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UPDATE ON THE TIANJIN WAREHOUSE LEGAL CLAIM PROCESS AND COUNTER-CLAIM
- SETTLEMENT OF CLAIMS

The Board of Directors (the "**Board**") of AsiaPhos Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcement dated 14 August 2023 (Second Quarter and Half-Year Results Announcement) which included a disclosure regarding the write-off of inventory damaged in a third-party warehouse fire in Tianjin, People's Republic of China (PRC) and that the Company had filed a claim for losses and related expenses totalling RMB 199,965 (approximately S$37,488).

As announced on 27 November 2023, Mianzhu Norwest received a notice of counter-claim (the "**Notice of Claim**") on 24 November 2023, which was filed by the 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 was scheduled for 29 November 2023.

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

On 1 February 2024, the People's Procuratorate of Dongli District, Tianjin, issued the "Decision Not to Prosecute" ("**Jinli Prosecution No Prosecution (2024) No. 9**"), but held that Tianjin Xiaochun's customer, Almamet Shanxi Reagents Co Ltd ("**Almamet**"), was liable for the economic losses which resulted from the Tianjing Xiaochun warehouse fire accident.

At the suggestion of Mianzhu Norwest's laywer, Tianjin Xiaochun and Almamet reached an agreement with Mianzhu Norwest pursuant to which Mianzhu Norwest will no longer hold Tianjin Xiaochun liable for the losses. In return, Tianjin Xiaochun would give up its legal claim against Mianzhu Norwest.

On 25 March 2024, Mianzhu Norwest received a settlement agreement (the "**Settlement Agreement**") from Almamet for the compensation to Minzhu Norwest of RMB106,225.70 (approximately S$19,831), an amount that has been verified by the government authorities.

The settlement will be recorded as other income in the financial statements of the Company for the financial year ending 31 December 2024 ("**FY2024**") when it is received. 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 FY2024.

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

25 March 2024

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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.*

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