
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

With reference to Rule 703(1) of the Catalist Rules, and to the Company's results announcement dated [3 August 2018](#), the Board wishes to announce that the Group has entered into a settlement agreement with a customer, a subsidiary of a State-Owned Enterprise and which is also party owned by the Deyang Government.

2. UPDATE

As disclosed in our results announcement for the 6 months period ended 30 June 2018 on 3 August 2018, the Group recognised an allowance of trade receivables of RMB 5.6 million from the above customer. Pursuant to a hearing in the Mianzhu Court and as stated in the Civil Mediation Letter dated 15 November 2018 from the Mianzhu Court (which was obtained by the Company on 29 November 2018), the customer has agreed as follows: -

To pay 1st instalment of RMB 1.63 million by 31 January 2019

To pay 2nd instalment of RMB 2 million by 28 February 2019

To pay 3rd and final instalment of RMB2 million and the overdue interest by 31 March 2019 (computed using an interest rate of 6% per annum on outstanding balance from 23 March 2019 to the date of payment of last instalment)

To bear RMB16k of the court cost incurred for the hearing.

The Group will recognise a writeback of the allowance for the doubtful trade receivable in the income statement as and when the above amounts are received. Consequently, for the current financial year, this writeback is expected to have no material positive impact to the Group's EPS and NTA/Share.

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

Simon Ong Eng Hock
Executive Director
AsiaPhos Limited

30 November 2018

*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., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's 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.

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