

ACCRELIST LTD.

(Incorporated in Singapore with limited liability)

(Company registration number 198600445D)

EXERCISE OF CONVERSION RIGHT BY THE COMPANY FOR THE FULL CONVERSION OF THE S\$4,000,000,000 CONVERTIBLE LOAN ENTERED INTO BETWEEN SINGAPORE RIXIN ZHONGHE INVESTMENT PTE. LTD. AND THE COMPANY DATED 22 NOVEMBER 2016

Capitalised terms used herein shall have the definitions ascribed to them in the Company's announcements dated 22 November 2016, 11 January 2017, 15 June 2017, 2 August 2017, 8 August 2017 and 20 June 2018 (collectively, the "Previous Announcements") in respect of the Convertible Loan (as defined below), unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

The Board of Directors ("**Board**") of Accrelist Ltd. ("**Company**") refers to Previous Announcements in respect of the convertible loan ("**Convertible Loan**") extended by Singapore Rixin Zhonghe Investment Pte. Ltd. ("**SRZIPL**") to the Company on the terms and subject to the conditions of the convertible loan agreement entered into between the Company and SRZIPL ("**Convertible Loan Agreement**"), of which S\$4,160,000.00 including the outstanding interest payable on the Convertible Loan remains outstanding as at the date of this Announcement.

Pursuant to clauses 6.3 and 7.1 of the Convertible Loan Agreement, the Company has the absolute right to determine the mode of repayment of the Convertible Loan including to convert the Convertible Loan or any part thereof including all accrued interest thereon, any time before or upon the expiry of the term of the Convertible Loan into cash, Conversion Shares or both cash and Conversion Shares ("**Conversion Right**"). In connection with the foregoing, the Board wishes to announce that the Company intends to exercise its rights to convert the Convertible Loan into Conversion Shares. According to the terms of the Convertible Loan Agreement, the conversion price of the Conversion Shares ("**Conversion Price**") shall be based on either:

- (i) 90% of the VWAP of the Company's ordinary shares ("**Shares**") quoted by the SGX-ST for five consecutive trading days ending on the trading day immediately preceding the date of the Convertible Loan Agreement, which for illustrative purposes would be equivalent to 38,518,516 new Shares at a Conversion Price of S\$0.1080 per share in the issued and paid-up share capital of the Company, or
- (ii) 100% of the net asset value per share as at 30 September 2019, which for illustrative purposes would be equivalent to 21,541,394 new Shares, at a Conversion Price of S\$0.1931 per share in the issued and paid-up share capital of the Company,

at the discretion of the Company.

The Conversion Prices as set out above take reference to the net asset value of the Company based on its 1HY2020 financial results (as announced by the Company on 14 November 2019), being the latest available financial results of the Company as at the date of this Announcement.

2. EXERCISE OF CONVERSION RIGHT

The Company is intending to elect to exercise its Conversion Right at a Conversion Price calculated on the basis of 90% of the VWAP of the Shares quoted by the SGX-ST for five consecutive trading days ending on the trading day immediately preceding the date of the Convertible Loan Agreement, being the higher number of Conversion Shares to be issued, to recognise and reward SRZIPL for its continuing support to the Company. Accordingly, 38,518,516 Conversion Shares will be allotted and issued to SRZIPL at the Conversion Price of

S\$0.108. The Conversion Price has taken into consideration the necessary adjustments in light of the consolidation of the Company's Shares to 279,142,293 Shares on 7 August 2019.

After the aforementioned conversion, (i) there will be no outstanding Conversion Shares issuable under the Convertible Loan; and (ii) there will be no amounts outstanding under the Convertible Loan. Accordingly, the Company's obligations under the Convertible Loan Agreement will be discharged in full.

Pursuant to the aforesaid allotment and issue of Conversion Shares, the number of issued and paid-up Shares of the Company will increase from 279,142,293 Shares to 317,660,809 Shares. SRZIPL will hold 38,518,516 Shares, representing approximately 12.13% of the enlarged issued and paid-up share capital of the Company immediately following the allotment and issue of the Conversion Shares.

The Conversion Shares will be issued free from any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right, or interest, other encumbrance or security interest of any kind or any type of agreement or arrangement having similar effect and shall rank *pari passu* in all respects with the other Shares in issue, except (for the avoidance of doubt) for any dividends, rights, allotments or other distributions, the record date for which is before the conversion date of the Convertible Loan.

The Company will make the relevant announcements when the Conversion Shares have been allotted and issued.

BY ORDER OF THE BOARD

Terence Tea Yeok Kian
Executive Chairman and Managing Director
24 December 2019

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"). 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.

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