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UPDATE ON THE TIANJIN WAREHOUSE LEGAL CLAIM PROCESS AND RECEIPT OF NOTICE OF COUNTER-CLAIM

The Board of Directors (the "Board") of Asiaphos Limited (the "Group") refers to the previous announcements dated 10 November 2023 (Third Quarter and Nine Months Results Announcement) and 14 August 2023 (Second Quarter and Half-Year Results Announcement) which included a disclosure regarding write-off of inventory damaged in a third-party warehouse fire in Tianjin. The Board wishes to announce that a legal claim by the Group's subsidiary company Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd ("Mianzhu Norwest") is in-progress, to seek compensation for the damaged inventory, and a follow-up court hearing is scheduled for 29 November 2023. Mianzhu Norwest is claiming for losses and related expenses totalling RMB 199,965 (approximately S$37,488).

On 24 November 2023, Mianzhu Norwest received a notice of counter-claim (the "Notice of Claim") which was filed by Tianjin Xiaochun Logistics Co., Ltd. 天津市效春物流有限公司 ("Tianjin Xiaochun"), pertaining to the warehouse service to Mianzhu Norwest. The court hearing is scheduled for 29 November 2023.

Tianjin Xiaochun is counter-claiming for outstanding amount of RMB14,043 (approximately S$2,633) owed to it, relating to storage fees at the same warehouse at which the fire occurred.

Management has withheld payment as the legal process seeking compensation for loss of inventory as a result of the Tianjin warehouse fire in April 2023 is on-going, and the Tianjin warehouse company had not previously invoiced Mianzhu Norwest for the amounts being counter-claimed. Mianzhu Norwest's lawyers have advised that the Company's compensation claim, and also Tianjin Xiaochun's counter-claim, will be discussed at the same court hearing scheduled for 29 November 2023; and if the storage fee is indeed in arrears, it will be deducted from the judgment or offset against the liquidated damages.

The settlement of the claim is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Group for the year ending 31 December 2023.

Shareholders and investors are advised to to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors to seek independent advice from their professional advisors before trading or making any investment decision on the Company's securtities.

BY ORDER OF THE BOARD

Dr. Ong Hian Eng
Executive Director
AsiaPhos Limited

27 November 2023

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*This announcement 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 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., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271