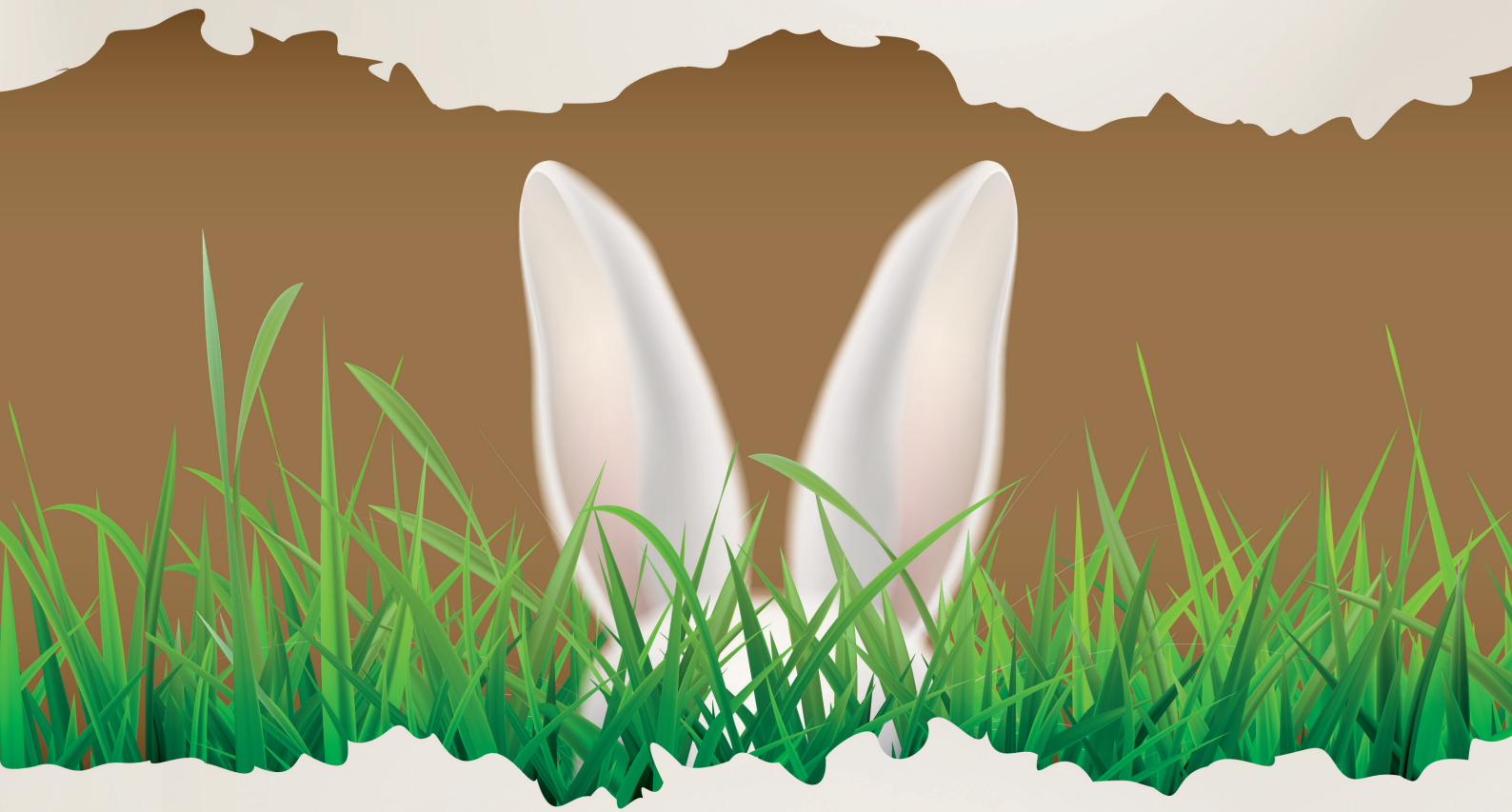




**ACESIAN PARTNERS LIMITED**

**ANNUAL REPORT 2022**



**QUANTUM LEAP**

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*This document 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Mr. Liao H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, telephone number: 6221 0271*

## CORPORATE PROFILE

**Founded in Singapore in 1998, Acesian Partners Limited ("Acesian" or the "Company", formerly known as Linair Technologies Limited) is a multi-disciplinary group serving as a one-stop provider of environmental solutions and integrated services to diverse industries including the semiconductor, healthcare, electric vehicles battery, wastewater treatment, chemical, pharmaceutical and biotechnological industries. The Company was successfully listed on the SGX Sesdaq (now known as Catalyst) in February 2005.**

### CRITICAL AIRFLOW DESIGN AND SUPPLY

Tapping into the experience of our key global partners, Acesian has established a strong position in the duct manufacturing industry. Our manufacturing capability encompasses Ethylene Tetrafluoroethylene ("ETFE") coated stainless steel ducts, uncoated welded stainless steel ducts, and other specialised exhaust system components.

Acesian's competitive advantage is our FM approved status (an international commercial and industrial property insurance and risk management organisation) for production of ETFE-coated stainless steel ductworks, which is marketed under the brand name of CMT™. The coating is tested and certified for compliance with ASTM E-84 class A material standards i.e. low flame spread and low smoke development, such that its use will significantly reduce fire hazards to end users.

Being FM approved, our ductworks are used for fume and smoke removal without the necessity of internal fire protection sprinklers which are highly corrosion resistant against both flammable and non-flammable corrosive/toxic fumes in exhaust systems. Acesian is always at the cutting edge of new technology to provide the best turnkey solutions that meet the increasing demands and expectations of our clients.

Our high quality stainless steel ductwork and accessories are also suitable for less corrosive applications such as heating, ventilation and air-conditioning systems for commercial and industrial buildings.

Besides ductworks, Acesian also manufactures laboratory air flow products. Our Isolation Dampers are designed for effective shut-off and isolation of one or more tiers of filters in hazardous containment exhaust systems. In bio-hazardous environments, the dampers enable air filtration systems to be shut off for decontamination, or for filter changes.

Our Ecoflow Venturi fast response variable air volume valve offers solutions for critical airflow control application in laboratories and healthcare facilities, clean rooms and also Universities, which require proper directional airflow and safe working environment. The valve, with state-of-the-art venturi flow measurement coupled with a high accuracy flow sensor, provides real-time "true" flow feedback which is essential in critical airflow control and energy use optimisation. The valve can also be lined with FM- approved ETFE coating, which would be the ideal choice in applications involving the handling of highly flammable/corrosive fumes in exhaust systems. The valve is now widely used in many laboratories in Singapore.

### INFORMATION COMMUNICATION TECHNOLOGIES

Our ICT arm specialised in design and build audio-visual solutions, programming, installation, client training, after-sales support and managed services to our contractors, consultants and customers in diverse sectors (such as commercial, financial, education), as well as to the community.



## LETTER TO *SHAREHOLDERS*

*We are now moving towards developing a more dynamic, resilient and sustainable business in this age of constant change, and remain confident in the long-term growth prospects of our businesses.*

### DEAR SHAREHOLDERS

The Group overall performed creditably well and achieved a strong set of financial results for financial year 2022 (“FY2022”), despite operating in a volatile business environment and facing prolonged challenges of supply-chain constraints, labour shortages and red-hot inflation. FY2022 marked significant milestones: apart from tremendous revenue and profit growth, the strength and resilience of our businesses were also demonstrated. With a nimble mindset and operational agility, we managed to overcome obstacles and capitalise on the brisk construction activities in the semiconductor sector. The solid performance underscored the significant progress we have made over the past years since our business transformations (which first commenced in 2018), where our hard work and effort eventually bore fruit. It is also a testament to our belief in staying oriented and adaptive in executing and delivering our strategic priorities. With much stronger business fundamentals and the intent to continue building on current strengths (both operationally and financially), we are now moving towards developing a more dynamic, resilient and sustainable business in this age of constant change, and remain confident in the long-term growth prospects of our businesses.

In FY2022, with ramped up and reinforced production capacity and capability, the Group undertook much larger scale projects with more demanding requirements and delivery timeframes, and successfully fulfilled the order deliveries despite all the challenges (in particular, labour shortages and supply-chain disruptions). Our stronger footing and credibility allowed us to play a more essential role in the supply-chains of the construction and related sectors. All these were made possible by our ability to change operational procedures to adapt to changing market demands and customers’ expectations as well as gain an advantage over the competition; for instance, the critical environment control system (which was launched and introduced into the market last year) gained traction, with multiple new orders received and delivered.

The semiconductor sector has gone through a volatile period – from brisk and pent-up demand for chips to deterioration in demand. The shift in market conditions, coupled with geopolitical tensions and US technology curbs on China, may have an impact on the global and local chip sectors (particularly if chipmakers pull back with a downturn). The market remains fluid and each situation (with varying degrees of risk) has its pros and cons in the context of our business, and we will continue to seize emerging opportunities and mitigate identified risks.

# LETTER TO *SHAREHOLDERS*

## FINANCIAL PERFORMANCE

The Group recorded a jump of 314.0% in net profit (\$7.86 million in FY2022 from \$1.90 million in FY2021), on the back of a strong performance in the critical airflow design and supply segment. This was largely due to, among others, improvement in business volume, pent-up demand, progressive delivery of multiple significant new sales orders, ramp up of our production capacity and improvement in ECO business. The Group's revenue increased by 157.7% to \$38.17 million (as compared to \$14.81 million in FY2021). The critical airflow design and supply segment contributed the bulk of the Group's revenue at 98.3%. The increase in revenue was however offset by a reduction in revenue from the Information and Communications Technology (ICT) business unit. In the past few years, the Group has restructured and eliminated its unprofitable entities, and refocused its efforts in transforming and driving its core business, which yielded satisfactory results.

The Group's financial position had been strengthened significantly, where shareholders' funds stood at \$15.62 million (FY2021: \$7.73 million) and cash and cash equivalents grew to \$18.49 million (FY2021: \$8.98 million).

## CONTINUED GROWTH IN UNCERTAIN TIMES AND BUILDING A SUSTAINABLE BUSINESS

Moving forward, the business may face a much more challenging and complicated operating environment, given the unpredictable and uncontrollable external factors on the macro front. On the bright side, we have scaled up our manufacturing capability and enhanced our duct fabrication and coating processes and techniques. We have built a much stronger team (which meets regularly and decisively addresses pain points, bottlenecks and other issues) and recalibrated production capacity to optimise utilisation, which contributed to the successful fulfilment of major orders and the strong financial results. We will stay the course and continue to identify and leverage on critical success factors, make changes to our operations to further heighten quality standards and shorten delivery lead-time, and invest in our people and capabilities. Despite exiting the acute phase of the Covid-19 pandemic, the labour crunch continued to be a challenge partly due to shortage and public policy, but we have nevertheless endeavoured to build and strengthen the core production team. With a much stronger business platform and financial position, the Group is well-positioned to weather the short-term headwinds.

In the short term, the macroeconomic outlook has become more challenging with persistently high inflation and rising interest rates, which may curb economic growth. The Group's businesses may be affected by customers cutting back capital expenditure and postponing construction projects as the economy sags, while the lingering supply-chain constraints and inflationary cost pressures continue to plague the construction sector. The rising business costs (due to price increases for materials, soaring inflation, the labour crunch and higher wages) may erode our margins.

In the longer term, the major chipmakers may take a strategic and long-term view, and as part of their efforts on geopolitical risk diversification and supply-chain disruption mitigation, build more chip plants where Singapore and Malaysia remain attractive destinations. While global chip demand has eased, market experts predict that the semiconductor sector remains on an upward trend and expect further growth ahead. This should prove beneficial to our business given the advantages relating to location proximity and speed of order fulfilment. In addition, upcoming technologies (particularly those relating to 5G, the automotive sector and other digital transformations) may drive demand in the microprocessor and related industries, and our manufacturing segment should reap the benefits of such growth.

## EXTENDING APPRECIATION

On behalf of the Board, we would like to thank and commend all our employees for working diligently and delivering a solid performance for the Group. We would also like to extend our appreciation to all our stakeholders; in particular our suppliers and customers (who have played a significant part in our achievements), as well as our shareholders who have trusted us and kept their faith in us all these years.

**LOH YIH**  
Managing Director

## BOARD OF *DIRECTORS*

### **MR LOH YIH**

*Executive Director & Managing Director*

Mr Loh Yih joined the Group in September 2013. He is the Managing Director and is responsible for the overall management and performance of the Group. He is also the Managing Partner of MGF Management Pte Ltd, which was an exempt fund management company that focuses primarily on China Private Equity Investment. In 2005, he invested in Netplus Communication Pte Ltd, an internet service provider in Singapore. He took over as Managing Director from 2005, restructuring and turning the company around before selling the entity to MediaRing, a listed company in 2006. He has a professional background in financial services. He has held positions in merchant banking with Standard Chartered Merchant Bank Asia Ltd and West Merchant Bank and in audit with Ernst & Young LLP. He currently holds directorship in other listed company such as Ban Leong Technologies Limited. He completed his directorship term in Weichai Power Co. Ltd ("**Weichai**"), listed in HKEX and SZSE, in June 2018 but was subsequently appointed by State Owned Assets Supervision and Administration Commission of Shandong Provincial Government, China (**SASAC**), as a foreign director of Shandong Heavy Industry Group in September 2018, a parent company of Weichai, Shantui Construction Machinery Co Ltd and Weichai Heavy Machinery Co Ltd listed in Shenzhen, Yangzhou Yaxing Motor Coach Co Ltd listed in Shanghai, Kion Group AG listed in Frankfurt, Power Solutions International Inc. listed in New York and Ferretti Group listed in HKEX.

He graduated with a Bachelor's Degree in Accountancy (Honours) from National University of Singapore in 1988.

### **MR NEO GIM KIONG**

*Non-Executive Chairman & Lead Independent Non-Executive Director*

Mr Neo Gim Kiong was appointed as the Company's Lead Independent Non-Executive Director on 2 August 2018 and as the Board Chairman on 17 August 2018. He is the Chairman of the Audit Committee and Nominating Committee and member of the Remuneration Committee. He is the Founding Director of Dollar Tree Inc Pte Ltd, a business advisory company incorporated in Singapore in 2004. He is also an independent director of Ban Leong Technologies Ltd and holds directorships in other non-listed entities.

He graduated with a Bachelor of Science Degree in Mathematics (Honours) from National University of Singapore in 1993.

### **MR WONG KOK CHYE**

*Executive Director & Group Chief Operating Officer*

Mr Wong Kok Chye joined the Group in Year 2000 and is currently the Group Chief Operating Officer and Executive Director. He has over 20 years of experience in Air-Conditioning and Mechanical Ventilation. His role is to focus on the operation of our critical airflow design and supply businesses.

He holds a Bachelor Degree in Engineering with First Class Honours in Mechanical Engineering from Queen's University of Belfast.

### **MR QIU JUN (Resigned on 27 March 2023)**

*Executive Director & Business Development Director (China)*

Mr Qiu Jun was appointed as our Executive Director and Business Development Director (China) on 8 August 2018. With his extensive business contacts and management experience in China, he is responsible in developing new business opportunities in China, managing outsource partners in China and any other China related businesses. Mr Qiu is also the Chief Executive Officer of Shanxi Brother Real Estate Co., Ltd, a real estate developer in China and Chief Executive Officer of Shanxi North-West Metal Logistics Co., Ltd, a logistic company in China.

### **MR HO TA-HUANG**

*Non-Independent Non-Executive Director*

Mr Ho Ta-Huang is the founder and Chairman of Chern Dar Enterprise Company Limited, a business partner of Acesian Group, which is based in Taiwan. He is a member of the Audit Committee, the Nominating Committee and the Remuneration Committee. Mr Ho has over 40 years of experience in the business of manufacturing and installation of stainless steel and galvanised steel ductworks in Taiwan.

Mr Ho is the honorary Chairman of the Taiwan Hardware Association and an inspector with the Taiwan Ventilation Equipment Association.

### **MR LOW KA CHOON KEVIN**

*Independent Non-Executive Director*

Mr Low Ka Choon Kevin was appointed on 7 May 2021 as an Independent Director. He is the Chairman of the Remuneration Committee, and a member of the Audit Committee and the Nominating Committee. Mr Low is the Chief Executive Officer of IPSCOM Pte Ltd ("**IPSCOM**") which was renamed from International Press Softcom Ltd, a company listed on SGX-Catalist that was privatized and delisted in April 2021 through a restructuring exercise. His key responsibilities in IPSCOM include managing its overall operations, driving profitability, and also strategizing new business directions and investments for the company.

Mr Low graduated with a Bachelor of Laws (Honours) from National University of Singapore in 1991. He was called to the Singapore bar in 1992.

## SENIOR MANAGEMENT

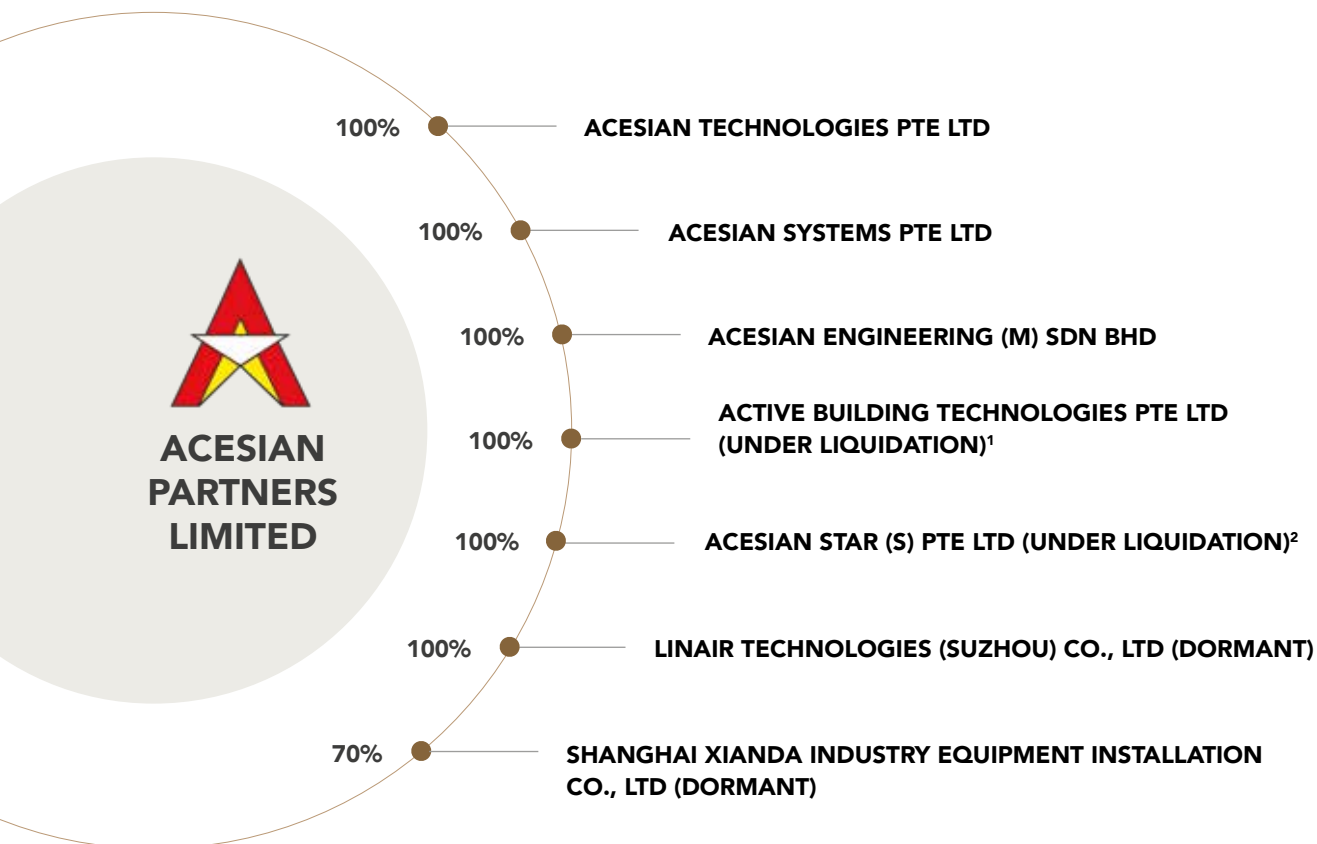
### **MR CHOO WAI LEONG, IVAN**

*Deputy Chief Financial Officer*

Mr Choo Wai Leong, Ivan, was appointed as our Group Financial Controller on 28 August 2018, and was redesignated to Deputy Chief Financial Officer in March 2020. He is responsible for overseeing the Group's financial operations, accounting, taxation and regulatory compliance functions.

Mr Choo has more than 23 years of experience in finance and accounting in various industries and held several senior financial roles covering financial accounting, cost and management accounting, taxation and internal control. Mr. Choo is a fellow member of The Association of Chartered Certified Accountants ("**ACCA**"), UK and Chartered Accountant of the Institute of Singapore Chartered Accounts ("**ISCA**").

## CORPORATE STRUCTURE



<sup>1</sup> Active Building Technologies Pte Ltd ("**ABT**") is 100% owned by Acesian Star (S) Pte Ltd. and is under creditors' voluntary liquidation.

<sup>2</sup> Acesian Star (S) Pte Ltd is under liquidation by an Order of Court made on 12 October 2020.

## CORPORATE *INFORMATION*

### COMPANY REGISTRATION NUMBER

199505699D

### REGISTERED OFFICE

33 Mactaggart Road  
#04-00 Lee Kay Huan Building  
Singapore 368082  
Tel: (65) 6757 5310  
Fascimile: (65) 6757 5319  
Corporate Website: <http://www.acesian.com>

### DIRECTORS

#### Loh Yih

(Executive Director & Managing Director)

#### Neo Gim Kiong

(Non-Executive Chairman &  
Lead Independent Non-Executive Director)

#### Wong Kok Chye

(Executive Director & Group Chief Operating Officer)

#### Qiu Jun (Resigned on 27 March 2023)

(Executive Director &  
Business Development Director (China))

#### Ho Ta-Huang

(Non-Independent Non-Executive Director)

#### Low Ka Choon Kevin

(Independent Non-Executive Director)

### AUDIT COMMITTEE

Neo Gim Kiong (Chairman)  
Low Ka Choon Kevin  
Ho Ta-Huang

### NOMINATING COMMITTEE

Neo Gim Kiong (Chairman)  
Low Ka Choon Kevin  
Ho Ta-Huang

### REMUNERATION COMMITTEE

Low Ka Choon Kevin (Chairman)  
Neo Gim Kiong  
Ho Ta-Huang

### COMPANY SECRETARY

Lim Heng Chong Benny

### BANKERS

United Overseas Bank Limited  
DBS Bank Limited  
Maybank Singapore Limited  
Standard Chartered Bank (Singapore) Limited

### AUDITOR

PKF-CAP LLP  
6 Shenton Way #38-01  
OUE Downtown 1  
Singapore 068809  
Partner-In-Charge Sia Boon Tiong  
(with effect from financial year 2018)

### SHARE REGISTRAR

KCK CorpServe Pte. Ltd.  
1 Raffles Place #04-63  
One Raffles Place (Tower 2)  
Singapore 048616

### SPONSOR

Asian Corporate Advisors Pte. Ltd.  
160 Robinson Road  
#21-05 SBF Center  
Singapore 068914

# SUSTAINABILITY REPORT

## STAYING FOCUSED



### BOARD STATEMENT ON OUR SUSTAINABILITY REPORT ("SR")

Acesian is committed to sustainability, and with our vision and values in mind, we have made the effort to incorporate key Environmental, Social and Governance ("ESG") principles into our businesses. Having considered sustainability issues as part of its strategic formulation, the Board has determined the material ESG factors and overseen the management and monitoring of such factors.

We recognise that creating sustainable value for our stakeholders remains at the core of our business and ensures the success and longevity of the same. Apart from achieving business goals based on good business fundamentals and conduct, Acesian is striving for performance with integrity and adopting a balanced approach to managing expectations between business growth, meeting the needs of our stakeholders, governance, environment as well as development and welfare of our people and communities.

Our sustainability strategy involves multi-stakeholder considerations, and we endeavour to monitor and evaluate our ESG efforts and focus on continuous improvement that balances today's needs with longer term developments and considerations.

We look forward to having our stakeholders' support as we pursue sustainability practices.

Yours faithfully,  
For and on behalf of the Board,

**Wong Kok Chye**  
(Chief Operating Office and Executive Director)

### REPORTING LOCATIONS, BOUNDARIES AND PERIOD

For the purpose of this report which covers the financial year 2022 ("FY2022"), we focus primarily on our business operations in Singapore and Malaysia, and on issues that impact business growth and are of utmost importance to our stakeholders. A sustainability report will be published annually in accordance with our SR Policy and uploaded on SGXNet and the Company's website.

### DEFINING OUR MATERIALITY ISSUES

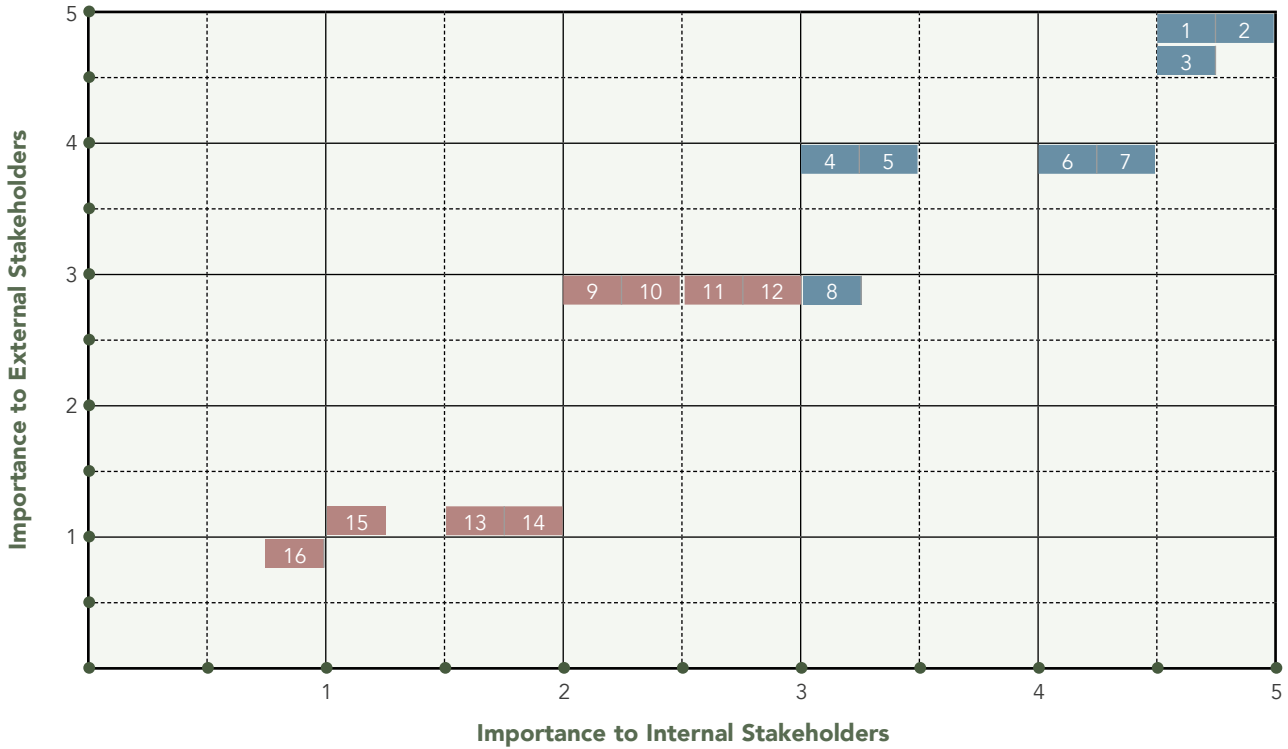
Following the results of our engagement with key stakeholders, we performed a materiality analysis to identify challenges and issues that are important to our stakeholders and which are relevant to our businesses today; this analysis took into consideration the following:

- Those risks ranked as high impact and likelihood of occurrence to the Group, and;
- Those issues ranked as high and critical by both our internal and external stakeholders.

Accordingly, we focused our sustainability efforts and reporting on these issues. These issues were further deliberated on and narrowed down through our engagement process with stakeholders. The senior management then reviewed the list of issues, identified and prioritised the material issues based on importance to our stakeholders and the sustainability impact to our businesses.

# SUSTAINABILITY REPORT

## OUR MATERIALITY MATRIX



## ISSUE

- |   |   |    |  |
|---|---|----|--|
| 1 | Legal compliance and corporate governance | 9  | Water management                               |
| 2 | Service quality and responsibility        | 10 | Supply chain and procurement practices         |
| 3 | Health and safety                         | 11 | Wages and local hiring                         |
| 4 | Economic contribution to society          | 12 | Business partners engagement                   |
| 5 | Anti-corruption and anti-fraud            | 13 | Energy management                              |
| 6 | Training and staff development            | 14 | Water conservation                             |
| 7 | Labour management relations               | 15 | Environmental impact assessment and mitigation |
| 8 | Diversity and equal opportunities         | 16 | Climate change and emission                    |

## SUSTAINABILITY REPORTING FRAMEWORK

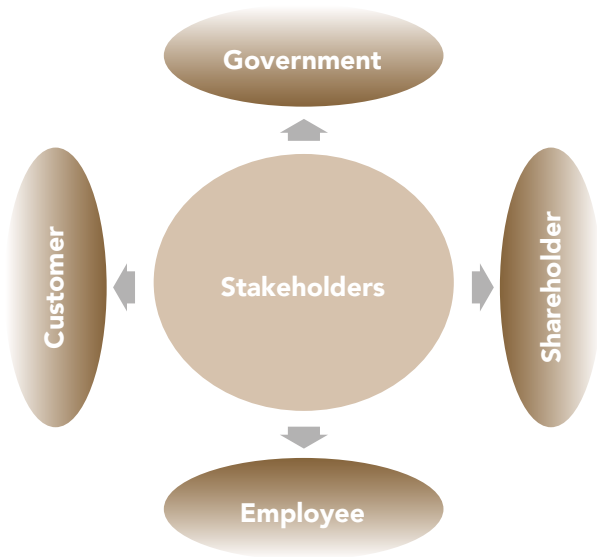
The Global Reporting Initiative (“GRI”) Standards: Core option was selected for our sustainability reporting framework, as it is a globally recognised and generally accepted standard for sustainability reporting. It covers the GRI principles for defining report content (including sustainability context, materiality and stakeholder inclusiveness), and also complies with the Singapore Stock Exchange (the “SGX-ST”) “Comply or Explain” requirements for sustainability reporting (except climate reporting) which must be included from the financial year commencing 1 January 2022. As the Company

falls under the classification of Materials and Buildings, it is required to perform the climate reporting on a mandatory basis from the financial year commencing 1 January 2024. The Company intends to commence the climate reporting commencing 1 January 2024. All directors of the Company have undergone sustainability training except one director.

Unless otherwise stated, the report covers the ESG performance of Acesian’s main activities in Singapore and Malaysia.





# SUSTAINABILITY REPORT

## STAKEHOLDERS ENGAGEMENT



### OUR VALUE

We value input from all our stakeholders and use a variety of channels to engage with them. We assess and identify stakeholders as groups that have an impact on, or have the potential to be impacted by, our business. Their key concerns and expectations are set out in the table below.

Key stakeholder	How we engage with them	Key topics	Our response
GOVERNMENT AND REGULATORS 	<ul style="list-style-type: none"> <li>• SGX Half-Yearly Announcements</li> <li>• Annual Reports</li> <li>• Sustainability Reporting</li> <li>• Ongoing dialogues</li> </ul>	<ul style="list-style-type: none"> <li>• Employment practices</li> <li>• Workplace safety and health</li> <li>• Regulatory compliance</li> <li>• Environmental compliance</li> </ul>	We keep ourselves abreast of the prevailing rules and legislations through regular trainings, public seminars, and consultations with external professionals.
CUSTOMERS 	<ul style="list-style-type: none"> <li>• Direct engagement, ongoing dialogues and feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Offer premium products / services at competitive pricing</li> <li>• Safe and reliable products</li> <li>• Project timeliness</li> <li>• Customer health and safety</li> </ul>	Our customer engagement includes, among others, a key account / dedicated sales personnel, constant interaction and dialogues, follow up on customer feedback.
EMPLOYEES 	<ul style="list-style-type: none"> <li>• Management committee</li> <li>• Open annual performance appraisal system to link performance with remuneration</li> <li>• Training and education opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive remuneration and benefits</li> <li>• Career development and trainings</li> <li>• Ethics and conduct</li> <li>• Job security</li> </ul>	We adopt open and transparent communication with our employees through various channels such as Group policies, formal appraisals, informal social gathering, regular business meetings and chat groups.
INVESTORS AND SHAREHOLDERS 	<ul style="list-style-type: none"> <li>• Annual Reports</li> <li>• SGX Half-Yearly Announcements</li> <li>• AGM / EGM</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Corporate governance</li> <li>• Business and growth strategies</li> </ul>	We are committed to embrace and adhere to relevant industry practices and guidelines such as the Singapore Code of Corporate Governance 2018 and the Listing Rules, to ensure transparency and timely dissemination of all material information to our investors and shareholders.

# SUSTAINABILITY REPORT

## ECONOMIC

### Economic Contribution to Society

The awareness of stakeholders' presence is essential, as it is a precondition for taking their interests and rights into account. We will continue to strengthen the financial health of the Group through sustainable growth, building partnerships with our stakeholders and a balanced approach to risk management. Furthermore, we strive to contribute and make a positive difference to the welfare of our people and society through our economic presence.

The Group's revenue increased 157.7% year-on-year to \$38.17 million and the PATMI increased 322.5% year-on-year to \$7.91 million in FY2022. With the strong financial performance, the Group continued to contribute positively to local economies and improve the welfare of employees through performance incentives and other staff benefits. For more details on the Group's financial performance, please refer to the "Letter to Shareholders" by the Managing Director.



Target FY2023:

To drive growth and profitability

Year (\$\$ '000)	FY2022	FY2021
Revenue	38,169	14,812
Profit attributable to shareholders (PATMI)	7,910	1,872
Net Tangible Assets per Share (cents)	3.17	1.55
Cash and cash equivalents	18,493	8,982

## ENVIRONMENT

### Environment, Health and Safety

Health and safety are fundamental and their significance has increased given the COVID-19 situation. We are committed to striving towards zero harm, carrying out our business activities in a sustainable manner and adopting the best practices. We work hard to ensure product quality and safety, aiming to meet or exceed industry standards and win the trust of our customers. In FY2022, there was no incidence of serious accidents.

Our newly-expanded manufacturing facility was constructed with quality, health and safety in mind, and was completed in early 2018. It has not only increased our production capacity three-fold, but also brought about significant improvements in quality, efficiency and productivity. Quality is a never-ending journey, and we have been constantly innovating and improving our production processes through technological means. We invested in cost-effective technological solutions and modernised our production facilities by acquiring a new laser cutting machine, robotics and automated welding machines, in order to drive business value and achieve ESG goals such as, among others, mitigating air pollutants, optimising energy use, utilising safer machines for safer workplaces as well as minimising wastage. We have also currently embarked on a project to further modernise our plant to improve the air and water quality, where a professional consultant has been engaged to conduct a study on air pollution control,



Target FY2023:

To achieve zero serious accidents

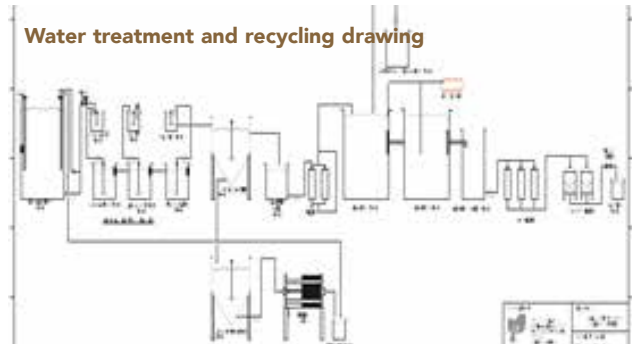
Year	Lost days rate	
2022	Actual	0%
	Target	0%



treatment of effluent and recycling of wastewater. It is now progressing towards final drawings and specifications; thereafter, we will proceed to the installation of the air pollution control systems with performance monitoring instruments and construction of the wastewater treatment with recycling capabilities

# SUSTAINABILITY REPORT

and waste storage systems. The wastewater treatment system will help to manage and reduce the potential harm of effluent on ecosystems by treating the wastewater to remove contaminants and impurities, so that it can be safely reused for a variety of purposes and reduce the environmental impact of wastewater. Those improvements are expected to conserve water resources and reduce resource consumption; this is particularly significant as we are fully aware that most of the damage to our environment stems from consumption. All in all, these initiatives are meaningful and socially responsible steps to protect the environment, safeguard the Group's long-term success, modernise the workplace, and improve the well-being of our employees as well as the health of the community at large.



## SOCIAL

### Our People

Our employees are our greatest asset and we strive to improve our employees' productivity and level of competency through continuous training and collaborative teams. We are committed to creating and maintaining a conducive environment in which all employees are treated with respect and differences are highly valued. Our Group advocates a policy of fair employment opportunities and provides competitive remuneration packages. We cultivate a sense of ownership from, and empowerment of, our employees, and adopt an open and transparent performance

appraisal exercise as well as provide platforms and opportunities for career development.

As stated by the Group's Managing Director during an interview which was published in the South China Morning Post newspaper: "I develop and harvest our people's potential and strengths and help them embrace change to improve. When people grow, the company grows. With the right attitude, the business can achieve reasonable profits while adapting to exploit market opportunities."



## SUSTAINABILITY REPORT

Employees are the lifeblood of our company and collectively will dictate the future trajectory of our business. With this in mind, we endeavour to provide them with a conducive work environment to ensure they use their work hours in a productive and effective manner, and have implemented various flexible work arrangements.

Apart from the performance incentive scheme, as a demonstration to our staff of the trust in them to help move the Group's business forward and in recognition of their hard work and sustained commitment, various

social activities and initiatives were organised by the Workplace, Health and Environment Committee (WHEC) (in consultation with the employees and with the support of senior management). These activities and initiatives included, among others, a fitness and gym corner being set up in the office premises, and the organisation of various outdoor activities (such as hiking and cycling) to help staff feel motivated, encouraged and strong. Health check-ups are organised annually to ensure employees stay healthy. In addition, the management offered mid-term bonuses to support employees and help them deal with inflationary pressures.

### Employee Retention

Our recruitment policy is based on meritocracy, with prerequisite skills and academic qualifications matched to job scope and requirements. It is geared toward attracting and retaining suitable talents to support our business growth. We reward good work performance by offering competitive remuneration packages (based on performance, expected roles and responsibilities). An open annual performance appraisal system to link performance with remuneration has been adopted. The retention rate set for FY2022 of 81% has unfortunately not been achieved (largely due to post Covid-19 pandemic resignations).



Target FY2023:

To achieve a retention rate of employees of 81%

Year	Retention rate	
	2022	Actual
Target		81%

### Diversity and Equality

We value diversity and are cognisant of the benefits of diversity, including diversity of skills, experience, gender, ethnicity and other relevant factors. We reward our

employees based on merit, in the context of their skills, experience, knowledge and performance.

Year	Gender 	Critical airflow design and supply services	Engineering services	Corporate	Group
2022	Female	21%	0%	57%	24%
	Male	79%	0%	43%	76%
2021	Female	16%	17%	62%	20%
	Male	84%	83%	38%	80%

In 2022, female employees represented 24% of our full-time headcount at group level and 57% at our corporate office. Due to the nature of our business, we have more male employees than female employees at the operational level.

# SUSTAINABILITY REPORT

## Training and Development

The Group strives to improve and develop our employees, and invests to upgrade our staff's skills capability, as well as increase work productivity and interpersonal competencies. This is crucial for building and updating the skills needed to support and grow our business operations. We regularly send staff for seminars and training to keep them abreast of the latest developments in knowledge, work skills and technology.

In FY2022, we conducted an average of 2.41 training hours per FTE. The lower training hours were mainly due to most employees being fully engaged in the delivery of a number of major projects.



Target FY2023:

To maintain an average of 10 training hours per FTE



Year	Average hours of training per year per employee				Target
	Total employees ^	No. of days	No. of training hours *	Average no. of training hours per FTE ^	
2022	71	36	171	2.4	10.0
2021	83	149	812	9.8	9.9

\* Assuming 8 training hours per day.

^ The headcount (excluding production workers) represents the full-time employees ("FTE") of the Group as at 31 December 2022.

# SUSTAINABILITY REPORT

## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

We believe in creating long-term value for our stakeholders through commitment to high standards of corporate governance. Compliance with legislation and standards (including corporate governance, environmental, health and safety, product quality and safety, and social responsibility) is an extremely important issue to our stakeholders. The Group is committed to

ensuring legal compliance in all areas of our business and upholding high standards of ethical business conduct.

For more details on our corporate governance practices, please refer to our 'Corporate Governance Report' section in this Annual Report (2022).

### Code of Ethics and Principles of Business Integrity

We believe that our reputation for integrity is the cornerstone of the public's faith and trust in us. We seek to conduct our business in an ethical manner and in accordance with legal standards and best practices. Accordingly, the management is constantly reminding

employees to abide by our code of ethics in all business dealings through various means such as meetings, group chats and sharing of articles and news.

### Anti-Corruption

The Group maintains a zero-tolerance policy against bribery, corruption or other malpractices, with such policy covering employees, business partners and other stakeholders. In FY2022, the Group has not received any report of incidence of corruption or bribery.



Target FY2023:

To maintain zero tolerance against corruption

### Compliance with Laws and Regulations

Our Group's continuing policy and commitment is that our business be conducted in accordance with all relevant laws, regulations and industry standards. Our management team aspire to achieve in their efforts to ensure that they are aware of and take steps to comply with legal and regulatory requirements. In FY2022, there was no incidence of non-compliance with relevant laws and regulations.



Target FY2023:

To achieve full compliance with laws and regulations

# SUSTAINABILITY REPORT

## GRI STANDARDS CONTENT INDEX

GRI Standards	Disclosure	Issues of Concern
<b>Organisation Profile</b>		
102-1	Name of the organisation	Acesian Partners Limited
102-2	Activities, brands, products, and services	Annual Report ("AR") page 1
102-3	Location of headquarters	Singapore
102-4	Location of operations	Singapore and Malaysia
102-5	Ownership and legal form	Public Listed Company (Limited by Share Capital)
102-6	Markets served	Singapore, Malaysia and Europe
102-7	Scale of the organisation	AR, Corporate Profile (page 1) AR, Financial Review (page 2-3) AR, Twenty Largest Shareholders (page 91) Sustainability Report (page 7)
102-8	Information on employees and other workers	AR, Board of directors and senior management (page 4-5)
102-9	Supply chain	Not applicable. During the reporting period, the Company assessed supply chain management as non-material (or it does not have influence) in respect to the operations.
102-10	Significant changes to the organisation and its supply chain	None
102-11	Precautionary Principle or approach	Not applicable
102-12	External initiatives	None
102-13	Membership of associations	Not applicable
<b>Strategy</b>		
102-14	Statement from senior decision-maker	AR, Letter to Shareholders (page 2-3)
102-15	Key impacts, risks, and opportunities	AR, Letter to Shareholders (page 2-3)
<b>Ethics and Integrity</b>		
102-16	Value, principles, standards, and norms of behaviour	AR, Report of Corporate Governance (page 17-39)
<b>Governance</b>		
102-18	Governance structure of the organization	AR, Report of Corporate Governance (page 7-34)
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Sustainability Report > Stakeholder Engagement

## SUSTAINABILITY REPORT

GRI Standards	Disclosure	Issues of Concern
102-41	Collective bargaining agreements	Not applicable. No employee was covered under any collective bargaining agreement.
102-42	Identifying and selecting stakeholders	Sustainability Report > Stakeholder Engagement
102-43	Approach to stakeholder engagement	Sustainability Report > Stakeholder Engagement
102-44	Key topics and concerns raised	Sustainability Report > Stakeholder Engagement
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	AR, Corporate Structure (page 5)
102-46	Defining report content and topic Boundaries	Sustainability Report > Reporting Locations, Boundaries and Period
102-47	List of material topics	Sustainability Report > Stakeholder Engagement
102-48	Restatements of information	Not applicable.
102-49	Changes in reporting	Not applicable.
102-50	Reporting period	Sustainability Report > Reporting Locations, Boundaries and Period
102-51	Date of most recent report	FY2022
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	AR, Corporate Information (page 6)
102-54	Claims of reporting in accordance with the GRI Standards and GRI content Index	This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	Sustainability Report > GRI Content Index
102-56	External assurance	None



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