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

UPDATE ANNOUNCEMENT – JUDICIAL MANAGEMENT

The Board of Directors of Acesian Partners Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements dated 24 January 2017, 24 July 2017, 24 August 2017, 7 September 2017, 22 September 2017, 11 October 2017, 25 October 2017, 20 November 2017, 14 February 2018, 1 June 2018, 5 June 2018, 22 October 2018, 23 November 2018, 14 January 2019, 17 May 2019, 14 October 2019, 18 October 2019 and 20 November 2019 ("**Previous Announcements**") in relation to *inter alia*, Acesian Star (S) Pte. Ltd. ("**ASPL**"), the Company's wholly-owned subsidiary, being placed under judicial management.

Unless defined otherwise, capitalised terms used in this announcement shall have the meanings ascribed to them in the Previous Announcements.

The Company refers to the Previous Announcements in relation to legal proceedings in respect of the following disputes (**"Disputes"**):

- arbitration against Takenaka Corporation (**"TC"**) in relation to disputes arising from the Sub-Contract Work at Singapore Changi Airport ("**Arbitration**"). The Arbitration was filed by ASPL under the care of the Deloitte Judicial Managers (**"DJM"**) with Singapore International Arbitration Centre (**"SIAC"**) on 21 September 2017. TC filed its defence and counterclaim in the Arbitration in September 2018.

- writ of summons filed against the Company and its subsidiaries, Acesian Engineering Pte Ltd (**"AEPL**") and Active Building Technologies Pte Ltd ("**ABT**"), and 4 key individuals ("**Key Employees**") who were the key employees of the Group at the time the writ of summons was filed ("**Clawback Defendants**"). The writ of summons filed by ASPL and the Additional Judicial Manager ("**AJM**") in June 2018. The writ of summons involved a claim that preferential payment has been made by ASPL to APL, ABT and AEPL respectively and sought the repayment of these preferential payments to ASPL ("**Clawback Action**").

- The DJM's fees and disbursements awarded by Court ("**DJM Fees**"), and the Notice of Appeal filed to the Court of Appeal in October 2019 by the Company against the decision of Court in respect of the DJM Fees award ("**DJM Fees Appeal**").

- Any other related disputes, claims, actions or other proceedings.

The parties in relation to above-mentioned Disputes are herein individually referred to as ("**Party**") and collectively as the ("**Parties**").

The Board is pleased to announce that the Company, ASPL, AEPL, ABT and the Key Employees, in the best interests of all, have entered into an agreement with all the parties related to aforesaid Disputes (**"Deed of Global Settlement" or "Settlement"**) on 12 December 2019 ("**Effective Date**") pursuant to which the Parties agreed to amicably settle all the Disputes on a "drop hands" basis without the payment of any money by Party to any other Party.

The Settlement provides opportunity to the Company and the Group to bring to a close to the protracted legal disputes and fully focus its time and resources to reorient and restructure its businesses. It also saves the Company from further incurring on the litigation costs.

The needed consent from relevant Parties for this announcement was obtained on 17 December 2019.

The Salient Terms of the Deed of Global Settlement.

- The Parties agree to settle all the Disputes on a "drop hands" basis without the payment of any money by any Party to any other Party.

- The Parties shall fully and finally release and discharge each other Party and each Other Party's Associated Persons absolutely and unconditionally, from all and any past, existing and future claims, actions, demands, proceedings, liabilities and/or disputes in connection with the Disputes, subject to Parties' fulfilment of the obligations pursuant to the Deed of Global Settlement.

- Discontinuance of the Arbitration. On the Effective Date, the DJM and/or the ASPL shall immediately procure the termination of the Arbitration ("**Termination of Arbitration**").

- Discontinuance of the Clawback Action. On or after the Termination of Arbitration, and within the stipulated timeline, the AJM and/or ASPL shall discontinue the Clawback Action against the Clawback Defendants who are parties to this Deed of Global Settlement, by filing a consent application for leave of Court to discontinue the Clawback Action with no orders as to costs.

- Discontinuance of DJM Fees Appeal. On the Effective Date, the Company shall immediately withdraw the DJM Fees Appeal.

The Settlement is expected to have an adverse material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2019. Shareholders should refer to the separate announcement released today for further information on the financial effect of the Settlement.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

DIRECTORS' RESPONSIBILITY STATEMENT

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

BY ORDER OF THE BOARD

Wong Kok Chye
Group Chief Operating Officer

18 December 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the "**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.*

The 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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