

**ACESIAN PARTNERS LIMITED**  
(Company Registration Number: 199505699D)  
(Incorporated in the Republic of Singapore)

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**ANNUAL GENERAL MEETING TO BE HELD ON 27 APRIL 2026  
RESPONSES TO QUESTIONS**

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Acesian Partners Limited (“**Acesian**” or the “**Company**”, together with its subsidiaries, collectively the “**Group**”) would like to thank shareholders for submitting their questions in advance of the Company’s Annual General Meeting (“**AGM**”) to be convened and held by a physical meeting on Monday, 27 April 2026 at 10.00 a.m. (Singapore time).

The responses to the questions are set out below of this announcement. Some questions have been slightly edited for clarity.

**Questions and answers:**

1. Business Sustainability and Concentration Risk: The annual report indicates that the “Critical Airflow Design and Supply” segment now accounts for 99.6% of total external revenue.

- a) Why did the “Engineering Services” segment, which was previously targeted for diversification, experience a 74.5% decline in FY2025?

**Answers:**

The Engineering Services segment comprises the Group’s Information and Communications Technology (ICT) business, which is relatively small and has made only a minimal contribution to overall revenue. Following the onset of COVID-19, the segment experienced a decline due to weakened demand for ICT equipment and intense price competition, prompting the Group to scale down its operations. Since 2018, the Group has undertaken various restructuring efforts, including the divestment or closure of unprofitable entities in the Engineering Services segment, and has refocused on transforming and strengthening the ductwork business. These initiatives have delivered satisfactory results, with the Group achieving operational profitability from FY2018 to FY2024.

- b) Given the Board’s view that the semiconductor sector is volatile and unpredictable, what structural changes are being implemented to ensure the Company is not overly reliant on a single industry’s capital expenditure cycle?

**Answers:**

As part of its market diversification, the Group has initiated the expansion of its ductwork business into overseas semiconductor markets, including the U.S.. The scale and timing of this expansion will depend on market conditions, associated risks, and, importantly, regulatory and policy developments - particularly tariffs, which may act as potential trade barriers and influence market dynamics. We are also continuously exploring sectoral expansion for our ductwork business, as well as other new ventures and opportunities to further diversify the Group’s business.

2. Learning Points from the Greenfield Project: The loss of the major greenfield project to overseas contractors significantly impacted FY2025 performance.

- a) The Group incurred \$0.55 million in increased administrative and salary costs in anticipation of this project. What specific improvements have been made to risk management protocols to ensure that significant operational scaling does not occur until contracts are legally secured?

Answers:

The increase in administrative expenses was mainly driven by higher salary costs resulting from an expanded headcount. Additional staff were recruited to support the engineering and technical aspects in preparation for tender bids, given the scale of the greenfield project. The additional staff were also engaged in other initiatives, including market expansion.

- b) Beyond citing "procurement behavior changes", what specific technical or supply chain gaps gave overseas competitors the advantage, and what is the Company's plan to address these gaps?

Answers:

There are no significant gaps from a technical standpoint. From a supply chain perspective, it is common for overseas contractors to source and procure materials, including ductwork, through their established supply chains and networks. Nevertheless, the Group's strong portfolio of project references supports and facilitates vendor prequalification. The Group is also actively working to build rapport with the overseas contractors and better understand their requirements.

3. Growth Strategy: AI Boom and Geographical Outreach. The annual report identifies the "AI boom" as a key driver, yet tangible order conversion remains unclear.

- a. How many active tenders for AI data centers or advanced chip manufacturing are currently in the pipeline, and what is the realistic likelihood of these translating into orders within the next 24 months?

Answers:

Artificial Intelligence ("AI") is expected to be a key growth driver for the semiconductor industry, which in turn is likely to benefit the Group's ductwork business. The Group has participated in tenders for advanced wafer fabrication plants and has been awarded small-scale project orders, and it intends to participate in upcoming tenders for such new facilities as they become available. The Group conducts stringent assessment for tender requests and does its best to present a tender bid which is competitive and still achieves the Group's business objectives, in the hopes of securing the relevant project.

- b. Revenue from "Other countries" outside Asia declined from 11.3% in FY2024 to 1.45% in FY2025. What progress has been made on international expansion efforts, particularly in the U.S. or European markets?

Answers:

The Group has embarked on its expansion into the U.S. market and is currently undergoing the vendor prequalification process with a U.S. customer. The Group also continues to collaborate with its European partner on project tenders and remains committed to further expanding its presence in the European region.

4. Leadership and Remuneration Accountability

- a. Following the resignation of the General Manager (GM) on 31 December 2025, who is now responsible for day-to-day operational execution and business development?

Answers:

The business operations and business development are jointly overseen by the existing management team and the Managing Director.

- b. In FY2025, revenue declined by 20.8% and the Company's significant loss. How did the Remuneration Committee arrive at its decision to maintain the Managing Director's remuneration at \$561,428, and is it proportionate to the value generated for shareholders?

Answers:

The Managing Director's remuneration consists of a fixed salary and performance-based incentives. No performance-based remuneration was awarded for FY2025, in line with the Group's results for the year.

Equity attributable to owners of the Company increased to S\$20.4 million in FY2025 from S\$10.2 million in FY2017, representing a rise of S\$10.2 million, or 100.0%. The Group has remained profitable over the past five years from FY2020 to FY2024.

5. Question to Independent Directors: As minority shareholders, we look to the Independent Directors to provide necessary checks and balances.

Given that current diversification efforts have resulted in a contraction rather than growth in new segments, what specific actions are the Independent Directors taking to ensure that management's strategy is sustainable and capable of returning the Group to profitability in the near term?

Answers:

There was no new segment in FY2025. Management regularly reports business performance to the Audit Committee and the Board and periodically reviews its strategies and prevailing market conditions. During the current financial year, amid various market disruptions, the Board (including the Independent Directors) assessed the measures undertaken by management to address these challenges and competitive pressures, as appropriate.

In particular, the Board notes that:

- (i) The Company responded swiftly to the business environment following the completion of the half year ended 30 June 2025 ("**1H2025**"), and adopted an appropriate strategic approach and competitive initiatives thereafter. Revenue in the second half of the year ended 31 December 2025 ("**2H2025**") exceeded that of the first half by 92.6% and surpassing the corresponding period in the previous year by 44.2%. The Company succeeded in narrowing the loss for 2H2025 significantly compared to 1H2025.
- (ii) The Company also adopted a leaner organisational structure, maintained cost discipline, remained vigilant in monitoring market conditions, and proactively pursued business opportunities.

## BY ORDER OF THE BOARD

Loh Yih  
Managing Director  
22 April 2026

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*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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