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

MODIFIED AUDIT OPINION BY AUDITOR IN RESPECT OF FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2019 ("FY2019")

The Board of Directors (the "Board") of Acesian Partners Limited (the "Company", and together with its subsidiaries, the "Group") wishes to announce that the Company's independent auditor, PKF-CAP LLP had issued their report on the financial statements of the Group for the financial year ended 31 December 2019 (the "Audited Financial Statements"), highlighting a disclaimer of opinion on the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group ("Disclaimer").

The auditor is not able to form an opinion on the accompanying consolidated statement of comprehensive income and consolidated statement of cash flows of the Group as to whether these statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial performance and consolidated cash flows of the Group for the year ended 31 December 2019.

The Disclaimer is pertinent to the opening balances as at 1 January 2019, which is related to and in continuation of the disclaimer of opinion on the financial statements for the financial year ended 31 December 2018. This is owing to Acesian Star (S) Pte Ltd ("ASPL"), a wholly-owned subsidiary of the Company, was involved in a business dispute with its major customer in 2016. ASPL was subsequently placed under judicial management in 2017, under which statutory audit was not carried out and given rise to limitation of scope in auditing the financial statements of ASPL as the Judicial Managers are of the view that the audit of the financial statements should be carried out only after they have completed their duties.

The Company, Acesian Star (S) Pte. Ltd. ("**ASPL**") and other subsidiaries that were associated with the several long-standing legal disputes as announced on 18 December 2019 on SGXNet, entered into a Deed of Global Settlement ("**Global Settlement**") on 12 December 2019 pursuant to which all the parties related to the legal disputes agreed to amicably settle all the legal disputes on a "drop hands" basis without the payment of any money by Party to any other Party.

The foregoing legal disputes were in relation to inter-alia, arbitration with a major customer of ASPL, writ of summons involved preferential payment claim, court appeal in respect of ASPL's judicial managers' professional fees and any other related disputes, claims, actions or other proceedings.

As a result of the aforesaid Global Settlement, all the aforesaid legal disputes had been discontinued. Nonetheless, ASPL still remains under judicial management as at the date of this announcement.

Accordingly, the net asset value of ASPL has declined from $6.2 million as at 31 December 2018 to net liability of approximately $178,000 as at 31 December 2019. The decline in net asset value mainly due to write-off of non-recoverable assets, being partially offset by the write-back of extinguished liabilities, of ASPL in FY2019 resulting from the Global Settlement. The net liability of ASPL of $178,000, after the write-off, is approximately 2.9% of the net asset value of the Group's consolidated financial position for the FY2019, and ASPL is no longer a significant subsidiary of the Company.

The Board confirmed that all material disclosures, facts and information (including but not limited to disclosures pertaining to material operations and business of the Group, the going-concern assumption) have been provided and announced for trading of the Company's shares to continue and are not aware of any facts the omission of which would make any statement misleading.

A copy of the Independent Auditor's Report is attached to this announcement for information.

Shareholders of the Company are advised to read the Independent Auditor's Report in conjunction with the Audited Financial Statements in its annual report 2019, which will be despatched in due course.

BY ORDER OF THE BOARD

Wong Kok Chye
Group Chief Operating Officer
6 April 2020

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**Exchange**") Listing Manual Section B: Rules of Catalist for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by 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.

The contact person for the Sponsor is Mr. Liau H. K.
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