

GENERAL ANNOUNCEMENT::UPDATE ON THE STATUS OF THE TRADE AMOUNT DUE FROM A CUSTOMER

Issuer & Securities

Issuer/ Manager

ASIAPHOS LIMITED

Securities

ASIAPHOS LIMITED - SG2G24997246 - 5WV

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Announcement Details

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General Announcement

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Update on the Status of the Trade Amount due from a Customer

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Submitted By (Co./ Ind. Name)

Ngiam May Ling

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please see attached.

Attachments

[Asiaphos%20-%20Update%20on%20amount%20due%20from%20a%20customer.pdf](#)

Total size = 164K MB

ANNOUNCEMENT PURSUANT TO RULE 703(1) OF THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“CATALIST RULES”)

1. INTRODUCTION

The Board refers to the announcements dated 30 November 2018, 30 May 2019, 12 November 2019 and 20 February 2020, the corrigendum to announcement dated 30 November 2018; result announcements dated 1 March 2019, 30 April 2019, 2 August 2019 and 4 November 2019, and 28 February 2020 and 10 March 2020.

As previously disclosed in our announcements, the customer has failed to meet the repayment deadlines set out in the revised settlement agreement announced on 30 May 2019.

On 19 February 2020, the State-Owned customer settled an amount of RMB 2 million using bills receivable and the Group received a revised instalment plan letter from the State-Owned customer and a proposal to repay the balance owing in March and April 2020 in staggered instalments. Following this payment, the remaining principal amount owed by the State-Owned customer is approximately RMB 1.1 million and overdue interest and expense approximately RMB620,000.

On 10 March 2020, the State-Owned customer settled an amount of RMB 1.1 million using bills receivable. Following this payment, the remaining principal amount owed by the State-Owned customer is approximately RMB 28,000 (rounded to nearest thousand RMB) and the overdue interest and expenses approximately RMB620,000.

2. UPDATE

The Group has received the remaining principal amount, overdue interest and expenses totalling RMB643,000 in three instalments between 10 March and 18 March 2020. The Group will recognise interest income of RMB615,000 and write-back of allowance for doubtful receivables of RMB28,000 in first quarter ended 31 March 2020.

Of the bills previously received from the State-Owned customer totalling RMB3.1 million, the Group had encashed bills amounting to RMB 1.6 million and will recognise a write back of allowance for doubtful receivables of RMB1.6 million in the first quarter ended 31 March 2020. The remaining allowance for doubtful receivables of RMB 1.5 million will be written back by the third quarter ending 30 September 2020, based on the maturity dates of the bills receivables and/or as and when these bills are encashed.

On 10 April 2020, the State-Owned customer replied to the Group that they agree to indemnify Mianzhu Norwest, for the principal amount and overdue interest in the event that the Group is unable to cash out the post-dated bills receivable when they fall due. This payment update is intended to be the final settlement (notwithstanding the indemnity commitment from the State-Owned customer).

3. FURTHER ANNOUNCEMENTS

The Company will make such further announcements at the appropriate juncture, as and when there are material developments in relation to the above matters.

Shareholders and potential investors should exercise caution when trading in the Company's shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.



BY ORDER OF THE BOARD

Dr. Ong Hian Eng
Executive Director
AsiaPhos Limited

14 April 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange. The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by 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. Liao H.K.
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