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

CLARIFICATION ANNOUNCEMENT ON THE NEWS ARTICLE PUBLISHED IN THE STRAITS TIMES

The Board of Directors (the "**Board**") of Acesian Partners Limited (the "**Company**") and its subsidiaries (the "**Group**") refers to the article published in the Straits Times on 28th April 2017 titled **"Subcontractors seek to recover $5m for work at T4"**. The Board also refers to the same article that has been reproduced in certain news sites but not limited to, such as Singapore Law Watch website, Google Finance, Business Times website.

1. The article suggests that the Company's subsidiary, Acesian Star Pte Ltd ("**ASPL**") owed creditors about $37 million. The Company wishes to clarify that, as far as it is aware, only about $10 million out of this $37 million arose from claims by ASPL's suppliers and subcontractors, and $27 million out of this $37 million arose from a claim by ASPL's customer, Takenaka Corporation **("TC"),** which is subject to adjudication by the Judicial Managers of ASPL. The Company sets out in the table below a chronology of key events after Security Of Payment Act ("**SOP**") 22 action in June 2016 (which explains how a customer of ASPL (i.e. TC) became an alleged creditor of the subsidiary) and a further breakdown of the sum of $37 million.

2. As far as the Board is aware, the said $27 million claim by TC relates mainly to liquidated damages ("**LD**") and back charges imposed by TC. TC's $27 million claim is more than the original contract value of $24 million for the T4 project, and were asserted only after ASPL commenced SOP/AA243 of 2016 against TC in June 2016 as explained below:

Month	**Events**	**Total LD / Back charges, etc imposed by TC approximately (S$)**
29th Jun 16	*ASPL commenced SOP/AA243 of 2016 against TC*	
Jul till Oct 16		6,000,000
4th Nov 16	*TC terminated ASPL T1E sub-contract.*	
9th Nov 16	*ASPL filed to be placed in Judicial Management.*	
15th Nov 16	*TC terminated ASPL T4 sub-contract.*	
Nov 16 till Dec 17		8,000,000
23rd Jan 17	*Company announced that it had filed a Notice to Intend to file for Arbitration against TC.*	
Jan till Feb 17		13,000,000
Estimated Total Claims by TC		**27,000,000**
	Outstanding Claims from T4 Subcontractors & Suppliers approximately	10,000,000
Total Claims approximately		**37,000,000**

In addition, the Company would like to clarify that as far as it is aware, ASPL's claim against TC (excluding unquantified damages) comprises the following prior to ASPL entering judicial management (and which are subject to changes by the Judicial Manager of ASPL).

	Amounts (S$)	
Original Contract approximately		24,000,000
Variation Orders, ERIS, SDIs & Others approximately:		23,000,000
Total Claim estimated approximately		47,000,000
Amount paid by TC till June 16 approximately	(18,000,000)	
Amount paid by TC ordered under the Securities of Payment Act or Court approximately	(7,000,000)	
Total amounts received from TC approximately		**(25,000,000)**
Notice to Intend to file for Arbitration against TC *(Refer to Company Announcement dated 23rd Jan & 5th Feb 2017)*		**22,000,000**

3. The Company would like to inform that, as far as it is aware, while ASPL has only received $25 million from TC for the T4 project, ASPL has paid $26 million to their suppliers, subcontractors and towards T4 related project costs. In fact, ASPL has suffered a significant loss in both T4 and T1E project.

4. T4 Payments to Subcontractors & Suppliers in relation to T4 project:

Total amounts received from TC for T4 approximately	**S$25,000,000**
Total payment to subcontractors & suppliers approximately	**(S$26,000,000)**

5. The Board is exploring ways to work with the Judicial Managers and ASPL's creditors to finance and pursue ASPL's arbitration proceedings against TC. However, this can only be possible with support from ASPL's creditors.

6. In relation to the financial impact of the above, the Board would like to refer to the Group's Annual Report FY2016 on pages 30, 31, 39 and 40 respectively. The Board would also like to draw reference to the announcement dated 11th April 2017 whereby the Board clarified that the significant uncertainties and going concern issues of the subsidiary (ASPL) would not impact the going concern of the Company and /or the Group.

7. The Board and Company will continue to keep shareholders updated on any material developments.

CAUTIONARY STATEMENT

The Board wishes to highlight to shareholders and potential investors to read this announcement and the FY2016 Annual Report in its entirety, as well as any further announcements made by the Company in relation to this matter and to exercise caution when trading or dealing in the shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

BY ORDER OF THE BOARD

Ng Yui Wei
Company Secretary
16 May 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital 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.

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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