

ACCRELIST LTD. (亚联盛控股公司)

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

INTERNAL RESTRUCTURING OF SUBSIDIARIES WITHIN THE GROUP, AND STRATEGIC INVESTOR PURCHASES 5% OF ISSUED SHARE CAPITAL OF DIRECT WHOLLY-OWNED SUBSIDIARY, ACCRELIST MEDICAL AESTHETICS (BM) PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of the Accrelist Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has commenced an internal restructuring exercise and has entered into a sale and purchase agreement with a strategic investor for the proposed disposal of shares of Accrelist Medical Aesthetics (BM) Pte. Ltd. (“**BM**”), a wholly owned subsidiary of the Company.

2. RESTRUCTURING

2.1 Internal Arrangements

The Company, has on 20 February 2024, entered into a sale and purchase agreement (“**SPA**”) with BM, a wholly owned subsidiary of the Company, as part of an internal restructuring exercise involving several subsidiaries of the Group that are within the Group’s Medical Aesthetics business (the “**Restructuring**”).

Pursuant to the Restructuring, the shares of the following subsidiaries of the Company will be transferred from the Company to BM at the time of completion that is to be determined by the parties of the SPA.

- (a) 4,803,810 shares representing 100% equity interest in the share capital of Accrelist Medical Aesthetics (Serangoon) Pte. Ltd. (“**Transfer 1**”);
- (b) 200,000 shares representing 100% equity interest in the share capital of Accrelist Medical Aesthetics (Raffles City) Pte. Ltd. (“**Transfer 2**”);
- (c) 100,000 shares representing 100% equity interest in the share capital of Accrelist Medical Aesthetics (Lot1) Pte. Ltd. (“**Transfer 3**”);
- (d) 100,000 shares representing 100% equity interest in the share capital of Accrelist Medical Aesthetics (SPC) Pte. Ltd. (“**SPC**”) (“**Transfer 4**”); and
- (e) 100,000 shares representing 100% equity interest in the share capital of Accrelist Medical Aesthetics (TPY) Pte. Ltd. (“**Transfer 5**”).

The Company will be allotted and issued with the following shares in BM (“**Consideration Shares**”) based on the unaudited net asset value of the respective subsidiaries as at 30 September 2023:

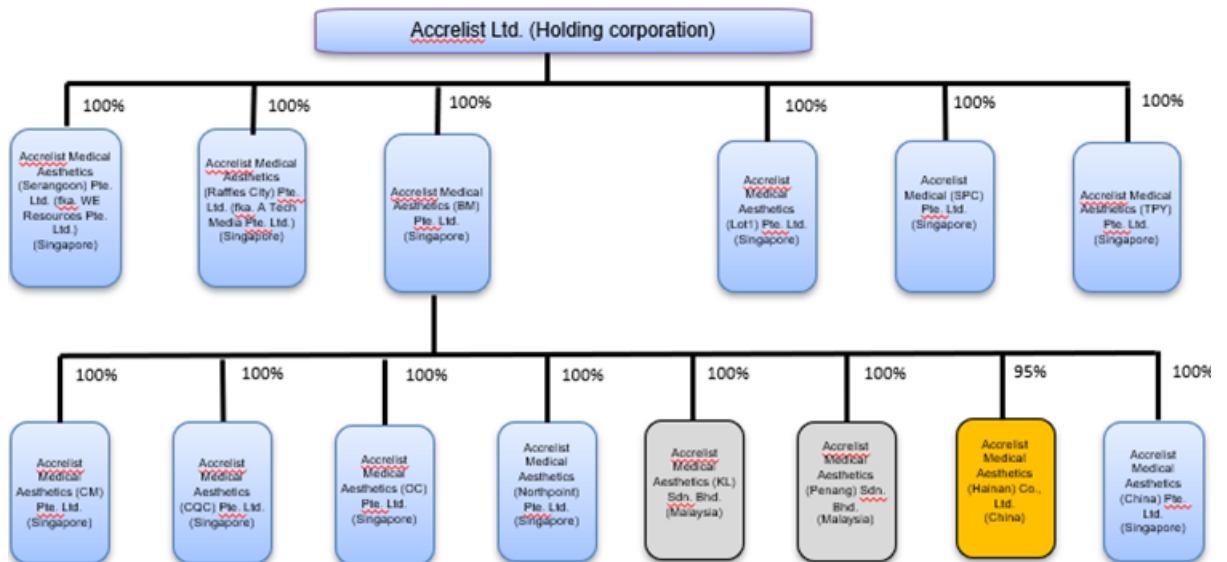
No.	New Transaction	Consideration
1.	Transfer 1	1 Consideration Share
2.	Transfer 2	1 Consideration Share
3.	Transfer 3	72,349 Consideration Shares
4.	Transfer 4	14,570 Consideration Shares
5.	Transfer 5	109,060 Consideration Shares

2.2 Rationale of the Restructuring

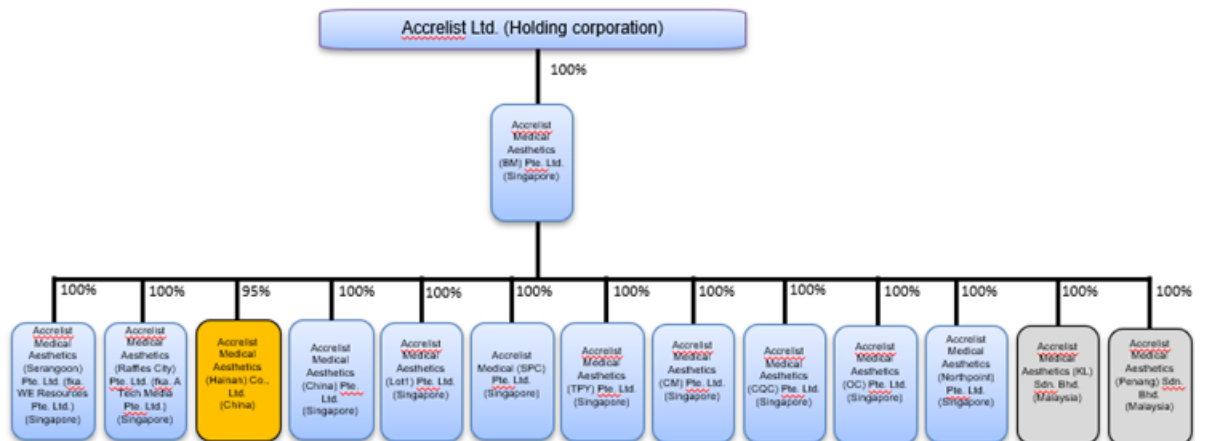
The Restructuring aims to streamline the Group's corporate structure.

Graphical representations of the Group's corporate structure, limited only to the Group's Medical Aesthetics companies, before and after the completion of the Restructuring, have been produced as below:

Before Restructuring



After Restructuring



3. PROPOSED DISPOSAL OF BM SHARES

3.1 Termination of Disposal of 30% of Issued Share Capital of SPC

The Board refers to the announcement dated 10 September 2021 detailing the Company's partial disposal of shares in SPC to Dame Dato Sri Marilyn Tay Bee Choo ("**Dame Dato Sri Marilyn**") (collectively, the "**2021 Parties**") upon entering a shareholder's agreement ("**SHA 2021**"). The Board wishes to announce that as efforts to complete the SHA 2021 had been held in long abeyance due to the commercial uncertainties in market arising from the COVID-19 pandemic, the 2021 Parties had preferred to reevaluate the partial disposal of shares in SPC and pursuant to the termination agreement entered into between the 2021 Parties on 20 February 2024 (the "**Termination Agreement**"), the SHA 2021 has been terminated with effective immediately, resulting in the 2021 Parties being released from their obligations (the "**Termination**").

3.2 Disposal of 5% of Issued Share Capital of BM

Following the Termination, the Company, has on 20 February 2024, entered into a shareholder's agreement ("**New SHA**") with Dame Dato Sri Marilyn and BM (collectively, the "**New SHA Parties**"), for the sale of 5% of the issued share capital of BM, post-Restructuring, to Dame Dato Sri Marilyn (the "**New Transaction**").

3.3 Information Relating to Dame Dato Sri Marilyn

Dame Dato Sri Marilyn is an entrepreneur with experience in the automobile industry having set up her own business of importing and exporting used cars. She later diversified into the healthcare products and supplements sector, setting up a Singapore-based company with subsidiaries in the Asia Pacific region.

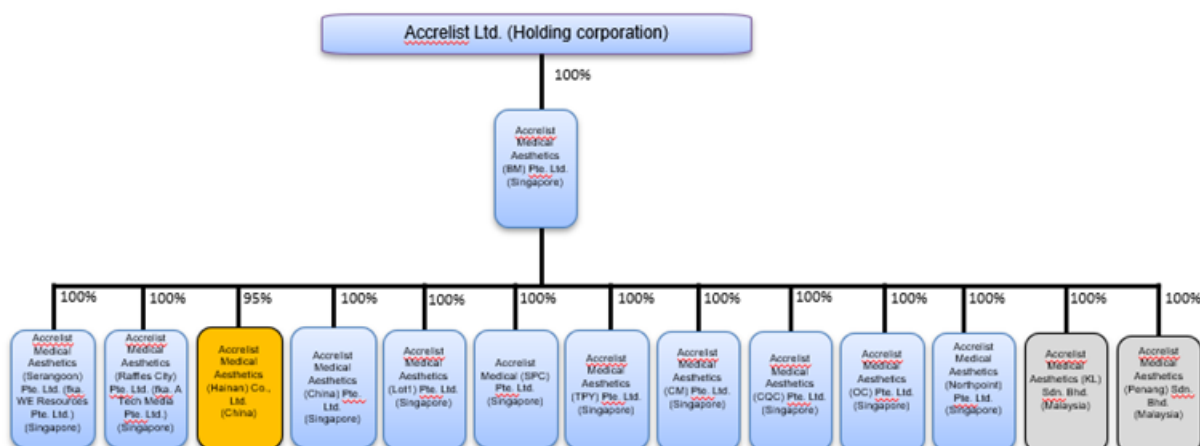
The Company confirms that none of the Directors or controlling shareholders of the Company and their respective associates are related to Dame Dato Sri Marilyn. As at the date of this announcement, Dame Dato Sri Marilyn owns 2,000,000 shares of the Company, representing 0.64% of the total shares in the capital of the Company.

3.4 Rationale for the New Transaction

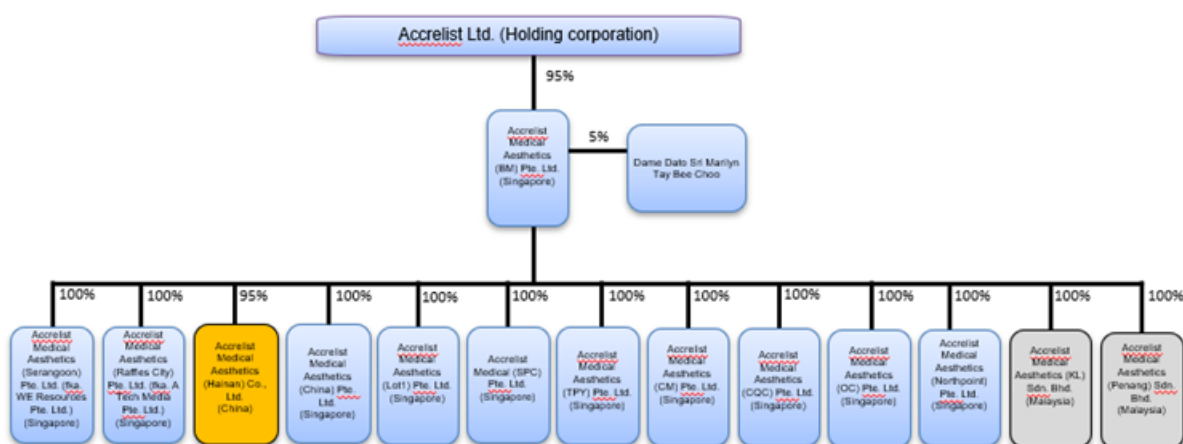
The purpose of the New Transaction is to allow the Group, post-Restructuring, to capitalise on Dame Dato Sri Marilyn's experience to grow its existing businesses in order to undertake projects and/or transactions which are intended to increase the revenue of the Group's Medical Aesthetics business. The Company intends to utilise the entirety of the proceeds of the New Transaction for general working capital purposed for the above reasons.

Upon the completion of the New Transaction, the Group's new shareholding is produced below:

Before New Transaction



After New Transaction



3.5 Consideration of the New Transaction

Dame Dato Sri Marilyn will give a consideration amount of S\$1,000,000, to be settled in cash without any deductions or set-off, in exchange for 5% of BM's total issued share capital, post-Restructuring, as at the time of completion the New SHA. The consideration value agreed between the New SHA Parties for BM's unlisted shares was based on BM's post-Restructuring net asset value ("**NAV**"), with a premium payable to the Company (please see paragraph 3.7 for gain on disposal) that had been negotiated at arm's length on a willing-buyer and willing-seller basis, *inter alia*, the prospective returns from BM after the Restructuring, where BM becomes the holding company for the other Company's subsidiaries that are within the Group's Medical Aesthetics business.

3.6 Principal Terms of the New Transaction

S/N	PRINCIPAL TERMS
1.	<p><i>Proportionate Increase when Increase in Capital</i></p> <p>Any issue of new shares in BM from time to time shall, before issuance, be offered for subscription in the first instances to all New SHA Parties in proportion as nearly practicable to their respective shareholding percentage.</p>

2.	<p>Shareholder Selling Shares</p> <p>Except for when transfers are made by corporate shareholders to permitted transferees, i.e., related corporations, affiliates and nominees, BM shall first be notified, in the manner prescribed in the New SHA, of any interest to transfer BM's shares by any of the New SHA Parties to third-parties ("Sale Shares"). Upon receiving this notice, as soon as practicable, BM becomes the agent of the seller to sell the Sale Shares and BM shall offer the Sales Shares to the New SHA Parties with disclosures that are found in the transfer notice. The board of directors of BM shall offer the other New SHA Parties the Sale Shares and such other New SHA Parties shall have the right of first refusal.</p> <p>Transfer of Sale Shares to third-parties who are competitors or affiliates of competitors, or direct/indirect shareholders of competitors or affiliates who have the right to vote for a majority of the board and/or, together, have 25% or more of the total voting power, is prohibited, unless BM first gives written consent.</p> <p>Whereas the New SHA Parties wish to transfer BM's shares within the first year of becoming a shareholder, such New SHA Parties shall, before transferring the shares to be offered for sale, offer in the first instance to BM at the price equivalent to the subscription price and/or consideration paid for acquiring such Sale Shares.</p>
3.	<p>Drag-Along Rights</p> <p>If the Company decides to transfer all of its holdings in BM shares to any third-parties, all New SHA Parties shall unconditionally participate in the sale and sell all of their own shareholdings in BM.</p>
4.	<p>Compulsory Transfers</p> <p>Upon Dame Dato Sri Marilyn's death, or order of Court, or when an official assignee has been appointed to manage Dame Dato Sri Marilyn's assets, all BM shares held by her beneficiaries shall be immediately sold/purchased by the Company, at the consideration of S\$1,000,000.</p>
5.	<p>Completion</p> <p>Upon the completion of the Restructuring, Dame Dato Sri Marilyn has agreed to buy, and the Company has agreed to sell, 5% of the issued share capital of BM, including any BM shares that are issued resultant of the Restructuring, for a total consideration of S\$1,000,000.</p> <p>As of the date of this announcement, the New Transaction remains pending completion by the New SHA Parties on a date to be decided by the New SHA Parties that shall follow after completion of the Restructuring.</p>

3.7 **Categorisation of the New Transaction according to Relative Computed Figures on the Bases Provided in Rule 1006 of the Catalist Rules**

Below is a table containing the relative figures computed on the bases as set out in Rule 1006 of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"), based on the Company's latest unaudited condensed interim financial statements for the six months ended 30 September 2023

announced on 14 November 2023 and on the assumption that the completion of the Restructuring has taken place.

Catalist Rule	Bases	Relative Figures
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	0.19%
Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	-0.85%
Rule 1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	7.41%
Rule 1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	NA
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	NA

Notes:

1. The relative figure computed for Rule 1006(a) had been obtained by comparing the Group's NAV of approximately S\$24,926,000 as at 30 September 2023, with the NAV of the shares to be disposed of amounting to approximately S\$47,000. NAV had been computed by deducting total liabilities from total assets.
2. The relative figure for Rule 1006(b) had been computed using the Group's net profit including discontinued operations that have not been disposed and before income tax and non-controlling interests of S\$3,884,000 compared with the net loss attributable to the shares to be disposed of for the corresponding 6-month period, amounting to approximately S\$33,000.
3. The Company's market capitalisation is computed by multiplying the total number of issued shares (excluding treasury shares) of 312,189,786, by the weighted average price of such shares transacted on the market day preceding the date of the New SHA, as of 19 February 2024, at S\$0.0432, amounting to S\$13,486,599.
4. Rules 1006(d) and (e) are not applicable to the New Transaction as the New Transaction is not an acquisition and the Company is not a mineral, oil and gas company.

Under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 involves a negative number, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules ("**Practice Note 10A**"). As the absolute relative figure computed on the basis of each of Rule 1006(a) and Rule 1006(c) does not exceed 50% and the Group will record a gain upon disposal, the New Transaction is considered a discloseable transaction as it deems to fall under Paragraph 4.4(e) of Practice Note 10A.

The book value and net tangible asset value ("**NTA**") of the asset being disposed, being 5% of BM, is S\$125,165 and S\$46,000, as at 30 September 2023, respectively. There is no open market value as the shares of BM are not publicly traded and no valuation had been carried out in connection with the New Transaction. The gain on disposal is approximately S\$874,835 based on the value computed as of 30 September 2023.

3.8 Financial Effects of the New Transaction

The financial effects of the New Transaction have been prepared based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2023 ("**FY2023**").

For illustrative purposes, the financial effects of the New Transaction have been prepared based on, inter alia, the following assumptions:

(a) the financial effects on the net tangible asset ("**NTA**") per share of the Group are computed assuming that the New Transaction was completed on 31 March 2023;

(b) the financial effects for FY2023 on the loss per share ("**LPS**") of the Group are computed assuming that the New Transaction was completed on 1 April 2022; and

(c) the costs and expenses in connection with the New Transaction shall be disregarded.

	Before New Transaction	After New Transaction
Total number of ordinary shares in issue	303,727,293	303,727,293
Loss for period attributable to equity holders of the Company (S\$'000)	(5,399)	(4,136)
NTA (S\$'000)	25,837	26,837
LPS (cents per share)	(1.78)	(1.36)
NTA per share (cents per share)	8.51	8.84

3.9 Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the New Transaction and no service contracts in relation thereto is proposed to be entered into by the Company.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Restructuring and the New Transaction, other than through their respective shareholding interest, direct or indirect, in the Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors 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 Restructuring and New Transaction, the issuer 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.

6. FURTHER ANNOUNCEMENT AND INSPECTION AVAILABILITY

A copy of the Termination Agreement, New SHA and the SPA are available for inspection during normal business hours at the Company's registered office at 10 UBI CRESCENT, #03-95, UBI TECHPARK, SINGAPORE 408564, for 3 months from the date of this announcement.

The Company will make further announcements, as and when necessary, to update its shareholders when there are material developments in relation to the matters above.

BY ORDER OF THE BOARD

Mr. Terence Tea Yeok Kian
Executive Chairman & Managing Director
20 February 2024

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

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

The contact person for the Sponsor is Mr Joseph Au, Registered Professional, RHT Capital Pte. Ltd., 36 Robinson Road, #10-06 City House, Singapore 068877, sponsor@rhtgoc.com