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## INTEREST-FREE LOAN FROM CONTROLLING SHAREHOLDER

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The board of directors (the “**Board**”) of AsiaPhos Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 21 December 2016 entered into a shareholder’s loan agreement (the “**Shareholder’s Loan Agreement**”) with its Chief Executive Officer and Executive Director, Dr. Ong Hian Eng (“**Dr. Ong**”), in relation to the provision by Dr. Ong of a loan of S\$1,000,000 to the Company (the “**Loan**”).

Dr. Ong is also a controlling shareholder of the Company, holding direct interests of approximately 0.89% of the total issued share capital of the Company and is deemed interested in the approximately 22.75% of the total issued share capital of the Company held by FICA (Pte.) Ltd. and approximately 1.13% of the total issued share capital of the Company held by his spouse, Ms Kong Sou Hui Grace, as at the date of this announcement.

The Loan is granted on an interest-free and unsecured basis. Unless otherwise agreed in writing, the Loan shall automatically become due and payable in full upon the date falling six (6) calendar months from the date of this announcement. In the event the Loan is extended beyond the initial six-month period, Dr. Ong and the Company shall discuss and agree in writing the new terms, including the interest payable, in respect of the Loan.

The Company intends to use the Loan for the Group’s general corporate and working capital purposes.

For the purpose of Chapter 9 of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: the Rules of Catalist (“**Catalist Rules**”), Dr Ong is considered an “interested person”, and the Loan constitutes an “interested person transaction”. However, as the Loan is interest-free, there is no “amount at risk” to the Company. Any extension of the Loan upon maturity, including the terms thereof, will be subject to the review by the Board and the audit committee of the Company (the “**Audit Committee**”) and the provisions of Chapter 9 of the Catalist Rules.

The Board and the Audit Committee, having reviewed the terms and conditions of the Shareholder’s Loan Agreement, are of the view that the Loan is not prejudicial to the interests of the Company and its minority shareholders.

Save as disclosed above, none of the directors and/or substantial shareholders of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company), in the Loan.

### BY ORDER OF THE BOARD

Simon Ong Eng Hock  
 Executive Director  
**ASIAPHOS LIMITED**

22 December 2016



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*This announcement has been prepared by the Company and its contents have been reviewed by United Overseas Bank Limited (the "**Sponsor**"), for compliance with the relevant rules of the 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.*

*The contact person for the Sponsor is Mr Lim Hoon Khiat, Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.*

