

**CLARIFICATION ANNOUNCEMENT – ARBITRATION UPDATES**

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The Board of Directors (the "**Board**") of Acesian Partners Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcement dated 24 January 2018 ("**Update Announcement**") that, on 17 January 2018, a hearing in respect of Takenaka Corporation ("**TC**") application to the Singapore High Court under Regulation 80 of the Companies Regulation to appeal against the Judicial Managers ("**JM**") decision to reject TC's proof of debt (known as "**OS 936**") was held. In relation to the Court's directions as stated in the Update Announcement, the Company would like to make the following clarifications:

- (i) **All further proceedings in OS 936 are to be stayed in favour of arbitration, subject to the condition that the Company makes payment of the First Deposit to the Singapore International Arbitration Centre ("SIAC") by 31 January 2018.**

Following the JM's adjudication and rejection of TC's proof of debt (approximately S\$27 million) ("**POD**"), TC applied to the Singapore High Court under OS 936 to appeal against the JM's adjudication.

Shareholders should refer to the Company's announcement dated 16 May 2017, which the Company clarified that the POD submitted by TC comprises back charges and liquidated damages, and was subject to the JM's adjudication.

As announced on 22 September 2017, Acesian Star (S) Pte Ltd ("**ASPL**") filed a notice of arbitration ("**NOA**") with the SIAC in respect of the disputes with TC arising from the T4 Sub-Contract Work at Singapore Changi Airport ("**Disputes**").

On 26 October 2017, ASPL applied to the Singapore High Court to stay the proceedings in OS 936 in favour of the arbitration proceedings, on the basis that (i) the T4 Sub-Contract contains an arbitration clause, which requires parties to submit the Disputes to arbitration, and (ii) there were no extraordinary circumstances which justified the Court exercising its discretion to stay of the proceedings in OS 936.

On 17 January 2018, the Court ordered *inter alia* that all further proceedings in OS 936 be stayed in favour of the arbitration. This was announced by the Company on the SGX-ST on 24 January 2018.

The Court had ruled that the arbitration between ASPL and TC should proceed, and that OS 936 should be held in abeyance in the meantime.

The Company has already made payment of the First Deposit to the SIAC by the stipulated deadline.

- (ii) **Costs of the application (in relation to OS 936) to be paid to ASPL by Takenaka Corporation.**

The Company would like to clarify that the costs awarded to ASPL are party and party costs arising from ASPL's application to stay the proceedings in OS 936 in favour of arbitration. These costs were awarded to ASPL on the basis that ASPL had succeeded in this application for a stay.

**(iii) There will be liberty to apply if the arbitration is not being diligently pursued.**

The Company would like to clarify that TC has liberty to apply to Court to resume the proceedings in OS 936 in the event that ASPL does not pursue the arbitration diligently.

The Company would also like to clarify that ASPL **has not won** the arbitration against TC and that the arbitration proceedings are ongoing.

The Company will make further announcements at the appropriate juncture in the event of any material developments in relation to the arbitration.

**BY ORDER OF THE BOARD**

Wong Kok Chye  
Executive Director and CEO  
06 February 2018

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*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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