CIRCULAR DATED 10 FEBRUARY 2023

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in doubt about this Circular, or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your ordinary shares in the capital of the Company held through the CDP, you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the accompanying Proxy Form to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the SGX-ST.

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

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

ACCRELIST LTD.
UNEARTHING TOMORROW'S GEM

亚联盛控股公司

发掘光辉 开创未来

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198600445D)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED ADOPTION OF THE ACCRELIST PERFORMANCE SHARE PLAN 2023

IMPORTANT DATES AND TIMES

Last date to submit questions for the EGM	:	17 February 2023
Last date and time to pre-register online to attend the EGM	:	25 February 2023 at 4.30 p.m.
Last date and time for lodgement of Proxy Form	:	25 February 2023 at 4.30 p.m.
Date and time of the EGM	:	27 February 2023 at 4.30 p.m.
Place of EGM	:	By way of electronic means

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

"**Accrelist PSP 2010**"	The Accrelist Share Award Scheme approved and adopted by Shareholders at an extraordinary general meeting held on 25 May 2010
"**Accrelist PSP 2023**"	The proposed Accrelist Performance Share Plan, rules of which are summarised in Section 4 of this Circular
"**Act**" or "**Companies Act**"	The Companies Act 1967 of Singapore, as amended or modified from time to time or re-enactment thereof for the time being in force
"**Associate**" or "**Associates**"	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"**Auditors**"	The auditors of the Company for the time being
"**Award**"	A contingent award of Shares granted under the Accrelist PSP 2023
"**Award Date**"	In relation to an Award, the date on which the Award is granted pursuant to the rules of the Accrelist PSP 2023
"**Board**" or "**Directors**"	The directors of the Company for the time being
"**Business Day**"	A day (excluding Saturday and Sunday) on which the banks open for business in Singapore
"**Catalist Rules**"	Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time
"**CDP**"	The Central Depository (Pte) Limited
"**Circular**"	This circular to Shareholders dated 10 February 2023
"**Committee**"	Remuneration Committee of the Company
"**Company**"	Accrelist Ltd.

DEFINITIONS

"**Consolidation Exercise**"	Has the meaning ascribed to it in Section 2.2 of this Circular
"**Constitution**"	The constitution of the Company for the time in effect and as amended from time to time
"**Controlling Shareholder**"	A person who: (a) holds directly or indirectly 15% or more of all voting shares in the Company (unless determined by SGX-ST that such person is not a controlling shareholder); or (b) in fact exercises control over the Company
"**CPF**"	Central Provident Fund
"**EGM**"	The extraordinary general meeting of the Company to be convened and held by way of electronic means on 27 February 2023 at 4.30 p.m.
"**EPS**"	Earnings per Share
"**Executive Director**"	An executive Director
"**FY**"	Financial year ended 31 March
"**Group**"	The Company and its subsidiaries
"**Group Employee**"	Any employee of the Group or any employee of the Group who is seconded to an associated company. For the avoidance of doubt, the secondment of an employee to an associated company shall not be regarded as a break in his/her employment or him/her having ceased by reason only of such secondment to be an employee of the Group
"**Independent Director**"	An independent Director
"**Latest Practicable Date**"	1 February 2023, being the latest practicable date prior to the issue of this Circular
"**Live Webcast/Live Audio Feed**"	Has the meaning ascribed to it in Section 8.1 of this Circular
"**New Shares**"	The new Shares which may be allotted and issued from time to time pursuant to the vesting of an Award under the Accrelist PSP 2023
"**Non-Executive Director**"	A non-executive Director
"**Notice of EGM**"	The notice of EGM dated 10 February 2023, a copy of which is available on SGXNET and the Company's corporate website at http://accrelist.listedcompany.com/
"**NTA**"	Net tangible assets
"**Ordinary Resolution**"	The ordinary resolution as set out in the Notice of EGM
"**Participant**"	The holder of an Award (including, where applicable, the executor or personal representative of such holder)
"**Performance Condition(s)**"	In relation to an Award, the condition specified on the Award Date in relation to that Award

"**Performance Period**"	In relation to an Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition(s) is (are) to be satisfied
"**Pre-registration Deadline**"	Has the meaning ascribed to it in Section 8.1 of this Circular
"**Pre-registration Website**"	Has the meaning ascribed to it in Section 8.1 of this Circular
"**Proposed Adoption**"	Has the meaning ascribed to it in Section 1.1 of this Circular
"**Proxy Deadline**"	Has the meaning ascribed to it in Section 8.3(e) of this Circular
"**Proxy Form**"	The proxy form accompanying the Notice of EGM
"**Released**"	In relation to an Award, the release of all or some of the Shares to which that Award relates in accordance with the Accrelist PSP 2023 and, to the extent that any Shares which are the subject of the Award are not released pursuant to the Accrelist PSP 2023, the Award in relation to those Shares shall lapse accordingly and "**Released**" shall be construed accordingly
"**Release Schedule**"	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
"**Relevant Intermediary**"	Has the meaning ascribed to it in Section 181 of the Act
"**Remuneration Committee**"	The remuneration committee of the Board as at the date of this Circular or from time to time, as the case may be
"**Securities Account**"	Securities account maintained by a Depositor with CDP (but does not include a sub-securities account maintained with a Depository Agent)
"**SFRS**"	Has the meaning ascribed to it in Section 5.2 of this Circular
"**SGX-ST**"	Singapore Exchange Securities Trading Limited
"**Shareholders**"	The registered holders of the Shares, except that where the registered holder is CDP, the term "**Shareholders**" shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares
"**Shares**"	Ordinary shares in the capital of the Company and "**Share**" shall be construed accordingly
"**Sponsor**"	RHT Capital Pte. Ltd.
"**SRS**"	Supplementary Retirement Scheme
"**Substantial Shareholder**"	A person who has an interest or interests in one (1) or more voting Shares, and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares
"**Vesting**"	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the

	subject of a Released Award and "**Vest**" and "**Vested**" shall be construed accordingly
"**Vesting Date**"	In relation to Shares which are the subject of a Released Award, the date as determined by the Committee and notified to the relevant Participant on which those Shares are to be Vested pursuant to the rules of the Accrelist PSP 2023
"**S$**" or "**cents**"	Singapore dollars or Singapore cents, respectively
"**%**"	Per centum or percentage

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the same meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

The terms "**subsidiary**" and "**subsidiaries**" shall have the meanings ascribed to them in the Act.

The terms "**associated company**" shall have the meaning ascribed to it in the Catalist Rules.

Words importing the singular number shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender only shall, where applicable, include the feminine and neuter genders.

References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Securities and Futures Act 2001 of Singapore or the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the Securities and Futures Act 2001 of Singapore or the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in this Circular between the sum of the figures stated and the total thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company for the Proposed Adoption.

ACCRELIST LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198600445D)

LETTER TO SHAREHOLDERS

Directors:

Dr. Terence Tea Yeok Kian (*Executive Chairman and Managing Director*)
Ng Li Yong (*Lead Independent Director*)
Lim Yeow Hua @ Lim You Qin (*Non-Executive and Independent Director*)

Registered Office:

10 Ubi Crescent
#03-95
Ubi Techpark
Singapore 408564

10 February 2023

Dear Sir/Madam:

THE PROPOSED ADOPTION OF ACCRELIST PSP 2023

1. INTRODUCTION

1.1 The Board is proposing to seek the approval of Shareholders at an EGM to be convened in relation to the proposed adoption of Accrelist PSP 2023 set out in the Notice of EGM ("**Proposed Adoption**").

1.2 The purpose of this Circular is to provide Shareholders with information relating to, and to explain the rationale for the Proposed Adoption and to seek Shareholders' approval of the same at the EGM to be held by electronic means on 27 February 2023 at 4.30 p.m..

1.3 Shareholders are to note that the EGM is being conducted by electronic means. Shareholders should refer to the Notice of EGM set out in this Circular for more information on the alternative arrangements and measures relating to, among others, attendance, submission of questions and/or voting at the upcoming EGM.

2. THE PROPOSED ADOPTION OF ACCRELIST PSP 2023

2.1 Introduction

The Company had in place the Accrelist PSP 2010, which was approved at an extraordinary general meeting of the Company held on 25 May 2010. The Accrelist PSP 2010 had a duration of ten (10) years commencing from the date of adoption, which was on 25 May 2010. Accordingly, the Accrelist PSP 2010 had expired on 24 May 2020.

The Company proposes to seek the approval of the Shareholders at the forthcoming EGM to be held on 27 February 2023 to implement a new share plan, namely, the Accrelist PSP 2023. If approved, the Accrelist PSP 2023 will be adopted with effect from the date of its adoption at the EGM.

The expiry of the Accrelist PSP 2010 will not, however, affect awards granted prior to such termination, whether such awards have been released (whether fully or partially) or not, which awards will continue to be valid and be subject to the terms and conditions of the Accrelist PSP 2010.

The Sponsor will be making an additional listing application to the SGX-ST, on behalf of the Company, for the listing of and quotation for the New Shares to be allotted and issued pursuant

to the Accrelist PSP 2023 subject to Shareholders' approval being obtained for the proposed adoption of the Accrelist PSP 2023. An announcement of the receipt of the listing and quotation notice in relation to the New Shares (including the conditions that may be required to be fulfilled) will be made in due course when obtained.

The SGX-ST's approval for the listing and quotation of the New Shares on the Catalist Board of the SGX-ST, if granted, shall not to be taken as an indication of the merits of the Accrelist PSP 2023, the New Shares, the Company and/or its subsidiaries.

2.2 Existing Awards

Details relating to the Accrelist PSP 2010 are set out below:

(a)	**Total number of Shares reserved under the Accrelist PSP 2010**	Nil
(b)	**Total number of Shares issued under the Accrelist PSP 2010**	4,465,669 Shares (representing approximately 1.47% of the issued Shares excluding treasury shares as at Latest Practicable Date) have been allotted and issued and/or delivered under the Accrelist PSP 2010(1)
(c)	**Number of participants granted awards under the Accrelist PSP 2010**	4,573,875 awards granted to 45 participants under the Accrelist PSP 2010(2)
(d)	**Material conditions to which the awards granted under the Accrelist PSP 2010 are subject**	Save as disclosed in this Circular , and save for the performance conditions, vesting periods (if any) and/or other conditions (if any) attached to the Accrelist PSP 2010, there are no material conditions to which the awards under the Accrelist PSP 2010 were subject

Notes:

(1) Shareholders had on 26 July 2019 previously approved the consolidation of every 20 Shares into one consolidated Share, which became effective on 7 August 2019 ("**Consolidation Exercise**"). Prior to the Consolidation Exercise, the total number of Shares issued under the Accrelist PSP 2010 was 89,313,389 Shares (representing approximately 1.6% of the 5,582,846,291 Shares in issue as at 6 August 2019). Subsequent to the Consolidation Exercise, the resultant number of Shares issued under the Accrelist PSP 2010 was 4,465,669 Shares.

(2) Prior to the Consolidation Exercise, the total number of awards granted under the Accrelist PSP 2010 was 91,477,503. Subsequent to the Consolidation Exercise, the total number of awards granted under the Accrelist PSP 2010 was 4,573,875.

Details of awards granted to Directors, controlling shareholders of the Company and their associates are set out below.

Name of Participant	Date of grant of awards	Number of Shares offered under the awards	Number of Shares issued upon vesting of the awards
Director / Controlling Shareholder			
Dr. Terence Tea Yeok Kian	1 October 2013	819,792(1)	819,792(1)

Note:

(1) Prior to the Consolidation Exercise, the total number of awards granted and issued under the Accrelist PSP 2010 to Dr. Terence Tea Yeok Kian was 16,395,842. Subsequent to the Consolidation Exercise, the total number of awards granted and issued to Dr. Terence Tea Yeok Kian under the Accrelist PSP 2010 was 819,792.

Save as disclosed above, there were no awards granted to Directors, Controlling Shareholders and their Associates under the Accrelist PSP 2010.

3. RATIONALE

3.1 Rationale for the Accrelist PSP 2023

The Accrelist PSP 2023 is proposed to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The Accrelist PSP 2023 will strengthen the Group's competitiveness in attracting and retaining Group Employees.

The Accrelist PSP 2023 will provide incentives to high-performing Group Employees to excel in their performance and encourage greater dedication and loyalty to the Group. Through the Accrelist PSP 2023, the Group will be able to motivate Group Employees to continue to strive for the Group's long-term Shareholder value. In addition, the Accrelist PSP 2023 aims to foster a greater ownership culture within the Group which more directly aligns the interests of key Group Employees with the interests of Shareholders, and to improve performance and achieve sustainable growth for the Group in the changing business environment.

The Accrelist PSP 2023 contemplates the award of fully paid Shares, when and after pre-determined Performance Conditions are accomplished. A Participant's Award under the Accrelist PSP 2023 will be determined at the discretion of the Committee. In considering an Award to be granted to a Participant, the Committee may take into account, *inter alia*, the Participant's performance during the relevant period, and his capability, entrepreneurship, scope of responsibility and skills set.

The Accrelist PSP 2023 will give Participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

(a) to motivate the Participant to optimise his/her performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) to retain key employees and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;

(d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and

(e) to align the interests of employees with the interests of the Shareholders.

3.2 Rationale for participation by Non-Executive Directors (including Independent Directors)

While the Accrelist PSP 2023 caters principally to Group Employees and Executive Directors, it is recognised that the Independent Directors also make significant contributions to the Group through their close working relationship with the Company, even though they are not employed within the Group. The Independent Directors bring a wealth of knowledge and business expertise and play an important role in helping the Company shape its business strategy. It is important for the Company to attract, retain and incentivise the Independent Directors along with the other employees. For the avoidance of doubt, Controlling Shareholders and their Associates are not eligible to participate in the Accrelist PSP 2023. As such, Group Employees,

Executive Directors and/or Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders are not eligible to participate in the Accrelist PSP 2023.

Practice Guidance 7 of the Singapore Code of Corporate Governance 2018 states, among others, that the remuneration committee of a company should consider implementing schemes to encourage non-executive directors to hold shares in the company so as to better align the interests of such Non-Executive Directors with the interests of shareholders.

The Committee will propose a performance framework comprising mainly non-financial performance measurement criteria to assess their services and contributions to the Group. It is the intention of the Board and the Committee that any award of Shares under the Accrelist PSP 2023 to any Independent Directors be measured and balanced against the performance framework so as to not compromise the objectivity and independence of Directors. In addition, the Committee will also consider the scope of advice given, and any measurable advancement of the Company's business which the Company is able to make from or with the assistance, advice or recommendations of the Non-Executive Directors. The Committee may also decide that no Awards shall be made in any FY or no grant and/or Award may be made at all.

3.3 Role and Composition of the Committee

The Accrelist PSP 2023 will be administered by the Committee, which will comprise Directors duly authorised and appointed by the Board to administer the Accrelist PSP 2023. Where a member of the Committee is also a proposed Participant, he will not be involved in the deliberations of the Committee in respect of the Awards granted, or to be granted, to him.

4. SUMMARY OF RULES OF THE ACCRELIST PSP 2023

The following are summaries of the principal rules of the Accrelist PSP 2023:

4.1 Eligibility

The following persons shall be eligible to participate in the Accrelist PSP 2023 at the absolute discretion of the Committee:

(a) Group Employees who, as of the Award Date, have attained the age of 21 years and who hold such rank as may be designated by the Committee from time to time taking into consideration, among others, role, seniority, length of service, performance history and potential contribution to the Group, provided that none shall be an undischarged bankrupt as at the Award Date;

(b) Executive Directors, who as of the Award Date, have attained the age of 21 years; and

(c) Non-Executive Directors (including Independent Directors) who, as of the Award Date, have attained the age of 21 years.

For the avoidance of doubt, Controlling Shareholders and their Associates are not eligible to participate in the Accrelist PSP 2023. As such, Group Employees, Executive Directors and/or Non-Executive Directors who are Controlling Shareholders or Associates of Controlling Shareholders are not eligible to participate in the Accrelist PSP 2023.

Subject to the Act and any requirements of the SGX-ST, the terms of eligibility for participation in the Accrelist PSP 2023 may be amended from time to time at the absolute discretion of the Committee.

4.2 Operation of the Accrelist PSP 2023

Subject to the prevailing legislation and the Catalist Rules, the Company shall have the flexibility to deliver Shares to Participants upon vesting of their Awards by way of an issue of New Shares and the Company will take into account factors such as (but not limited to) the number of Shares

to be delivered, the prevailing market price of the Shares and the financial effect on the Company of issuing New Shares.

4.3 Administration of the Accrelist PSP 2023

4.3.1 The Accrelist PSP 2023 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of the Awards to be granted to him/her or held by him/her. The Committee shall comprise Directors (including Directors who may be Participants of the Accrelist PSP 2023).

4.3.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Accrelist PSP 2023) for the implementation and administration of the Accrelist PSP 2023, to give effect to the provisions of the Accrelist PSP 2023 and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit. Any matter pertaining or pursuant to the Accrelist PSP 2023 and any dispute and uncertainty as to the interpretation of the Accrelist PSP 2023, any rule, regulation or procedure thereunder or any rights under the Accrelist PSP 2023 shall be determined by the Committee.

4.4 Grant of Awards

4.4.1 The Committee shall decide, in its absolute discretion, in relation to an Award:

(a) the Participant;

(b) the Award Date;

(c) the number of Shares which are the subject of the Award;

(d) the Performance Condition(s);

(e) the Performance Period;

(f) the Release Schedule;

(g) the Vesting Date; and

(h) any other condition which the Committee may determine in relation to that Award.

4.4.2 The Committee may amend or waive the Performance Period, the Performance Condition(s), the Release Schedule and/or any condition applicable to that Award:

(a) in the event of a take-over offer being made for the Shares or if under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or

(b) in the event that the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie); or

(c) if anything happens which causes the Committee to conclude that:

(i) an amended Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or

(ii) a Performance Condition should be waived,

and shall notify the Participants of such change or waiver.

4.4.3 Participants are not required to pay for the grant of Awards. An Award or Released Award is personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.

4.5 Events prior to Vesting Date

4.5.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:

(a) in the event that an order is made for the winding-up of the Company on the basis of, or by reason of, its insolvency;

(b) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;

(c) subject to Section 4.5.2(b), upon the Participant, being a Group Employee, ceasing to be in the employment of the Group, for any reason whatsoever; or

(d) subject to Section 4.5.2(b), upon the Participant, being a Director, ceasing to be a Director, for any reason whatsoever.

4.5.2 In any of the following events, namely:

(a) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;

(b) where the Participant ceases at any time to be in the employment of the Group or ceases to hold any office in the Group, by reason of:

(i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);

(ii) redundancy;

(iii) retirement at or after the legal retirement age;

(iv) retirement before the legal retirement age with the consent of the Committee;

(v) the company by which he/she is employed or to which he/she is seconded, as the case may be, ceasing to be a company within the Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group, as the case may be;

(vi) his/her transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group; or

(vii) any other event approved by the Committee;

(c) the death of a Participant; or

(d) any other event approved by the Committee,

the Committee may, in its absolute discretion, determine whether an Award then held by such Participant, to the extent not yet Released, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the Committee determines that all

or any part of an Award shall be preserved, the Committee shall decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Accrelist PSP 2023. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition(s) has (have) been satisfied.

4.5.3 If before a Vesting Date / to the extent of an Award yet to be Released, any of the following occurs:

(a) a take-over offer for the Shares becomes or is declared unconditional;

(b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by the Shareholders and/or sanctioned by the court under the Act; or

(c) an order being made or a resolution passed for the winding-up of the Company (other than as provided in Section 4.5.1(a) or for amalgamation or reconstruction),

the Committee may consider, at its absolute discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition(s) has (have) been satisfied.

4.6 Size and Duration

4.6.1 To enjoy greater flexibility in structuring remuneration and compensation packages, the Company believes it should have a sufficient number of Shares to accommodate Awards to be made under the Accrelist PSP 2023. Taking into account the number of eligible Participants in the Accrelist PSP 2023 and potential number of Shares, the Directors believe that the limits set out below will enable the Company to have a choice to grant a sufficient number of Awards to the Participants, to create a meaningful compensation for the Participants' contributions. However, it does not necessarily mean that the Company will issue New Shares up to the prescribed limits under the Accrelist PSP 2023, as Awards will only be granted to eligible persons who are selected at the discretion of the Committee.

4.6.2 The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Accrelist PSP 2023 on any date, when aggregated with (a) the total number of new Shares allotted and issued and/or to be allotted and issued Shares (including treasury shares) delivered and/or to be delivered pursuant to Awards already granted under the Accrelist PSP 2023, and (b) the aggregate number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company, shall not exceed 10.0% of the total number of issued Shares (excluding Shares held by the Company as treasury shares) on the day preceding that date.

4.6.3 The Accrelist PSP 2023 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date the ordinary resolution for the Accrelist PSP 2023 is passed at the EGM to be convened, provided always that the Accrelist PSP 2023 may continue beyond the aforementioned stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The expiry or termination of the Accrelist PSP 2023 shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

4.6.4 The Accrelist PSP 2023 may be terminated at any time by the Committee or, at the discretion of the Committee, by ordinary resolution of the Company in general meeting, subject to all

relevant approvals which may be required and if the Accrelist PSP 2023 is so terminated, no further Awards shall be granted by the Committee thereunder.

4.6.5 New Shares allotted and issued, and existing Shares procured by the Company for transfer, pursuant to the Release of any Award shall (a) be subject to all the provisions of the Constitution and (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the later of (i) the relevant Vesting Date; and (ii) the date of issue of the Shares, and shall in all other respects rank pari passu with other existing Shares then in issue.

4.7 Adjustment Events

4.7.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Committee may, in its sole discretion, determine whether:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

(b) the class and/or number of Shares in respect of which future Awards may be granted under the Accrelist PSP 2023,

shall be adjusted to give such Participant the same proportion of the equity capital of the Company as that to which he was previously entitled, in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made as if as a result, the Participant receives a benefit that a Shareholder does not receive.

4.7.2 Unless the Committee considers an adjustment to be appropriate, (a) the issue of securities as consideration for an acquisition or a private placement of securities; (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force; (c) the issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees pursuant to any share option scheme or share plan approved by Shareholders in general meeting, including the Accrelist PSP 2023; or (d) any issue of Shares arising from the exercise of options or the subscription rights of any warrants or the conversion of any loan stock or any securities convertible into Shares by the Company, shall not normally be regarded as a circumstance requiring adjustment.

4.7.3 Notwithstanding the provisions as set out in Section 4.7.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

4.7.4 Upon any adjustment required to be made, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him/her (or his/her duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares which are the subject of the adjusted Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.

4.7.5 The Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date or that an adjustment should be made notwithstanding that no adjustment is required under the said provisions (as the case may be), request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

4.8 Modifications to the Accrelist PSP 2023

4.8.1 Any or all of the provisions of the Accrelist PSP 2023 may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:

(a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except when the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three-quarters in aggregate such number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;

(b) any modification or alteration which would be to the advantage of Participants under the Accrelist PSP 2023 shall be subject to the prior approval of the Shareholders in general meeting; and

(c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

For the purposes of sub-sections (a) and (b) above, the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award or which would be to the advantage of Participants (as the case may be) shall be final, binding and conclusive.

4.8.2 The Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Accrelist PSP 2023 in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Accrelist PSP 2023 to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

4.9 Disclosures in Annual Reports

4.9.1 The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Accrelist PSP 2023 continues in operation:

(a) the names of the members of the Committee administering the Accrelist PSP 2023;

(b) in respect of the following Participants of the Accrelist PSP 2023:

(i) Directors; and

(ii) Participants (other than those in paragraph (i) above) who have received Shares pursuant to the Release of Awards granted under the Accrelist PSP 2023 which, in aggregate, represent 5.0% or more of the total number of Shares available under the Accrelist PSP 2023,

the following information, as set out in the table below and as follows:

(aa) the name of such Participant; and

(bb) the following particulars relating to Shares delivered pursuant to Awards Released under the Accrelist PSP 2023:

(1) the number of New Shares issued to such Participant during the financial year under review; and

(2) the number of existing Shares transferred to such Participant during the financial year under review;

Name of Participant	Awards granted during the FY under review (including terms)	Aggregate Awards granted since commencement of the Accrelist PSP 2023 to the end of FY under review	Aggregate Awards vested since commencement of the Accrelist PSP 2023 to end of FY under review	Aggregate Awards not yet Released as at end of FY under review

(c) in relation to the Accrelist PSP 2023, the following particulars:

(i) the aggregate number of Shares comprised in Awards granted under the Accrelist PSP 2023 since the commencement of the Accrelist PSP 2023 to the end of the financial year under review;

(ii) the aggregate number of Shares comprised in Awards which have been Released under the Accrelist PSP 2023 during the financial year under review and in respect thereof, the proportion of:

(1) New Shares issued; and

(2) existing Shares transferred and, where existing Shares were purchased for delivery, the range of prices at which such Shares have been purchased,

upon the Release of Awards granted under the Accrelist PSP 2023; and

(iii) the aggregate number of Shares comprised in Awards granted under the Accrelist PSP 2023 which have not been Released as at the end of the financial year under review.

(d) such other information as may be required under the Catalist Rules or the Act; and

(e) if any of the above requirements is not applicable, an appropriate negative statement shall be included therein.

5. FINANCIAL EFFECTS OF THE ACCRELIST PSP 2023

The following sets out the financial effects of the Accrelist PSP 2023.

5.1 Share Capital

The Accrelist PSP 2023 will result in an increase in the Company's issued ordinary share capital only if New Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted under the Accrelist PSP 2023. In any case, the Accrelist PSP 2023 provide that the aggregate number of New Shares to be issued under the Accrelist PSP 2023 will be subject to a limit of 10% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) on the date preceding the date of the relevant Award. If, instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants, the Accrelist PSP 2023 will have no impact on the Company's issued ordinary share capital.

5.2 NTA

As described in Section 5.3 below, the Accrelist PSP 2023 is likely to result in a charge to the Company's profit and loss account over the period from the Award Date to the Vesting Date of the Awards. The amount of the charge will be computed in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS**") accounting method.

If New Shares are issued under the Accrelist PSP 2023, there would be no effect on the NTA. However, if instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants or the Company pays the equivalent cash value, the NTA would decrease by the cost of the existing Shares delivered or the cash payment, respectively.

5.3 EPS

The Accrelist PSP 2023 is likely to result in a charge to earnings over the period from the Award Date to the Vesting Date, computed in accordance with the accounting method as SFRS, as well as an increase in the number of Shares issued if New Shares are issued for the Accrelist PSP 2023.

It should be noted that the delivery of Shares to Participants under the Accrelist PSP 2023 will generally be contingent upon the Participants meeting prescribed Performance Conditions.

5.4 Dilutive Impact

It is expected that the dilutive impact of the Accrelist PSP 2023 on the NTA per Share and EPS will not be significant, *inter alia*, given the maximum limit of 10% on the number of New Shares that can be issued under the Accrelist PSP 2023.

5.5 Potential Cost of Awards

The Accrelist PSP 2023 is considered a share-based payment that falls under the scope of SFRS(I) 2.

The Awards, if settled by way of the issue of New Shares or through the use of treasury shares, would be accounted for as equity-settled share-based payment transactions, as described below:

(a) The fair value of the grant of the Award will be recognised as a charge to the profit or loss on the Award Date of an Award. The cost of these equity-settled transactions is determined by reference to the fair value of each Award granted at the Award Date to the Vesting Date, in accordance with SFRS(I) 2. The amount of the charge to the income statement also depends on whether or not the performance target attached to an Award is measured by reference to market price of the Shares. This is known as a market condition.

(b) At each reporting date, the number of Awards that are expected to vested are estimated. The impact on the revision of original estimates is recognised as an expense in the income statement and as a corresponding adjustment to the reserve account over the remaining vesting period, unless the revision to the original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. No expense is recognised for Awards that do not ultimately vest, except for Awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other Performance Conditions are satisfied. After Vesting Date no adjustment to the charge to the income statement is made.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares are as follows:

	Number of Shares			
	Direct Interest	**%**	**Indirect Interest**	**%**
Directors				
Dr. Terence Tea Yeok Kian	67,296,856[(1)]	22.16	2,371,900[(2)]	0.78
Ng Li Yong	-	-	-	-
Lim Yeow Hua @ Lim You Qin	-	-	-	-
Substantial Shareholders (excluding Directors)				
Toh Soon Huat	1,859,215	0.61	31,599,400[(4)]	10.40

Notes:-

(1) Inclusive of 48,350 Shares which are held through his CPF investment account.

(2) Dr. Terence Tea Yeok Kian is deemed interested in the 2,371,900 issued Shares held by his wife, Ms Sim Aileen.

(3) 31,599,400 Shares are beneficially owned by Mr Toh Soon Huat and registered in the name of Philip Securities Pte. Ltd..

Save as disclosed in this Circular, the Directors and the Substantial Shareholders do not have any interest, whether directly or indirectly, in the Shares.

7. EXTRAORDINARY GENERAL MEETING

The EGM will be held by way of electronic means on 27 February 2023 at 4.30 p.m. for the purpose of, *inter alia*, considering and if, thought fit, passing, with or without modifications, the ordinary resolution for the Proposed Adoption as set out in the Notice of EGM.

Printed copies of this Circular, the Notice of EGM and the Proxy Form will NOT be despatched to Shareholders. Such documents have been made available electronically on SGXNET at the following URL: https://www.sgx.com/securities/company-announcements and the Company's website at the following URL: http://accrelist.listedcompany.com/.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

As Shareholders will NOT be allowed to attend the EGM in person, alternative arrangements have been made to allow Shareholders to participate and vote in the EGM via electronic means.

Alternative arrangements relating to, among others, attendance, submission of questions in advance, or "live" at the EGM and/or voting at the EGM (a) "live" by the Shareholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or (b) by appointing the Chairman of the EGM as a proxy to vote on the Shareholder's behalf at the EGM, are set out in the Notice of EGM, which is also made available on SGXNET and the Company's website.

9. ABSTENTION FROM VOTING

Any Shareholder who is eligible to participate in the Accrelist PSP 2023 must abstain from voting in respect of the ordinary resolution for the Proposed Adoption as set out in the Notice of EGM, and the Company will disregard any votes cast by such Shareholder in respect of his Shares on the same. Such Shareholder shall also not accept appointments as a proxy, corporate representative or attorney to vote in respect of the ordinary resolution for the Proposed Adoption, unless the appointor (being a Shareholder who is not subject to the aforesaid voting restrictions) shall have given specific instructions in his Proxy Form as to the manner in which the appointor's votes are to be cast.

For the avoidance of doubt, as described in Section 4.1 above, a Group Employee, Executive Director or Non-Executive Director who is also a Controlling Shareholder or an Associate of a Controlling Shareholder is not eligible to participate in the Accrelist PSP 2023. Accordingly, any such Group Employee, Executive Director or Non-Executive Director, such as Dr. Terence Tea Yeok Kian being a Director and a Controlling Shareholder and is therefore not eligible to participate in the Accrelist PSP 2023, need not abstain from voting on the resolution relating to the adoption of the Accrelist PSP 2023.

10. DIRECTORS' RECOMMENDATION

All the Directors (other than Directors who are Controlling Shareholders or Associates of Controlling Shareholders, which as at the Latest Practicable Date, would include Dr. Terence Tea Yeok Kian) are eligible to participate in, and are therefore, interested in the Accrelist PSP 2023. Accordingly, the Directors (other than Directors who are Controlling Shareholders or Associates of Controlling Shareholders, which as at the Latest Practicable Date, would include Dr. Terence Tea Yeok Kian) have refrained from making any recommendation as to how Shareholders should vote in respect of the ordinary resolution for the Proposed Adoption as set out in the Notice of EGM.

Additionally, in view of their being either Participants or proposed Participants of the Accrelist PSP 2023, all Directors (other than Dr. Terence Tea Yeok Kian who is not eligible to participate in the Accrelist PSP 2023 as he is a Controlling Shareholder) who are Shareholders will abstain from voting on the ordinary resolution for the Proposed Adoption at the EGM and will also not accept nominations as proxies or otherwise to vote in respect of the ordinary resolution for the Proposed Adoption, unless the appointor (being a Shareholder who is not subject to the voting restrictions in Section 7 above) shall have given specific instructions in his Proxy Form as to the manner in which the appointor's votes are to be cast. For the avoidance of doubt, as described in Section 4.1 above, an Executive Director or Non-Executive Director who is also a Controlling Shareholder or an Associate of a Controlling Shareholder is not eligible to participate in the Accrelist PSP 2023 and accordingly, such Executive Director or Non-Executive Director need not abstain from voting on the resolution relating to the adoption of the Accrelist PSP 2023.

Dr. Terence Tea Yeok Kian, being the sole Director who is not eligible to participate in the Accrelist PSP 2023 is of the opinion that the adoption of the Accrelist PSP 2023 is in the interests of the Company and recommends that independent Shareholders should vote in favour of the ordinary resolution set out in the Notice of EGM relating to the Proposed Adoption.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Adoption, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 this Circular in its proper form and context.

12. DOCUMENTS FOR INSPECTION

The proposed rules of the Accrelist PSP 2023 is 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 from the date of this Circular up to the date of the EGM.

Yours faithfully
For and on behalf of the Board of Directors of
ACCRELIST LTD.

Dr. Terence Tea Yeok Kian
Executive Chairman and Managing Director