000,000 ordinary shares of S$0.0027 each pursuant to a placement for an aggregate subscription amount of S$2,157,000.

(2) Issuance of right shares

On 7 May 2018, the Company completed its rights issue through allotment and issuance of 787,210,747 of ordinary shares of S$0.0025 each for a total consideration of approximately S$1,968,000 for cash to provide funds for the settlement of 2nd tranche consideration arising from the acquisition of Pine Ventures Management Pte Ltd (formerly known as BSDCN Pte Ltd) and for operating activities.

THE PCGL EMPLOYEE SHARE OPTIONS SCHEME

In conjunction with the Company's listing on the Catalist of Singapore Exchange Securities Trading Limited ("SGX-ST"), the Group adopted the PCGL Employee Share Option Scheme ("ESOS") which was approved by its shareholders at an Extraordinary General Meeting ("EGM") held on 27 July 2018. The ESOS is administered by the Remuneration Committee.

The Remuneration Committee comprised of:

Mr Wee Heng Yi, Adrian	Chairman
Mr Tomi-Jae Wanlun Tjio	Member
Mr Lee Tze Wee, Andrew	Member
Mr Pan Ki Ro	Member

The ESOS provides for the grant of share options ("Options") to Group employees, Non-Executive Directors of the Group, Associated Company employees and Non-Executive Directors of the Associated Company ("ESOS participants").

The selection of the ESOS participants and number of shares which are subject of each Option to be granted to an ESOS participant in accordance with the ESOS shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, inter alia, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Notes to the Financial Statements

For the financial year ended 31 March 2019

24. SHARE CAPITAL (CONT'D)

THE PCGL EMPLOYEE SHARE OPTIONS SCHEME (CONT'D)

Under the ESOS, the number of shares over which the Remuneration Committee may grant Options on any date, when added to the number of shares issued and issuable in respect of all Options granted under the ESOS (including the PCGL Performance Share Scheme and any other share option scheme of the Company) shall not exceed 15% of the number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the date of the relevant grant.

Options granted with the exercise price set at market price shall only be exercisable, in whole or in part only in respect of 100 Shares or any multiple thereof, at any time, by an ESOS participant after the first anniversary of the offer date of that Option, provided always that the Options shall be exercised before the tenth (10^{th}) anniversary of the relevant offer date, and Options granted to Non-Executive Directors shall be exercised before the fifth anniversary (5^{th}) of the relevant offer date, or such earlier date as may be determined by the Remuneration Committee, failing which all unexercised Options shall immediately lapse and become null and void and an ESOS participant shall have no claim against the Company.

Options granted with exercise price set at a discount to market price shall only be exercisable, in whole or in part only in respect of 100 Shares or any multiple thereof, at any time, by an ESOS participant after the second anniversary from the offer date of that option, provided always that the Options shall be exercised before the fifth anniversary of the relevant offer date, or such earlier date as may be determined by the Remuneration Committee, failing which all unexercised Options shall immediately lapse and become null and void and an ESOS participant shall have no claim against the Company.

Options may lapse or be exercised earlier in circumstances which include the termination of the employment of the participant in the Group and the parent company, the bankruptcy of the participant, the death of the participant, a take-over of the Company, and the winding-up of the Company.

There were no options granted to the employees and Directors from the commencement of the ESOS up to the end of the financial year.

No options have been granted to controlling shareholders of the Company and their associates under the ESOS from the commencement of the ESOS up to the end of the financial year.

None of the ESOS participants received 5% or more of the total number of options available under the ESOS.

There were no options being exercised during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares under Option in the Company or its subsidiary corporations as at the end of the financial year.

Notes to the Financial Statements

For the financial year ended 31 March 2019

24. SHARE CAPITAL (CONT'D)

THE PCGL PERFORMANCE SHARE SCHEME

In conjunction with the Company's listing on the Catalist of SGX-ST, the Group adopted the PCGL Performance Share Scheme ("PSS") which was approved by its shareholders at the EGM held on 27 July 2018. The PSS is administered by the Remuneration Committee. The PSS provides for the grant of incentive share awards ("Awards") to Group Employees, Non Executive Directors of the Group, Associated Company employees and Non-Executive Directors of the Associated Company ("PSS participants").

The selection of the PSS participants and number of shares which are subject of each Award to be granted to a PSS participant in accordance with the PSS shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, inter alia, the rank, scope of responsibilities, performance, years of service and potential for future development and contribution to the success of the Group.

Under the PSS, the total number of shares which may be delivered pursuant to the vesting of Awards on any date, when added to the aggregate number of shares issued and issuable in respect of (a) all Awards granted under the PSS; and (b) all options granted under any share option, shares incentive, performance share or restricted plans of the Company and for the time being in force, shall not exceed 15% of the number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the date of the relevant grant.

The PSS allows for the participation by full-time employees of the Group (including the Executive Directors) and Non-Executive Directors (including Independent Directors) who have attained the age of 21 years and above on or before the relevant date of grant of the Award, provided that none shall be an undischarged bankrupt or have entered into a composition with his creditors. Controlling shareholders of the Company and their associates will not be eligible to participate in the PSS.

Notwithstanding that a PSS participant may have met his performance targets, no Awards shall be vested:

(i) When a PSS participant, being an employee of the Group, ceasing for any reason whatsoever, to be in the employment of a company in the Group or in the event the company by which the PSS participant is employed ceases to be a company in the Group;

(ii) When a PSS participant, being a Non-Executive Director, ceasing to be a director of a company in the Group, for any reason whatsoever;

(iii) Upon the bankruptcy of the PSS participant;

(iv) Upon ill health, injury or death of a PSS participant;

(v) When a PSS participant committing any breach of any of the terms of his Award;

(vi) Upon misconduct on the part of a PSS participant as determined by the Remuneration Committee in its discretion;

(vii) When a general offer being made of all or any part of the Shares;

(viii) When a scheme of arrangement or compromise between the Company and the Shareholders being sanctioned by the Court;

(ix) When an order for the compulsory winding-up of the Company being made;

(x) When a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company being made; and/or

(xi) Upon any other event unless approved by the Remuneration Committee. There were no share awards granted pursuant to the PSS from the commencement of the PSS up to the end of the financial year.

Notes to the Financial Statements

For the financial year ended 31 March 2019

24. SHARE CAPITAL (CONT'D)

THE PCGL PERFORMANCE SHARE SCHEME (CONT'D)

There were no share awards granted pursuant to the PSS from the commencement of the PSS up to the end of the financial year.

No share awards have been granted to controlling shareholders of the Company and their associates under the PSS from the commencement of the PSS up to the end of the financial year.

None of the PSS participants received 5% or more of the total number of share awards available under the PSS.

There were no shares issued during the financial year by virtue of the PSS to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares under PSS in the Company or its subsidiary corporations as at the end of the financial year.

25. COMMITMENTS

Operating lease commitments – where the Group is a lessee

As at the balance sheet dates, the Group had the following minimum lease payments under operating leases on office spaces with initial or remaining term of one year or more:

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Non-cancellable amounts payable:			
- Not later than one year	**87**	87	87
- Later than one year but not later than five years	**9**	102	102
- Later than five years	**–**	189	189
	96	378	378

Certain leases include options to renew the leases after the expiry of the initial tenure. Lease payments under these leases are usually fixed for the entire initial tenure. There are no restrictions placed upon the lessee by entering into these leases.

26. CONTINGENT LIABILITIES

Other Outstanding Legal Matters

The Company is involved in certain legal actions and claims from its previous management team arising from claims against minority oppression. As at the date of this report, the Company's solicitors are unable to estimate the amounts of net liabilities which might be reasonably be incurred by the Company. However, the Company estimated that the financial impact and outcomes individually or in aggregate resulting from these actions are not expected to be material to the Company.

Notes to the Financial Statements

For the financial year ended 31 March 2019

27. SEGMENT INFORMATION

As the group is only engaged entirely in the financial services, related to fund management activities and corporate finance advisory services, in Singapore for the financial year ended 31 March 2019 and 2018, no reporting by operating segment and geographical location is presented.

28. BUSINESS COMBINATION

(a) Acquisition of subsidiaries

On 7 August 2017, the Company had acquired 51% of share capital of Advance Capital Partners Asset Management Private Limited. ("ACPAM") with an investment cost of S$1,500,000.

The Company also completed the acquisition of the entire equity share of Pine Ventures Management Pte. Ltd (formerly known as BSDCN Pte. Ltd.) ("PVM") on 21 September 2017 with an investment cost of $6,024,000.

As at 31 March 2018, price allocation for the acquisition of ACPAM and PVM were not completed and the goodwill was accounted for on a provisional basis.

The Group completed the purchase price allocation reviews during the current financial year. The Group has retrospectively adjusted the provisional amount recognised at the acquisition date for PVM to reflect the new information obtained about facts and circumstances that existed as of the acquisition date.

The details of the consideration, adjusted fair values of the identifiable assets and liabilities assumed and the effects on the cash flows of the Group, at date of acquisition, are as follow:

(i) Purchase consideration

	As at date of acquisition		
	Advance Capital Partners Asset Management Private Limited	**Pine Ventures Management Pte. Ltd.**	**Total**
	$'000	**$'000**	**$'000**
Cash paid	1,500	3,500	5,000
Other payables (Note 20)	–	2,524	2,524
Total consideration transferred	1,500	6,024	7,524

Notes to the Financial Statements

For the financial year ended 31 March 2019

28. BUSINESS COMBINATION (Cont'd)

(a) Acquisition of subsidiaries (Cont'd)

(ii) Identifiable assets acquired and liabilities assumed at acquisition date

	As at 7 August 2017 Advance Capital Partners Asset Management Private Limited $'000
Property, plant and equipment (Note 11)	120
Investment in an associated company	13
Other receivables	92
Cash and cash equivalents	592
Other payables	(161)
Provision for reinstatement cost	(71)
Net identifiable assets	585
Non-controlling interest	(287)
Add: Goodwill (Note 14)	1,202
Total consideration transferred	1,500

	As at 21 September 2017 Pine Ventures Management Pte Ltd		
	Provisional amount as previously reported $'000	Fair value adjustments	Adjusted amount $'000
Available-for-sale investments	1,439	(612)	827
Other payables	(4)	–	(4)
Net identifiable assets	1,435	(612)	823
Add: Goodwill (Note 14)	4,589	612	5,201
Total consideration transferred	6,024	–	6,024

Total goodwill recognised for the acquisition of ACPAM and PVM is $6,403,000

Notes to the Financial Statements

For the financial year ended 31 March 2019

28. BUSINESS COMBINATION (Cont'd)

(a) Acquisition of subsidiaries (Cont'd)

(iii) Effect on cash flow of the Group

	As at acquisition date		
	Advance Capital Partners Asset Management Private Limited	**Pine Ventures Management Pte. Ltd.**	**Total**
	$'000	**$'000**	**$'000**
Cash paid (per (i) above)	1,500	3,500	5,000
Less: Cash and cash equivalents in subsidiaries acquired	(592)	–	(592)
Net cash outflow on acquisition	908	3,500	4,408

(b) Acquisition-related costs

ACPAM

Acquisition-related costs of $49,000 were expensed in the consolidated statement of comprehensive income and in investing cash flows in the consolidated statement of cash flows.

PVM

Acquisition-related costs of $82,000 were expensed in the consolidated statement of comprehensive income and in investing cash flows in the consolidated statement of cash flows.

(c) Revenue and profit contribution

ACPAM

The acquired business contributed revenue of $893,000 and net loss of $302,000 to the Group for the financial period from 7 August 2017 to 31 March 2018.

Had ACPAM been consolidated from 1 April 2017, consolidated revenue and consolidated losses for the financial year ended 31 March 2018 would have been $1,217,000 and $213,000 respectively.

PVM

The acquired business contributed other comprehensive income amounting to $1,460,000 and incurred a net loss of $1,071 to the Group for the financial period from 21 September 2017 to 31 March 2018.

Had PVM been consolidated from 1 April 2017, there will be no significant impact to the consolidated revenue and consolidated profit for the financial year ended 31 March 2018.

(d) Non-controlling interests

ACPAM

The Group recognised the non-controlling interest at the proportionate share of the acquiree's identifiable net liabilities of $287,000.

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT

The Group's activities expose to its market risk (including currency risk and interest rate risk and price risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

(a) Market risk

(i) Currency risk

The Group is not exposed to significant currency risk as the purchases and sales transactions entered into by the Group are denominated in the respective entities' functional currencies – Singapore Dollar (SGD) for Singapore entities.

The Group's has transactions primarily in SGD, hence, its foreign exchange risk exposure is mainly from US dollar ("USD") denominated financial asset, at FVOCI from Pine Ventures Management Pte. Ltd. amounting to $2,143,000 (FY2018: $2,287,000)

If the USD change against the SGD by 3% (FY2018: 6%), with all other variables including tax rate being held constant, the impact on the net financial liabilities/assets position will be as follow:

	Increase/(decrease)	
	2019	**2018**
	$'000	**$'000**
Group		
USD against SGD		
- Strengthened	56	114
- Weakened	(56)	(114)

(ii) Price risk

The Group is not exposed to equity price risk as it does not hold equity securities traded in an active market.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from interest-bearing bank deposits. Changes in interest rates do not have significant impact to the financial statements.

(b) Credit risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss ("ECL") allowance for receivables.

In measuring the expected credit losses, receivables are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of receivables and adjusts to reflect current and forward-looking macroeconomic factors affecting the collectability.

Receivables are written off when there is no reasonable expectation of recovery, such as counterparty failing to engage in a repayment plan with the Group. Where receivables have been written off, the Company continues to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

As at 31 March 2019, the Group's receivables balance are insignificant and current and considered to have low risk of default, therefore no expected credit loss allowance was recognised.

Other financial assets, at amortised cost

The Group's and the Company's other financial assets recognised at amortised cost are mainly comprised of cash and cash equivalent, and other receivables, i.e. non trade receivables and deposits. These financial assets are subject to immaterial credit loss.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of these financial assets.

For the purpose of impairment assessment, loss allowance is generally measured at an amount equal to 12-month ECL as there is low risk of default and strong capability to meet contractual cash flow. When the credit quality deteriorates and the resulting credit risk of other financial assets increase significantly since its initial recognition, the 12-month ECL would replace by lifetime ECL.

No allowance against other financial assets, at amortised cost is recognised as the management believes the amounts are collectible, based on historical payment behavior and credit-worthiness of these receivables.

Previous accounting policy for impairment of trade receivables

In 2018, the impairment of financial assets was assessed based on the incurred loss model impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The Group considered that there was evidence if any of the following indicators were present:

- Significant financial difficulties of the debtors
- Probability that the debtor will enter bankruptcy or financial reorganization; and
- Default or delinquency in payments.

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

Financial assets that are neither past due or impaired

Financial assets that are neither past due or impaired are mainly cash and cash equivalent that are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default. Trade receivables and other receivables are creditor worthy debtors with good payment record with the Group. There are no impairment loss provided for the trade receivables as at 31 March 2018 and 1 April 2017.

There are no other financial assets that are past due or impaired that were re-negotiated as at 31 March 2018 and 1 April 2017.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding through adequate credit facilities. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term bank deposits as disclosed in Note 19.

Management monitors rolling forecasts of the Group's and Company's liquidity reserve and cash and cash equivalents (Note 19) on the basis of expected cash flow. This is generally carried out at local level in the operating entities of the Group in accordance with the practice and limits set by the Group. These limits vary by operating entity to take into account the working capital requirement of each entity. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet the working capital, monitoring liquidity ratios and maintaining debt and equity financing plans.

Except for borrowings as disclosed in Note 22, the Group's and the Company's financial liabilities have a maturity profile of less than a year after the balance sheet date.

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell ssets to reduce borrowings.

Management monitors capital based on gearing ratio. Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings, finance lease liabilities and trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Capital risk (Cont'd)

	Group		
	31 March		1 April
	2019	2018 (Restated)	2017
	$'000	$'000	$'000
Net debts/(Net assets)	**(230)**	2,239	(1,407)
Total equity	**2,838**	186	3,288
Total capital	**2,608**	2,425	1,881
Gearing ratio	**NM**	108%	NM

	Company		
	31 March		1 April
	2019	2018 (Restated)	2017
	$'000	$'000	$'000
Net debts	**43**	2,400	(2,554)
Total equity	**2,561**	54	3,770
Total capital	**2,604**	2,454	1,216
Gearing ratio	**1.65%**	98%	NM

NM: Not meaningful

The Group and the Company are not subject to externally imposed capital requirements for the financial years ended 31 March 2019 and 2018.

(e) Fair value measurement

The following table presents asset and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value measurement (Cont'd)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 March 2019				
Asset				
Financial assets, at FVOCI	**–**	**–**	**2,143**	**2,143**
31 March 2018				
Asset				
Available-for-sale financial assets	–	–	2,287	2,287

There were no transfers between Level 1, 2 and 3 of fair value measurement hierarchy during the financial year ended 31 March 2019.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage valuation professionals who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and the fair value measurement guidance to perform the valuation.

For valuations performed by valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, valuation professionals are requested to calibrate the valuation models and inputs to actual market transactions that are relevant to the valuation if such information are reasonably available. For valuations that are sensitive to the unobservable inputs used, external valuation experts are required, to the extent practicable to use a minimum of two valuation approaches to allow for cross-checks.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

The Audit Committee performs a high-level independent review of the valuation process and results and recommends if any revisions need to be made before presenting the results to the Board of Directors for approval.

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. These investments are classified as Level 2 and comprise debt investments and derivative financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The carrying amount less impairment allowance of trade and other receivables and trade and other payables are assumed to approximate their fair values.

Notes to the Financial Statements

For the financial year ended 31 March 2019

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Financial instrument by category

The carrying amount of the different categories of financial instruments is as follows,

	Group		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Financial assets, at amortised cost	**3,880**	–	–
Loans and receivables	**–**	864	4,570
Financial liabilities, at amortised cost	**3,121**	3,007	1,739

	Company		
	31 March		1 April
	2019	2018	2017
	$'000	$'000	$'000
Financial assets, at amortised cost	**3,228**	–	–
Loans and receivables	**–**	449	3,292
Financial liabilities, at amortised cost	**3,076**	2,826	506

(g) Offsetting financial assets and financial liabilities

The Group and the Company do not have financial instruments subject to enforceable master netting arrangements or similar arrangements.

30. PRIOR YEAR ADJUSTMENTS

The financial statement of the Group for prior financial year has been restated to reflect the retrospective adjustments made to the provisional goodwill and impairment loss on goodwill upon completion of the purchase price allocation and goodwill impairment assessment respectively.

Notes to the Financial Statements

For the financial year ended 31 March 2019

30. PRIOR YEAR ADJUSTMENTS (CONT'D)

The effect of the abovementioned adjustment to the consolidated balance sheet as at 31 March 2018, consolidated statement of comprehensive income and consolidated statement of cash flows for the financial year ended 31 March 2018 are as follows:

The Group	As previously reported $'000	Prior year adjustments $'000	As restated $'000
Consolidated balance sheet as at 31 March 2018			
Goodwill	5,791	562	
		(6,403)	
		50	
	5,791	(5,791)	–
Accumulated losses	(15,036)	(6,403)	(21,439)
Currency translation reserve	(50)	50	–
Fair value reserve	898	562	1,460
Consolidated statement of comprehensive income for the financial year ended 31 March 2018			
Administrative expenses	(2,265)	(6,403)	(8,668)
Currency translation losses arising from consolidation	27	50	77
Other comprehensive income, net of tax:			
- Fair value gain on available-for-sale-financial assets	898	562	1,460
Loss attributable to equity of holders of the company:			
- From continuing operation, net of tax	(1,516)	(6,403)	(7,919)
Consolidated statement of cash flows for the financial year ended 31 March 2018			
Cash flow from operating activities:			
Loss from continuing operation before tax	(1,664)	(6,403)	(8,067)
Adjustment for:			
- Impairment loss on goodwill	–	6,403	6,403
The Company			
Balance sheet as at 31 March 2018			
Investments in subsidiary corporations	7,524	(5,093)	2,431
Accumulated losses	(14,880)	(5,093)	19,973

The earning per share attributable to equity holders of the Company from continuing operation is restated accordingly as 0.246 cents (previously reported as 0.0047 cents)

Notes to the Financial Statements

For the financial year ended 31 March 2019

31. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statement, the following transactions took place between the Group and related parties at term agreed between the parties:

(a) Sales and purchase of goods and services

No transaction took place between the Company and related parties during the financial years ended 31 March 2019 and 2018.

32. OTHER MATTERS

MAS Direction Letter

As announced by the Company's Board, ACPAM has received a MAS Direction Letter on 13 May 2019 to suspend all fund raising activities and all subscription activities, and not to enter into new investments or draw down any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until certain conditions are satisfied.

At the date of this report, the MAS has not lifted its direction letter to ACPAM.

Independent Reviewer

The Company's Board of Directors (the "Board"), in consultation with Singapore Exchange Securities Trading Limited ("SGX-ST"), will be appointing an independent reviewer to investigate the numerous allegations it had received from various parties since January 2019 concerning the operations of its sole operating subsidiary Advance Capital Partner Asset Management Private Limited ("ACPAM").

The appointment of the independent reviewer is subject to SGX-ST being satisfied with, among others, the scope and terms of reference.

At the date of this report, the Board is still in the process of finalising the scope and terms of reference of the independent review ("IR").

33. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Effective for annual periods beginning on or after 1 January 2019

- SFRS(I) 16 Leases

  SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  Some of the commitments of the Group may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under SFRS(I) 16.

  The new standard also introduces expanded disclosure requirements and changes in presentation.

  The Group has yet to determine to what extent the commitments as at the reporting date will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Notes to the Financial Statements

For the financial year ended 31 March 2019

33. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONT'D)

- SFRS(I) INT 23 Uncertainty Over Income Tax Treatments

  The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

  (i) how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;

  (ii) that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;

  (iii) that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

  (iv) that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and

  (v) that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

  The Group does not expect additional tax liability to be recognised arising from the uncertain tax positions on the adoption of the interpretation on 1 April 2019

Effective for annual periods beginning on or after 1 January 2020

- Amendments to SFRS(I) 3: Definition of a Business
- Amendments to SFRS(I) 1-1 and SFRS(I) 1-8: Definition of Material

Effective for annual periods beginning on or after 1 January 2021

- SFRS(I) 17 *Insurance Contracts*

Effective date: to be determined*

- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore ("**ASC**") in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRS and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

34. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Pine Capital Group Limited on 9 July 2019.

Analysis of Shareholdings

As at 26 June 2019

ISSUED AND FULLY PAID-UP CAPITAL	:	S$25,399,914
NO. OF SHARES ISSUED	:	6,642,906,058
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE
NO. OF TREASURY SHARES	:	NIL
NO. OF SUBSIDIARY HOLDINGS (1)	:	NIL
PERCENTAGE OF TREASURY SHARES AND SUBSIDIARY HOLDINGS (2)	:	NIL

Notes:

(1) "Subsidiary Holdings" means any Issued Shares of the Company held by its subsidiaries (as referred to the Companies Act, Chapter 50 of Singapore ("**Companies Act**").

(2) Percentage calculated against the total number of Issued Shares (excluding Treasury Shares and Subsidiary Holdings).

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	1,734	25.40	52,931	0.00
100 - 1,000	1,551	22.72	824,675	0.01
1,001 - 10,000	1,648	24.15	6,675,271	0.10
10,001 - 1,000,000	1,641	24.04	265,690,275	4.00
1,000,001 & above	252	3.69	6,369,662,906	95.89
TOTAL	6,826	100.00	6,642,906,058	100.00

TOP TWENTY SHAREHOLDERS	NO. OF SHARES	%
CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	2,318,301,290	34.90
OCBC SECURITIES PRIVATE LTD	847,214,231	12.75
JESSIE SUN MAY GZE	546,692,300	8.23
LIN KOK PENG (LIN GUOPING)	505,050,505	7.60
RAFFLES NOMINEES (PTE) LIMITED	218,738,998	3.29
CITIBANK NOMINEES SINGAPORE PTE LTD	191,232,781	2.88
ONG KHENG CHYE	99,601,977	1.50
DBS NOMINEES PTE LTD	94,183,294	1.42
TAN SZE SENG	80,981,232	1.22
LIM TIONG KHENG STEVEN	76,942,595	1.16
TEO YEN KOON	67,340,067	1.01
MORGAN LEWIS STAMFORD LLC	67,071,000	1.01
KULKARNI SACHIN SHRIKANT	48,588,014	0.73
TAY WEE KWANG	40,753,717	0.61
NG CHENG HUAT	38,987,851	0.59
CHAN HORNG DER	38,000,300	0.57
LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	30,045,000	0.45
WAI HUN TAI (WEI HENGTAI)	30,000,000	0.45
KOH KIM LENG COLIN	23,295,000	0.5
WU MARCO OR WOO BEE KIM	22,406,930	0.34
TOTAL	5,385,427,082	81.06

Analysis of Shareholdings

As at 26 June 2019

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 26 June 2019)

		Direct Interest		Deemed Interest	
No	**Name**	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Pine Partners Pte. Ltd. (Note 1)	1,612,686,105	24.28	–	–
2	Sun Weiyeh (Note 2)	–	–	1,612,686,105	24.28
3	JMO Pte. Ltd. (Note 3)	1,291,000,000	19.43	–	–
4	Wai Yee Tai (Note 4)	–	–	1,291,000,000	19.43
5	Jessie Sun May Gze	546,692,300	8.23	–	–
6	Lin Kok Peng	505,050,505	7.60	–	–

Notes:

1 The 1,572,686,105 Shares are registered and held through CGS-CIMB (Singapore) Pte Ltd and 40,000,000 shares held through Maybank Kim Eng Securities Pte Ltd.

2 By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Mr Sun Weiyeh is deemed interested in the shares of the Company held by Pine Partners Pte. Ltd.

3 The 799,000,000 shares are registered and held through OCBC Securities Pte Ltd and 492,000,000 shares are registered and held through CGS-CIMB Securities (Singapore) Pte Ltd.

4 By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Mr Wai Yee Tai is deemed interested in the shares of the Company held by JMO Pte. Ltd.

SHARE HELD BY PUBLIC

Based on the information provided to the Company as at 26 June 2019, approximately 40.40% of the issued shares of the Company was held in hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules"). Accordingly, Rule 723 of the Catalist Rules has been complied with.

Analysis of Warrantholdings

As at 26 June 2019

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 99	17	6.01	435	0.00
100 - 1,000	35	12.37	17,240	0.01
1,001 - 10,000	84	29.68	392,001	0.16
10,001 - 1,000,000	133	46.99	19,557,694	7.76
1,000,001 & above	14	4.95	231,940,030	92.07
TOTAL	283	100.00	251,907,400	100.00

TOP TWENTY WARRANTHOLDERS	NO. OF WARRANTS	%
LEE THIAM SENG	84,880,800	33.70
LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	76,800,000	30.49
TEO YONG PING (ZHANG RONGBIN)	19,200,000	7.62
RAFFLES NOMINEES (PTE) LIMITED	14,814,314	5.88
LIM TIONG KHENG STEVEN	9,600,000	3.81
TAN SZE SENG	7,287,000	2.89
ONG KHENG CHYE	6,374,400	2.53
EIO HOCK CHUAR	2,862,160	1.14
CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	2,585,513	1.03
CHUA AIK SOONG	1,913,000	0.76
OCBC SECURITIES PRIVATE LTD	1,782,400	0.71
WU MARCO OR WOO BEE KIM	1,434,043	0.57
ONG SOO YONG	1,280,000	0.51
PUAY MENG HO	1,126,400	0.45
UOB KAY HIAN PTE LTD	972,176	0.39
LEE JIAN YUAN (LI JIANYUAN)	936,000	0.37
LIN YANTING	832,000	0.33
PHILLIP SECURITIES PTE LTD	827,050	0.33
TAN SWEE HONG	800,000	0.32
KAN CHAN HONG CHRISTOPHER (JIAN ZHENXIONG CHRISTOPHER)	720,000	0.29
TOTAL	237,027,256	94.12

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Pine Capital Group Limited (the "**Company**") will be held at Distrii Level 2, Amphitheatre, 9 Raffles Place, Republic Plaza 1, Singapore 048619 on Tuesday, 30 July 2019 at 2.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2019, the Directors' Statement and the Report of the Auditors thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of S$150,000 for the financial year ending 31 March 2020,("FY 2020") payable quarterly in arrears (FY2019:S$225,495). **(Resolution 2)**

3. To re-elect Mr Pan Ki Ro, a Director retiring under Article 92 of the Constitution of the Company. *[See Explanatory Note 1]* **(Resolution 3)**

4. To re-elect Mr Tomi-Jae Wanlun Tjio, a Director retiring under Article 98 of the Constitution of the Company. **(Resolution 4)**
[See Explanatory Note 1]

5. To re-elect Mr Wee Heng Yi, Adrian, a Director retiring under Article 98 of the Constitution of the Company. **(Resolution 5)**
[See Explanatory Note 1]

6. To re-elect Mr Lee Tze Wee, Andrew, a Director retiring under Article 98 of the Constitution of the Company. **(Resolution 6)**
[See Explanatory Note 1]

7. To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors of the Company for the FY2020 and to authorise the Directors to fix their remuneration. **(Resolution 7)**

8. To transact any other ordinary business which may properly be transacted at an AGM.

SPECIAL BUSINESS

To consider and, if thought fit, to pass, the following Ordinary Resolutions, with or without modifications:

9. **AUTHORITY TO ALLOT AND ISSUE SHARES** **(Resolution 8)**

"THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), authority be and is hereby given to the Directors of the Company to allot and issue new ordinary shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise), and/or make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force, provided that:

(1) the aggregate number of the Shares to be issued pursuant to this authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to this authority), does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with

Notice of Annual General Meeting

paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including the Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time such authority was conferred, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from the exercise of any share options or vesting of share awards which are outstanding or subsisting at the time this authority was conferred, provided that the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent consolidation or subdivision of the Shares;

and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, Chapter 50 of Singapore and otherwise, and the Constitution of the Company for the time being; and

(4) such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."
[See Explanatory Note 2]

10. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE PCGL EMPLOYEE SHARE OPTION SCHEME (Resolution 9)**

"THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, approval be and is hereby given to the Directors of the Company to offer and grant options, and allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be delivered pursuant to the exercise of options granted in accordance with the provisions of the PCGL Employee Share Option Scheme (the "**PCGL ESOS**"), provided that the aggregate number of the PCGL ESOS Shares to be issued or transferred pursuant to the PCGL ESOS on any date, when aggregated with the number of Shares over which options or awards are granted under any share option schemes or share schemes of the Company, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company on the day preceding that date, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."
[See Explanatory Note 3]

Notice of Annual General Meeting

11. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE PCGL PERFORMANCE SHARE SCHEME (Resolution 10)**

"THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be issued pursuant to the vesting of awards under the PCGL Performance Share Scheme (the "**PCGL PSS**"), provided that the aggregate number of additional new Shares to be allotted and issued pursuant to the PCGL PSS and other share scheme(s) to be implemented by the Company (if any) shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company preceding that date of grant of award, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier." *[See Explanatory Note 4]*

BY ORDER OF THE BOARD

Andrew Lee
Executive Director
15 July 2019

NOTES:

(1) (a) A member of the Company who is entitled to attend and vote at the AGM and who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where such member appoints more than one (1) proxy, he/she shall specify the proportion or number of his/her shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named. A proxy need not be a member of the Company. If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

(b) A member of the Company who is entitled to attend and vote at the AGM and who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote in his stead. Where such member appoints more than one (1) proxy, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

(2) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its seal or under the hand of its attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the power of attorney or a duly certified copy thereof must be lodged with the instrument.

(3) A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

(4) The instrument appointing a proxy or proxies, duly executed, must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not later than 48 hours before the time appointed for the AGM.

Notice of Annual General Meeting

EXPLANATORY NOTES

1. Mr Pan Ki Ro (Non-Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as a member of the Audit Committee, Nominating Committee and Remuneration Committee. He is considered non-independent for the purposes of Rule 704(7) of the Catalist Rules.

   Mr Tomi-Jae Wanlun Tjio (Non-Executive Chairman and Independent Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Nominating Committee as well as a member of the Audit Committee and Remuneration Committee. He is considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr Tomi-Jae Wanlun Tjio does not have any relationships including immediate family relationships between himself and the Directors, the Company and the Substantial Shareholders.

   Mr Wee Heng Yi, Adrian (Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Audit Committee and Remuneration Committee as well as a member of the Nominating Committee. He is considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr Wee Heng Yi, Adrian does not have any relationships including immediate family relationships between himself and the Directors, the Company and the Substantial Shareholders.

   Mr Lee Tze Wee, Andrew (Executive Director) will, upon re-election as Director of the Company, continue to serve as a member of the Nominating Committee and Remuneration Committee. He is considered non-independent for the purposes of Rule 704(7) of the Catalist Rules.

   Detailed information on Mr Pan Ki Ro, Mr Tomi-Jae Wanlun Tjio, Mr Wee Heng Yi, Adrian and Mr Lee Tze Wee, Andrew can be found under the "Board of Directors" and "Disclosure of information on seeking re-election pursuant to Rule 720(5) of the Catalist Rules" sections in the Company's Annual Report 2019.

2. Ordinary Resolution 8, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM, to allot and issue Shares and/or Instruments (as defined above). The aggregate number of new Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may issue under this Resolution shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. For issue of Shares and convertible securities other than on a pro-rata basis, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. This authority will, unless revoked or varied at a general meeting, expire on the date of the next AGM of the Company or on the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

3. Ordinary Resolution 9, if passed, will empower the Directors of the Company to allot and issue new Shares pursuant the PCGL ESOS provided that the aggregate number of new Shares to be allotted and issued pursuant to the PCGL ESOS and other share-based incentive scheme(s) or plan(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

4. Ordinary Resolution 10, if passed, will empower the Directors of the Company to allot and issue new Shares pursuant to PCGL PSS, provided that the aggregate number of new Shares to be allotted and issued pursuant to the PCGL PSS and other share scheme(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

Notice of Annual General Meeting

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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*This notice 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 ("**SGX-ST**"). The Sponsor has not independently verified this notice, including the correctness of any of the figures used, statements or opinions made.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Mr Liau H.K.
Telephone number: 6221 0271

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PINE CAPITAL GROUP LIMITED

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

PROXY FORM
Annual General Meeting

Important :

1. A relevant intermediary (as defined in Section 181 of the Companies Act (Chapter 50)) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.

   For CPF/SRS investors who have used their CPF monies to buy Pine Capital Group Limited. shares, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks if they have queries regarding their appointment as proxies.

Personal Data Privacy
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 July 2019.

I/We, _____ (name) _____ (NRIC No./Passport No./Company Registration No.)

of _____ (address)

being a member/members of Pine Capital Group Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him/them, the Chairman of the Annual General Meeting of the Company ("**AGM**"), as my/our proxy/proxies to attend, speak and to vote for me/us on my/our behalf at the AGM to be held at Distrii Level 2, Amphitheatre, 9 Raffles Place, Republic Plaza 1, Singapore 048619, on Tuesday, 30 July 2019 at 2.00 p.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for/against the resolutions proposed at the AGM as indicated hereunder. In the absence of specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they may on any other matter arising at the AGM.

ORDINARY	ORDINARY BUSINESS	No. of Votes For*	No. of Votes Against*
Resolution 1	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2019, the Directors' Statement and the Report of the Auditors' thereon.		
Resolution 2	To approve the payment of Directors' fees of S$150,000 for the financial year ending 31 March 2020, payable quarterly in arrears.		
Resolution 3	To re-elect Mr Pan Ki Ro, a Director who retires pursuant to Article 92 of the Constitution of the Company.		
Resolution 4	To re-elect Mr Tomi-Jae Wanlun Tjio, a Director who retires pursuant to Article 98 of the Constitution of the Company.		
Resolution 5	To re-elect Mr Wee Heng Yi, Adrian, a Director who retires pursuant to Article 98 of the Constitution of the Company.		
Resolution 6	To re-elect Mr Lee Tze Wee, Andrew, a Director who retires pursuant to Article 98 of the Constitution of the Company.		
Resolution 7	To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors of the Company for the financial year ending 31 March 2020 and to authorise the Directors to fix their remuneration.		
	SPECIAL BUSINESS		
Resolution 8	To approve the authority to allot and issue shares.		
Resolution 9	To approve the authority to allot and issue shares under the PCGL Employee Share Option Scheme.		
Resolution 10	To approve the authority to allot and issue shares under the PCGL Performance Share Scheme.		

Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution, please indicate "X" in the relevant box provided. Alternatively, if you wish to exercise your votes both "For" or "Against" the relevant resolution, please indicate the number of shares in in the boxes provided.

Date this _____ day of _____ 2019

Total Number of Shares held (Note 1)

_____
Signature(s) / Common Seal of members(s)

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

NOTES:

1. Please insert the total number of Shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. (i) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the appointments shall be invalid unless the proportion of the shareholding concerned to be represented by each proxy shall beis specified in the form of proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

   (ii) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary"** has the meaning ascribed to it in Section 181(6) of the Companies Act, Chapter 50 of Singapore ("**Companies Act**").

3. A proxy need not be a member of the Company.

4. If the instrument appointing a proxy is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he deems fit.

5. If the instrument appointing a proxy is returned without the name of the proxy indicated, the instrument appointing a proxy shall be invalid.

6. An investor who buys shares using CPF monies ("**CPF Investor")** and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the meeting in person. CPF and SRS Investors who are unable to attend the meeting but would like to vote, may inform their CPF and SRS Approved Nominees to appoint the Chairman of the meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the meeting.

7. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.

8. If the appointor is an individual, the instrument appointing a proxy shall be signed by the appointor or his attorney.

9. If the appointor is a corporation, the instrument appointing a proxy shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act.

10. The signature on the instrument appointing a proxy need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy, failing which the instrument may be treated as invalid.

11. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898, at least forty-eight (48) hours before the time appointed for holding of the Annual General Meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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