ACCRELIST LTD.
(Company Registration No. 198600445D)
(Incorporated in the Republic of Singapore)

THE PROPOSED CONSOLIDATION OF EVERY TWENTY (20) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY

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1. INTRODUCTION

1.1 The Board of Directors (the "**Directors**") of Accrelist Ltd. (the "**Company**") wishes to announce that the Company proposes to undertake a share consolidation of every twenty (20) existing issued ordinary shares in the capital of the Company (the "**Existing Shares**") held by shareholders of the Company (the "**Shareholders**") as at a books closure date to be determined by the Directors at a later date (the "**Books Closure Date**") into one (1) ordinary share in the capital of the Company (the "**Consolidated Shares**"), fractional entitlements to be disregarded (the "**Proposed Share Consolidation**").

1.2 As a result of the Proposed Share Consolidation, each Shareholder will receive one (1) Consolidated Share for every twenty (20) Existing Shares held prior to the Proposed Share Consolidation as at the Book Closure Date.

2. INFORMATION ON THE PROPOSED SHARE CONSOLIDATION

2.1 Under the Proposed Share Consolidation, every twenty (20) Existing Shares registered in the name, or standing to the credit of the securities account, of each Shareholder or Depositor (as the case may be) as at the Books Closure Date will be consolidated into one (1) Consolidated Share. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded on the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in board lots of 100 Consolidated Shares.

2.2 Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be aggregated and/or dealt with in such manner as the Board may, in its absolute discretion, deem appropriate in the interests of the Company. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded. **A Shareholder who holds less than twenty (20) Existing Shares as at the Books Closure Date will not be entitled to any Consolidated Shares and will no longer be a Shareholder upon completion of the Proposed Share Consolidation. Such Shareholders who wish to remain as Shareholders upon completion of the Proposed Share Consolidation are advised to purchase additional Existing Shares so as to increase the number of Existing Shares held to a multiple of twenty (20) Shares as at the Books Closure Date.**

2.3 As at the date of this announcement, the Company has an issued and paid-up share capital of S$113,932,000 comprising 5,582,846,291 Existing Shares. The Company has no treasury shares. On the assumption that there will be no new Shares issued by the Company up to the Books Closure Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders' approval being obtained for the Proposed Share

Consolidation, the Company will have an issued and paid-up share capital of S$113,932,000 comprising 279,142,314 Consolidated Shares following the completion of the Proposed Share Consolidation (with no treasury shares).

2.4 The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and the disregard of the fractional entitlement.

2.5 Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at an extraordinary general meeting (the "**EGM**") to be convened, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be based on their holdings of Existing Shares as at the Books Closure Date.

3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

3.1 The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders having taken into consideration the following:

(a) Reduction of volatility of the Share price

As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), trading in lowly-priced shares may translate to higher transaction costs, relative to the trading price, for each board lot of Shares. In addition, lowly-priced shares are generally more prone to speculation and market manipulation. Given their susceptibility to speculation and market manipulation, lowly-priced shares are generally more volatile as compared to higher-priced shares. The Board believes that the Proposed Share Consolidation may serve to reduce the volatility of its Share price and reduce fluctuations in the Company's market capitalisation and reduce the percentage transaction cost for trading in each board lot of Shares.

(b) Increase in the market interest and attractiveness of the Company and its Shares

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares issued and outstanding. It is expected that, all other things being equal, the theoretical trading price and net tangible asset ("**NTA**") of each Consolidated Share following the decrease in the number of Shares in issue after the Proposed Share Consolidation would be higher than the current trading price and NTA of each Existing Share. In addition, the Proposed Share Consolidation may facilitate corporate actions and also increase market interest and activity in the Shares, and generally make the Shares more attractive to investors, including institutional investors, thus providing a more diverse shareholder base.

3.2 **Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the above desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.**

3.3 For the past six-month period from November 2018 to April 2019, and up to 28 May 2019 (being the last full market day preceding the date of this announcement), the absolute price of the Shares traded was between S$0.002 and S$0.005. The relevant data, along with the transaction volume of the Shares for each month, are as follows:

	Highest Price (S$)[1]	**Lowest Price (S$)[2]**	**Volume of Traded Shares[3]**
November 2018	0.005	0.004	8,439,300
December 2018	0.004	0.003	23,401,200
January 2019	0.004	0.003	9,701,600
February 2019	0.004	0.003	30,038,100
March 2019	0.004	0.002	6,370,400
April 2019	0.004	0.003	90,872,200
1 May 2019 to 28 May 2019	0.004	0.002	27,185,400

Source: Bloomberg L.P.

3.4 For the six-month period from November 2018 to April 2019, and up to 28 May 2019 (being the last full market day preceding the date of this announcement), the volume weighted average price (the "**VWAP**") of each Share for trades done on the Catalist was S$0.004. Following the completion of the Proposed Share Consolidation, the theoretical adjusted VWAP of each Consolidated Share will be S$0.08.

4. APPROVALS AND CONDITIONS

4.1 The Proposed Share Consolidation is subject to, *inter alia*, receipt of the approval-in-principle of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Catalist of the SGX-ST and approval of the Shareholders by ordinary resolution of the Proposed Share Consolidation at an EGM to be convened.

4.2 An application will be made to the SGX-ST, through the Company's Sponsor, for the listing of, dealing in, and quotation for all the Consolidated Shares arising from the Proposed Share Consolidation, on the Catalist of the SGX-ST. The Company will make the necessary announcement(s) on the outcome of the application in due course.

5. DESPATCH OF CIRCULAR

Subject to the receipt of the approval in-principle from the SGX-ST, a circular containing notice of EGM and further information on the Proposed Share Consolidation will be despatched to Shareholders in due course.

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[1] The highest price was based on the highest closing price for the Shares in a particular month.
[2] The lowest price was based on the lowest closing price for the Shares in a particular month.
[3] The volume of traded Shares was based on the total volume of the Shares traded in a particular month.

6. CAUTION IN TRADING

Meanwhile, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt, Shareholders and potential investors are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

BY ORDER OF THE BOARD

Terence Tea Yeok Kian
Executive Chairman and Managing Director
29 May 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company's 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.

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