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## COMPLETION OF INVESTIGATIONS AND SAFETY CHECKS (FOLLOW-UP TO THE INDUSTRIAL ACCIDENT AT P<sub>4</sub> PRODUCTION PLANT)

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The board of directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 26 October 2016 in relation to an industrial accident (“**Accident**”) at the Group’s P<sub>4</sub> production plant (the “**Plant**”) located at Xiangliu Village, Gongxing Town, Mianzhu City, Sichuan Province, the PRC, and the ceasing of P<sub>4</sub> production at the Plant as a precautionary measure as a result thereof.

The Board is please to inform shareholders of the Company (the “**Shareholders**”) that the investigations and safety checks in relation to the Accident conducted by the Group, together with the PRC authorities and technical experts, have been completed.

Based on the findings of the investigations and the safety checks, the cause of the Accident was determined to be a combination of operational and technical/design-related issues that could not have been foreseen. To prevent the occurrence of such similar incidents in the future, the Group has duly implemented some of the operational process improvements and risk mitigation measures (such as improved maintenance procedures) as recommended by the PRC authorities and technical experts. The Group has also enhanced its safety training and monitoring procedures in relation to its P<sub>4</sub> production operations, with additional modifications and technical/design-related improvements to the Plant to be made during the upcoming seasonal downtime.

The repair and modification costs to the Plant and equipment incurred in relation to the Accident are expected to be covered by insurance.

Following the implementation of the aforementioned process improvements, the completion of the repair works to the Plant and equipment and after receiving the approval from the relevant PRC authorities to resume P<sub>4</sub> production operations at the Plant, the Group has resumed operations at the P<sub>4</sub> Plant on a reduced and limited scale so as to test the stability and safety of the production system.

The Company will keep Shareholders updated on this matter, and make further announcements as and when there are material developments in relation thereto.

BY ORDER OF THE BOARD

Simon Ong Eng Hock  
Executive Director  
AsiaPhos Limited

17 November 2016



*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (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.*

*The Sponsor and the SGX-ST assume 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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