
UPDATE ON POTENTIAL LEGAL CLAIM AND FREEZING OF BANK ACCOUNT AND RECEIPT OF NOTICE OF CLAIM

The Board of Directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) refers to the previous announcements dated 27 March 2024, 10 May 2024 (First Quarter Results Announcement), and the Annual Report for the Company for financial year ended 31 December 2023. As announced, the Company’s wholly-owned subsidiary, Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd. (“**Mianzhu Norwest**”) was informed that Huili County Jiahong Chemical Co., Ltd. (“**Huili Jiahong**”) had applied to the Mianzhu Municipal People’s Court (“the **Court**”) and obtained a court order to freeze one Mianzhu Norwest’s bank account with Agriculture Bank of Mianzhu Branch up to the maximum amount of RMB 7 million. This frozen account is the one that was set up as an escrow account for the transaction with Sichuan Rongda Yuexiang Chemical Group Co., Ltd.

Update

On 27 May 2024, Mianzhu Norwest received notice of claim issued by Mianzhu Municipal People’s Court and it was filed by Huili Jiahong. The amount claimed is RMB7.7 million (approximately S\$1.4million) and court hearing is scheduled for 25 June 2024.

The above claim matter is related to the cleaning up work carried out by Huili Jiahong after the Wenchuan Earthquake at Mianzhu Norwest’s old factory in Hanwang Town.

Currently, it is not possible to estimate the financial impact on the Group as the outcome of such court proceeding is still uncertain as at the date of this announcement. However, it will have material adverse financial impact on the Group’s earnings per share and NTA per share for the current financial year ending 31 December 2024 if Huili Jiahong is successful in its claim.

Mianzhu Norwest lawyers in the People’s Republic of China advised company should contest the case and actively use legal means to safeguard the legitimate rights and interests of the Company and protect the interests of all shareholders in accordance with the law. Company has engaged PRC lawyer to respond to the legal claim and to attend the court hearing.

The Group will provide updates when there are material developments.

Shareholders and investors are advised 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 securities.

BY ORDER OF THE BOARD

Ong Eng Keong
Executive Director and Chief Executive Officer
AsiaPhos Limited

28 May 2024

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.

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