ACCRELIST LTD. (亚联盛控股公司)

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

RESPONSES TO QUESTIONS FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

The board of directors (the “**Board**” or “**Directors**”) of Accrelist Ltd. (the “**Company**” or “**Accrelist**”, together with its subsidiaries, collectively the “**Group**”) refers to the Company’s Annual Report for the financial year ended 31 March 2026 (“**Annual Report 2026**”) and the Notice of Annual General Meeting (“**AGM**”) dated 14 July 2026 in relation to the AGM to be convened and held at 10 Ubi Crescent, #02-07, Ubi Techpark Lobby A, Singapore 408564 on Wednesday, 29 July 2026 at 4.00 p.m., both of which were issued by the Company on 14 July 2026.

Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Annual Report 2026.

The Company has received the following questions from Securities Investors Association (Singapore) (“**SIAS**”) and the Board wishes to provide the Company’s responses to these questions as set out below.

Questions received from SIAS:

1. For FY2026, the group’s aesthetics medical services (AMS) segment improved its gross profit margin from 38% to 44%. However, while marketing and distribution expenses declined by approximately $0.2 million, administrative expenses increased significantly by about $2.5 million, more than offsetting the improvement in gross profit.

Segment Information (cont’d)

The following is an analysis of the Group’s revenue and results from continuing operations by reportable operating segments:

Continuing operations

	MBU		AMS		Others		Total	
	2026 S$'000	2025 S$'000	**2026 S$'000**	2025 S$'000	**2026 S$'000**	2025 S$'000	**2026 S$'000**	2025 S$'000
Segment revenue								
Sales of goods	**–**	–	**–**	–	**81**	18	**81**	18
Service income	**–**	–	**15,560**	14,012	**–**	–	**15,560**	14,012
Total revenue	**–**	–	**15,560**	14,012	**81**	18	**15,641**	14,030
Gross profit/(loss)	**–**	–	**6,850**	5,365	**–**	(21)	**6,850**	5,344
Other gains/(losses) – net								
- Impairment losses on trade and other receivables, net	**–**	–	**–**	(388)	**–**	(2,121)	**–**	(2,509)
- Other receivables written off	**–**	–	**–**	–	**–**	(616)	**–**	(616)
- Others	**–**	–	**1,427**	(31)	**(599)**	919	**828**	888
Expenses								
- Marketing and distribution	**–**	–	**(702)**	(913)	**–**	(353)	**(702)**	(1,266)
- Administrative	**–**	–	**(7,475)**	(4,955)	**(2,355)**	(4,895)	**(9,830)**	(9,850)
- Finance	**–**	–	**(115)**	(136)	**(32)**	(48)	**(147)**	(184)
Share of results of associate	**(149)**	(342)	**–**	–	**758**	654	**609**	312
Loss before income tax	**(149)**	(342)	**(15)**	(1,058)	**(2,228)**	(6,481)	**(2,392)**	(7,881)

(Source: company annual report; emphasis added)

Absent the $1.43 million in "Other gains", the AMS segment would likely have reported a significantly larger operating loss in FY2026.

(i) Can management break down the principal components of the $1.43 million in "Other gains" recognised by the AMS segment, and for each major component clarify whether it is operational in nature and whether it is expected to recur?

As set out in the Company's announcement dated 24 July 2026 titled "Corrigendum to the Annual Report for the Financial Year Ended 31 March 2026", AMS recorded other gains of S$0.2 million, revised down from approximately S$1.4 million previously reported, following a reclassification between segments.

Management referred to continued discipline over manpower costs. However, administrative expenses increased by more than 50%, from $4.96 million to $7.48 million.

(ii) What were the principal drivers of the increase in administrative expenses? Does management expect the cost base to remain elevated?

As set out in the Company's announcement dated 24 July 2026 titled "Corrigendum to the Annual Report for the Financial Year Ended 31 March 2026", administrative expenses comprising mainly depreciation of property, plant and equipment and employee compensation remained broadly stable at S$5.0 million in FY2026, revised down from approximately S$7.5 million previously reported, following a reclassification between segments.

As a result, the AMS segment reported a profit before income tax of S$1.2 million in FY2026, reversing the loss before income tax of S$1.1 million reported in FY2025. The Group will continue to closely monitor its cost base as it grows the AMS segment.

(iii) How have patient volumes, average revenue per patient and patient retention rates trended during FY2026? Can management provide more granular operational metrics to help shareholders assess the underlying performance of the AMS segment?

The Company is unable to disclose granular operational metrics as this information is commercially sensitive in a highly competitive market.

However, management wishes to highlight several indicators that reflect the underlying resilience of the AMS segment's performance in FY2026. AMS revenue grew 11.4% from S$14.0 million in FY2025 to S$15.6 million in FY2026, the highest level achieved by the segment to date while gross profit margin improved significantly from 38.3% in FY2025 to 43.8% in FY2026. In addition, contract liabilities increased during the year as sales of AMS aesthetic packages outpaced the consumption of previously sold packages, reflecting strong sales momentum and continued customer demand for A.M Aesthetics' treatment offerings.

(iv) AMS Revenue in Malaysia amounted to $1.09 million (FY2025: $0.44 million), contributed by three clinics in Johor, Penang and Kuala Lumpur. In comparison, the group's eight clinics in Singapore generated revenue of $14.47 million (FY2025: $13.57 million), representing a year-on-year increase of 6.6%.

Can management elaborate on its market positioning and growth strategy for the AMS business in Malaysia? How do the unit economics compare with those in Singapore?

The Group's growth strategy for the AMS business in Malaysia builds on its A.M Aesthetics brand, clinical protocols, quality standards, and customer care framework developed over its track record in Singapore. Consistent with the Group's broader strategy, A.M Aesthetics is positioned as a differentiated, premium brand across its markets, including Malaysia.

As set out in response to Q1(iii), the Company is unable to disclose granular operational metrics or unit economics due to commercial sensitivity in a highly competitive market.

With the appointment of Mr Derek Cheong Sheng Ze as Chief Executive Officer, who brings direct experience building and scaling consumer-facing businesses in Malaysia, the Group intends to draw on his market knowledge and operational experience to guide its approach to the Malaysia business going forward.

Management will provide shareholders with further updates on the Group's market positioning and growth strategy for Malaysia as and when there are material developments.

(v) As the group's key growth engine, does the board consider a 6.6% growth in the key market to have met its expectations? What benchmark does the board use to assess whether the business is delivering on its growth potential?

The Board considers a range of factors in evaluating the segment's performance, including revenue growth relative to the competitive landscape in Singapore's medical aesthetics market, improvement in gross profit margins and overall segment profitability, and the pace of clinic network expansion relative to available capital and management resources.

On this basis, the Board considers the 6.6% revenue growth achieved by the Group's Singapore operations in FY2026 to be a reasonable outcome, achieved in a highly competitive market with both new entrants and existing operators expanding their clinic networks. This growth was accompanied by an improvement in gross profit margin, which the Board considers a meaningful indicator of the segment's underlying performance.

The Board believes the long-term prospects of the Singapore business remain favourable, and will continue to monitor its performance against these factors going forward.

2. The company appointed Mr Derek Cheong Sheng Ze as chief executive officer with effect from 16 June 2026. According to the announcement, Mr Derek Cheong Sheng Ze brings recent experience in building F&B businesses in Malaysia. Mr Derek Cheong Sheng Ze has been tasked to drive the group's entry into the Xiamen aesthetic clinic market while expanding the group's aesthetics business through deeper penetration of existing markets and expanding into new markets.

(i) Can the board and the nominating committee elaborate on the selection process for the new CEO? In particular, what capabilities and experience were regarded as most critical for the role, and how did the board assess Mr Cheong's suitability to lead the group's medical aesthetics strategy, given that his recent experience has been outside the medical sector?

In assessing candidates for the role, the NC and the Board prioritised commercial and operational leadership experience relevant to scaling multi-outlet retail and consumer businesses, given the Group's focus on growing the A.M Aesthetics brand across the region.

Mr Cheong's career has been built around scaling consumer businesses in Malaysia, including business strategy, financial operations, and overseeing the build-out of a franchise network. The Board considers this experience, particularly in customer engagement across a multi-outlet network, together with his exposure to healthcare adjacent and experiential consumer brands, to be directly relevant to growing A.M Aesthetics across the region.

The Board also notes that the Group's existing management and clinical teams remain in place and continue to lead day-to-day operations and treatment standards. Mr Cheong's role is centred on business strategy and brand growth while clinical standards continue to be led and safeguarded by the Group's team of qualified medical doctors and clinical staff.

(ii) Has the board identified overseas markets, particularly Malaysia and China, as the primary drivers of future growth for the AMS business? How does the board intend to balance capital allocation and management resources between overseas expansion and strengthening the group's Singapore operations?

The Board continues to view growth in existing markets, alongside selective entry into new markets across Southeast Asia and Greater China, as part of its overall growth strategy.

As set out in the Company's announcement dated 16 June 2026 titled "Entry into Non-Binding Term Sheet for Acquisition of Chinese Aesthetics Business", the structure of the Proposed Transaction reflects how the Board intends to maintain prudent capital allocation. The Purchase Consideration is anchored to a performance-based valuation, with multi-year visibility on the underlying business before the Group is required to commit to completion of the transaction. In addition, the licensing arrangement therein also enables the A.M Aesthetics brand to gain a foothold in China. The Group intends to work with a local partner who will lead day-to-day operations, ensuring adequate management resources across both new and existing markets.

Please see response to Q2(iii) for more details on local partnerships in new markets.

(iii) As the group expands internationally, how will management ensure that clinical standards, regulatory compliance, patient safety and customer experience are maintained across different markets?

Clinical standards and patient safety are top priorities for the Board and Management. In each market, treatments are administered by qualified registered medical practitioners in accordance with applicable local healthcare regulations.

In new markets, the Group intends to work closely with local partners who bring on-the-ground regulatory knowledge, operational experience and an understanding of local customer expectations. The Group brings its A.M Aesthetics brand, clinical protocols and quality standards developed over time together with its track record in existing markets. This partnership approach is intended to combine international best practices with the local expertise needed to navigate market-specific regulatory and compliance requirements, and the Board will continue to monitor this as the Group's footprint expands.

3. On 13 July 2026, the company announced material variances between its unaudited and audited financial statements. Following the audit adjustments, the loss attributable to equity holders rose to more than four times its previously reported amount, from $264,000 to $1.14 million, while equity attributable to equity holders declined by approximately 10% to $8.16 million.

With the exception of FY2019, the company has reported material variances between its unaudited and audited financial statements in nine of the past ten financial years. The audit committee (AC) comprises Mr Chin Sek Peng (chairman), Dr Tan Tze Sheng, Edwin and Mr Chong Eng Wee.

Date & Time	Issuer Name	Security Name	Title	Category
13 Jul 2026 11:32 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
12 Sep 2025 11:56 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
12 Jul 2024 11:55 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
08 Nov 2023 10:39 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
11 Nov 2022 10:01 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
15 Jul 2021 10:23 PM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
11 Nov 2020 08:35 AM	ACCRELIST LTD.	ACCRELIST LTD	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
10 Jul 2018 10:12 PM	ACCRELIST LTD.	ACCRELIST LTD.	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements
08 Jul 2017 08:54 AM	ACCRELIST LTD.	ACCRELIST LTD.	Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts	Financial Statements

(Source: https://www.sgx.com/stock-exchange/company-announcements?value=ACCRELIST%20LTD.&type=company&ANNC=ANNC17)

(i) Can the AC help shareholders understand why the group has repeatedly reported material variances between its unaudited and audited financial statements? What are the underlying causes, and why have they persisted over such an extended period? Are there particular challenges the group faces in applying Singapore Financial Reporting Standards (International)?

As a holding company with subsidiaries across different business segments and geographies, the Group's consolidation process has, over the years, been affected by delays or adjustments arising at the subsidiary level, including at overseas entities within the Group, which in turn affect the accuracy of the Group's consolidated results.

The AC takes this matter seriously, and has taken steps, as set out in response to Q3(ii), to reduce the recurrence of such variances going forward.

(ii) What specific actions has the AC taken to strengthen the group's financial reporting, finance function and year-end reporting process? How does the committee assess whether these measures have been effective?

The AC has taken steps to strengthen the Group's finance function, including augmenting the team involved in year-end reporting with additional resources. In addition, the AC has been following up closely with management on meeting timelines set by auditors, and coordinating with subsidiaries' accountants to ensure that information required by auditors is provided on a timely basis. Any issues arising between the auditors and the subsidiaries' accountants are resolved promptly, including bringing up contentious issues early for the AC's attention and resolution.

The AC assesses the effectiveness of these measures based on the extent to which issues are identified and resolved earlier in the reporting process, and will continue to refine its processes accordingly.

(iii) Given that this issue has recurred in nine of the past ten financial years, how has the audit committee satisfied itself that it has exercised effective oversight of the group's financial reporting? What governance changes or additional controls have been implemented to prevent similar variances in the future?

The AC has strengthened its review of the Group's financial reporting, including closer engagement with management as explained in Q3(ii) above. This is in addition to the strengthening of the Group's finance resources as set out in response to Q3(ii). The AC will continue to monitor this matter closely going forward.

(iv) Does the AC believe the group currently has sufficient finance resources, accounting expertise and internal controls to produce reliable unaudited financial statements? If not, what further investments or organisational changes are required?

Taking into account the steps already taken, as set out in response to Q3(ii), the AC believes enhancement of the Group's finance function is moving in the right direction, and will continue to monitor its adequacy against the Group's budget, considering further investments as may be required.

(v) Has the company been subjected to ACRA's review under the Financial Reporting Surveillance Programme? If so, what were the findings?

The Company has not been subjected to ACRA's review under the Financial Reporting Surveillance Programme.

BY ORDER OF THE BOARD

Dato' Terence Tea
Executive Chairman and Managing Director

24 July 2026

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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