

ACCRELIST LTD. (亚联盛控股公司)

(Company Registration No. 198600445D)

(Incorporated in the Republic of Singapore)

PROPOSED PLACEMENT OF 500,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF ACCRELIST LTD. AT A SUBSCRIPTION PRICE OF S\$0.008 PER SHARE FOR AN AGGREGATE OF S\$4,000,000.00

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of Accrelist Ltd. (the “**Company**”), and together with its subsidiaries (the “**Group**”) wishes to announce that the Company had on 11 October 2017 entered into share placement agreements (the “**Placement Agreements**”) with Summit Planners Advisory Group Pte. Ltd. and Mr Liu Song (the “**Subscribers**” and each a “**Subscriber**”), pursuant to which the Subscribers have, *inter alia*, agreed to subscribe and the Company has agreed to allot and issue, an aggregate of 500,000,000 new ordinary shares (the “**Subscription Shares**”) in the capital of the Company for an aggregate subscription consideration of S\$4,000,000.00 (the “**Proposed Placement**”). Each of the Subscribers shall be subscribing to 250,000,000 Subscription Shares.
- 1.2 The price at which each Subscription Share is proposed to be issued is S\$0.008 per Subscription Share (the “**Subscription Price**”). The Subscription Price represents a premium of 14.29% to the weighted average price for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 10 October 2017, being the last full market day on which the shares of the Company were traded immediately preceding the date of signing of the Placement Agreement.
- 1.3 When allotted and issued, the Subscription Shares will be free from all claims, charges, liens and other encumbrances and will rank in all respects *pari passu* with the existing issued Shares save that they will not rank for any dividend, rights, allotments or other distributions, the Record Date (as defined below) of which falls on or before the completion of the Proposed Placement. “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.
- 1.4 The Subscription Shares, when allotted and issued in full will increase the issued and paid-up share capital of 5,243,957,403 Shares (excluding treasury shares) to 5,743,957,403.

- 1.5 As Mr. Liu is a director of the Company, the Proposed Placement to Mr. Liu is subject to Shareholders' approval, pursuant to Rule 812(2) and 906 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"). The Company intends to seek Shareholders' approval for the allotment and issuance of the relevant Subscription Shares at an extraordinary general meeting ("**EGM**") to be convened.
- 1.6 An application will be made through the Company's sponsor to the SGX-ST in due course for the listing and quotation of the Subscription Shares to be allotted and issued to the Subscriber on the relevant completion date applicable. The Company will make the necessary announcement(s) once the listing and quotation notice for the Subscription Shares has been obtained from the SGX-ST.
- 1.7 The Proposed Placement is non-underwritten and there is no placement agent appointed for the purpose of the Proposed Placement. There is no introducer in the Proposed Placement. Accordingly, no commission is payable in relation hereto.

2. INFORMATION ON SUBSCRIBERS AND APPLICABLE LISTING RULES

- 2.1 Mr. Liu is a Non-Executive Director of the Company. As at the date of this announcement, the Subscriber does not hold any shares in the Company. The aforementioned Subscriber falls within the categories of persons covered by Rules 804 and 812 of the Catalist Rules. Accordingly, specific Shareholders' approval is required for the Proposed Placement.
- 2.2 The aforementioned Subscriber, being a director of the Company, is also considered an "interested person" within the meaning of Chapter 9 of the Catalist Rules and the Proposed Placement is an interested person transaction ("**IPT**") within the meaning of Chapter 9 of the Catalist Rules. Independent Shareholders' approval would therefore be required for the Proposed Placement pursuant to Rule 906(1) of the Catalist Rules in the event the value of the transaction is more than or equal to 5% of the Group's latest audited net tangible assets ("**NTA**").
- 2.3 Summit Planners Advisory Group Pte. Ltd. is a private limited company incorporated under the laws of Singapore. The ultimate beneficiary of Summit Planners Advisory Group Pte. Ltd. is Chew Ban Eng. It is principally engaged in management consultancy activities. The aforementioned Subscriber does not hold any shares in the issued and paid-up share capital of the Company. Accordingly, Shareholders' approval is not required for the Proposed Placement to Summit Planners Advisory Group Pte. Ltd.

3. THE PROPOSED PLACEMENT

3.1 Conditions to the subscription of the Subscription Shares

Under the Placement Agreements, the completion of the Proposed Placement is subject to, *inter alia*, the following conditions precedent:

- 3.1.1 the Company obtaining approval from its Shareholders in a general meeting for the Proposed Placement (if necessary);
- 3.1.2 the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Subscription Shares (the “**Listing and Quotation Notice**”) having been obtained (on terms and conditions acceptable to the Company and the Subscriber, each acting reasonably) and not being revoked or amended;
- 3.1.3 any conditions attached to the Listing and Quotation Notice which is required to be fulfilled on or before the completion date of the Proposed Placement (the “**Completion Date**”), having been fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST;
- 3.1.4 the grant of all applicable governmental and regulatory approvals required in connection with the Subscription including, but not limited to, the approval of the Sponsor, and the approval in-principle of the SGX-ST for the listing and quotation of the Subscription Shares;
- 3.1.5 that all acts, conditions and things required to be done and performed and to have happened precedent to the execution and delivery of the Placement Agreement and to constitute the same legal, valid and binding obligations enforceable in accordance with its respective terms, shall have been done and performed and have happened in due and strict compliance with all applicable laws; and
- 3.1.6 there having been, as at the Completion date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the warranties by both the Company and the Subscriber if they were repeated on and as of the Completion Date.

The Placement Agreement entered into between the Company and Mr Liu contains an additional condition whereby the completion of the Proposed Placement is conditional upon Mr Liu and his concert parties obtaining an exemption from the Securities Industry Council to not make a Mandatory Take-over Offer to the Company under Rule 14 of the Singapore Code of Take-overs and Mergers issued by the Monetary Authority of Singapore (the “**Code**”), if so required.

If any of the conditions precedent set out above is not satisfied within three (03) months from the date of the Placement Agreements (or such later date as the Parties may agree in writing), the Company or the Subscribers shall thereupon be entitled to terminate the Placement Agreement(s) and in such event, the Company and the Subscribers shall be released and discharged from their respective obligations thereunder provided that (i) the

Company may at its sole and absolute discretion (and subject to such conditions as it may impose) waive compliance with Clause 5.1(f) for Summit Planners Advisory Group Pte. Ltd. and 5.1(g) for Mr. Liu (in so far as it relates to any warranties given by the Subscribers); and (ii) the Subscribers may at their discretion (and subject to such conditions as it may impose) waive compliance with the aforementioned clause (in so far as it relates to any warranties given by the Company).

The Company would not be relying on Rule 806 of the Catalist Rules and would be seeking specific Shareholders' approval for the issuance of the Placement shares to Mr. Liu. The Company will be relying on the generate mandate approved by shareholders of the Company on 28 July 2017 to issue the Placement shares to Summit Planners Advisory Group Pte. Ltd.

3.2 Exemption from requirement of prospectus

The Proposed Placement is to be undertaken by way of a private placement pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the allotment and issue of the Placement Shares.

3.3 Confirmation from the Company

The Company confirms that the issue of Placement Shares will not transfer a controlling interest without prior approval of Shareholders in general meeting.

4 RATIONALE OF PROPOSED PLACEMENT AND USE OF PROCEEDS

- 4.1 The rationale for the Proposed Placement is to support mergers and acquisitions of its subsidiary, WE Crowdfunding Pte. Ltd. as well as to fund working capital for another subsidiary, WE Pay Pte. Ltd. in the proportion of 75% and 25% respectively.
- 4.2 The Proposed Placement was made to the Subscribers as they have confidence in the prospects of the Company and believe that the funds would help promote the growth of its subsidiaries.
- 4.3 The estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses, is approximately S\$3,940,000.00 (the "**Net Proceeds**").
- 4.4 The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial statements issued under Rule 705 of the Catalist Rules and the Company's

annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and status report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

- 4.5 Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Directors may deem appropriate in the interests of the Company.
- 4.6 The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.
- 4.7 The Directors are of the opinion that, after taking into consideration the present bank facilities and Net Proceeds of the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements.

5. VALUE OF INTERESTED PERSON TRANSACTIONS

The value of the transaction is S\$2,000,000.00. Based on the latest audited consolidated financial statements of the Company for its most recently completed financial year ended 31 March 2017 (“FY2017”), the value of the transaction is more than 5% of the NTA of the Group. Accordingly the Company is making this announcement on the IPT pursuant to Rule 905 of the Catalist Rules and the IPT is subject to shareholder approval at an EGM of the Company to be convened pursuant to Rule 906 of the Catalist Rules.

In accordance with Rules 917(4) and 921(4)(b)(i) of the Catalist Rules, the audit committee of the Company is of the view that the Proposed Placement is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

There are no other interested person transactions for the same financial year with the same interested person i.e. Mr. Liu.

6. CHANGE IN SHAREHOLDING

- 6.1 Upon the allotment of the Subscription Shares, the Subscribers would each hold a shareholding interest of 4.35% of the enlarged issued and paid-up share capital of the Company. There will be no substantial changes to the shareholdings of Terence Tea, the existing controlling shareholder of the Company as a result of the allotment and Terence Tea will continue to remain as the largest controlling shareholder of the Company.

6.2 Based on the Company's current issued share capital of 5,243,957,403 Shares (excluding treasury shares) as at the date of this announcement, the following tables set out the impact on the percentage shareholding of existing Shareholders of the Company following completion of the Proposed Placement:

	Before the Placement				After the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Existing Substantial Shareholders								
Terence Tea	1,156,976,029	22.06	30,062,000	0.57	1,156,976,029	20.14	30,062,000	0.52
Toh Soon Huat	73,710,100	1.41	288,466,852	5.50	73,710,100	1.28	288,466,852	5.02
EG Industries	290,790,400	5.55	—	—	290,790,400	5.06	—	—
<u>The Subscribers</u>								
Liu Song	—	—	—	—	250,250,250	4.35	—	—
Summit Planners	—	—	—	—	250,250,250	4.35	—	—

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above and save for their shareholdings in the Company, none of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Placement. For the avoidance of doubt, Mr Liu, being a director of the

Company, would abstain from voting at any Board meetings on the Proposed Placement to him as he is an interested person.

8. EGM AND CIRCULAR TO SHAREHOLDERS

The Company will seek the approval of the Shareholders for the Proposed Placement to Mr. Liu in an EGM to be convened and a circular containing, *inter alia*, details thereof, together with the opinions and recommendations of the Directors in relation thereto and enclosing the notice of the EGM in connection therewith, will be dispatched to the Shareholders in due course.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Agreements are available for inspection at the registered office of the Company at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-95, Singapore 408564 during normal business hours for a period of three (3) months from the date of this announcement.

10. RESPONSIBILITY STATEMENT

The Directors of the Company (including any Director who may have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

11. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in Shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

Terence Tea
Executive Chairman and Managing Director
11 October 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**".) The Sponsor has not independently verified the contents of this announcement.*

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

The contact person for the Sponsor is

*Name: Mr Nathaniel C.V., Registered Professional, RHT Capital Pte. Ltd.
Address: Six Battery Road #10-01, Singapore 049909
Tel: 6381 6946*