

Atradius Payment Practices Barometer

B2B payment practices trends Singapore 2025



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About the Atradius Payment Practices Barometer

The Atradius Payment Practices Barometer is an annual survey of business-to-business (B2B) payment practices in markets across the world.

Our survey gives you the opportunity to hear directly from businesses trading on credit with B2B customers about how they are coping with evolving trends in customer payment behaviour. Staying informed about these trends is vital because it helps to identify emerging shifts in customer payment habits, allowing businesses to address potential liquidity pressure and maintain smooth operations.

Businesses operating in – or planning to enter – the markets and industries covered by our survey can gain valuable insights from our reports, which also shed light on the challenges and risks companies anticipate in the coming months, as well as their expectations for future growth.

This report presents the survey results for **Singapore**.

The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.



B2B payment practices trends

Strengthening liquidity amid growing awareness of B2B payment risks

A positive shift in the domestic business-to-business (B2B) credit landscape is revealed in our latest survey of companies in Singapore. Three in five firms report improved customer payment behaviour in recent months, and overdue invoices currently affect an average 35% of all B2B sales transacted on credit. Late payments are largely attributed to customer liquidity issues and invoice disputes. In contrast, there is a surge in bad debt to average 6% of B2B invoices, losses which erode margins and point to underlying financial vulnerability.

This may explain why 50% of companies in Singapore are choosing not to expand trade credit to their B2B customers. However, our survey shows that businesses which do offer more trade credit also implement stricter payment policies in parallel. This is to try to balance customer support with credit risk containment. Currently, 54% of B2B sales are made on credit, and there is an average payment term of 46 days.

Businesses in Singapore are increasingly focused on working capital efficiency. More than 60% are intensifying collection efforts, which is reflected in shorter Days Sales Outstanding (DSO). At the same time, faster inventory turnover is unlocking additional liquidity, improving operational flexibility. However, this liquidity is under pressure from suppliers, many of whom are now requesting faster payments. This trend, evident in Days Payable Outstanding (DPO) data, signals liquidity strain within supply chains and an attempt by suppliers to shore up their own cash positions.

To finance trade activity three in five businesses prefer invoice financing due to its ability to turn receivables into cash quickly. 42% of firms in Singapore combine internal provisioning with outsourced credit risk management, including insurance, to mitigate customer payment risk and enhance financial resilience. These dynamics highlight that Singapore's corporate sector is still carefully balancing growth, risk, and liquidity, suggesting that a strong focus on working capital and customer payment risk management will remain vital.

Key figures and charts on the next page

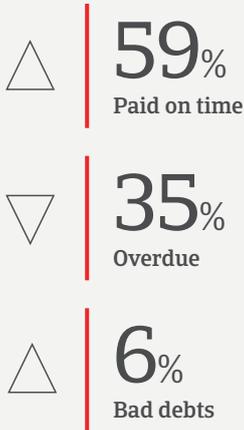


Key figures and charts

Singapore

% of the total value of B2B invoices paid on time, overdue and bad debts

(change vs. 2024)



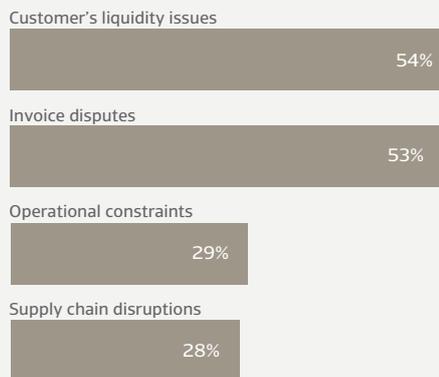
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025

Singapore

What are the top 4 reasons your B2B customers pay invoices late?

(% of respondents - multiple response)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025

Singapore

% of respondents reporting changes in Days Sales Outstanding (DSO)* over the past 12 months

(% of respondents)



*average amount of time to collect payment after a sale

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025

Singapore

What are the main sources of financing that your company used during the past 12 months?

(% of respondents - multiple response)

- **74% Invoice financing**
- **58% Internal funds**
- **39% Bank loans**
- **33% Trade credit**

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025





Looking ahead

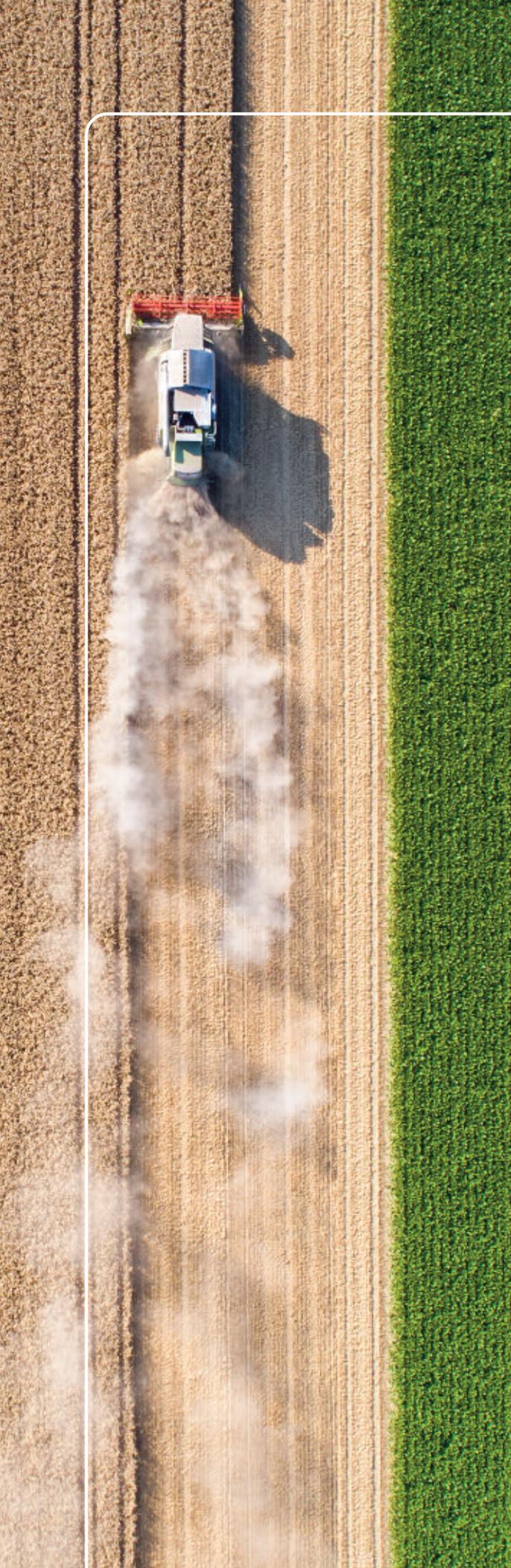
Anxiety over global economy prompts subdued outlook for sales and profits

73% of companies across industries in Singapore tell us they expect the rate of B2B customer insolvencies to continue at current levels as they look to the remainder of the year and beyond. This is an indication that many businesses foresee no substantial improvement in the financial health of their B2B customers during the coming months. Against this backdrop, most companies expect greater challenges in managing working capital, leading to an increased focus on tighter payment collection to reduce cash flow delays.

This probably explains why 62% of firms are optimistic they will shorten their Days Sales Outstanding (DSO), reflecting a proactive approach to maintaining liquidity through swifter receivables turnover. In contrast, inventory turnover is expected to remain consistent, limiting opportunities to free up working capital cash from stock. This could lead to added pressure on liquidity, particularly as 70% of businesses say they expect continued requests from suppliers for quicker invoice settlement, a clear signal of liquidity stress further up the supply chain.

In response to this companies plan to continue with a mixed approach to customer payment risk management. Many combine in-house provisioning with outsourced credit risk tools, including insurance, to strengthen financial resilience amid a challenging economic climate. Firms tell us they anticipate greater operational challenges in the months ahead, and that this will test their ability to safeguard profitability and maintain financial health in an increasingly unpredictable global landscape.

There is widespread concern across all sectors in Singapore express about ongoing uncertainty surrounding US trade policies, Anxiety is also expressed about geopolitical tensions, cost pressures related to tariffs as well as disrupted supply chains, all of which are expected to weigh on domestic consumption by squeezing household disposable income. This is compounded by growing worry about increasing regulatory demands and environmental expectations. These risks, alongside a subdued outlook for both sales performance and profitability, are prompting businesses to focus on adaptability and long-term sustainability strategies.



Key industry insights

Agri-food

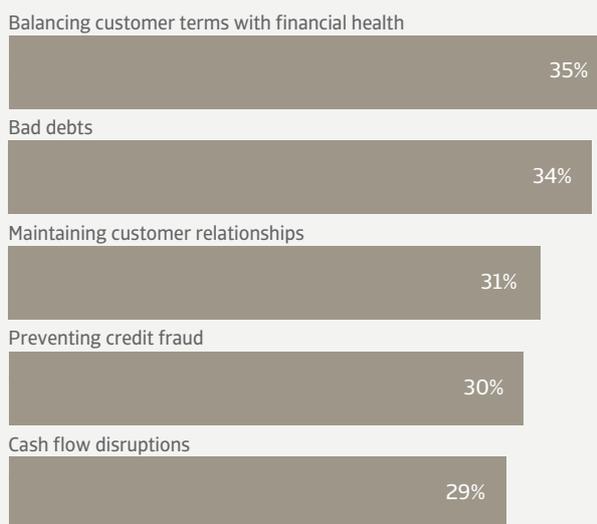
A marked shift in B2B trade credit practices is evident in the agri-food sector. 47% of B2B sales are currently made on credit, reflecting a wider trend of increased credit extension to support trade relationships. More than half of companies are relaxing their payment policies, the current average payment term standing at 46 days. Most firms are experiencing worsened B2B customer payment behaviour, with 43% of B2B invoices overdue, delays caused mainly by disputed invoices and customer liquidity constraints. Bad debts now average 7% of B2B invoices, which directly undermines profitability and underscores the ongoing risk of trade credit exposure.

DSO trends are mixed, with improved collections for half of companies, and the rest seeing no change. More than 50% of businesses report quicker inventory turnover, unlocking some liquidity for operations. However, many companies face pressure from suppliers demanding faster invoice settlements. Invoice financing and bank credit are the primary trade finance tools, while more than 70% of companies manage payment risk through a mix of internal provisioning and outsourced solutions, such as trade credit insurance. 51% of firms foresee no rise in B2B insolvencies, though uncertainty around sales and profitability persists. Major concerns are regulatory burdens and geopolitical instability.

Singapore - Agri-food

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025



Singapore - Agri-food

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

61%

Invoice financing

58%

Bank loans

49%

Trade credit

43%

Internal funds

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

44%

Increase

51%

Remains as current

5%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

63%

Being responsive to market shifts

40%

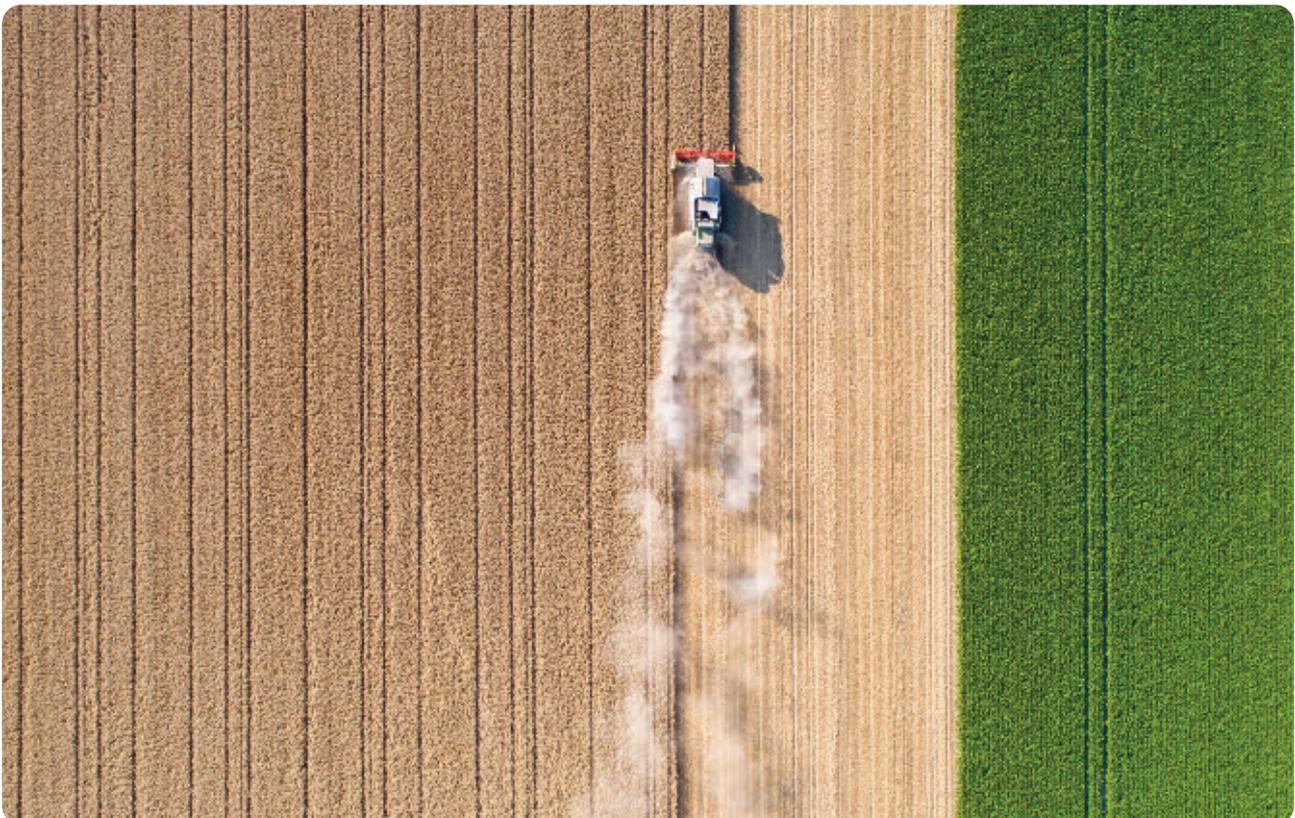
Ongoing geopolitical developments

40%

Increasing regulations

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore - 2025





Key industry insights

Energy and fuel

58% of B2B sales are conducted on credit in the energy and fuel industry, and while most firms are maintaining current trade credit policies, three in five companies report imposing tighter payment conditions. Average payment terms stand at 47 days from invoicing. A positive trend in customer payment behaviour means an average 30% of B2B invoices are overdue. When delays occur customers typically take an additional month to settle past-due invoices, with disputes over billing and liquidity constraints the leading causes. Average bad debts stand at 5%, placing strain on profit margins, but DSO has improved, easing cash flow pressure.

More than 83% of firms see quicker inventory turnover, releasing working capital back into operations, but liquidity strains persist across the supply chain, with many suppliers urging faster invoice settlements. Invoice financing is the preferred trade finance instrument, offering flexibility and short-term relief on cash flow strain. Most companies combine internal provisioning with outsourced credit management, including insurance, to protect against customer default. Nearly all firms expect B2B insolvency levels to remain unchanged, and while sales projections are cautiously optimistic the outlook for profitability is more subdued. Environmental concerns, geopolitical instability, and workforce challenges are the top concerns looking ahead.

Singapore - Energy and fuel

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Maintaining customer relationships

44%

Balancing customer terms with financial health

41%

Handling economic changes impacting customer payment

38%

Assessing customer creditworthiness

35%

Managing the impact of finance costs volatility

33%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025



Singapore - Energy and fuel

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

89%

Invoice financing

64%

Internal funds

28%

Bank loans

26%

Trade credit

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

7%

Increase

93%

Remains as current

0%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

51%

Environmental concerns

45%

Lack of skilled workforce

41%

Ongoing geopolitical developments

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore - 2025





Key industry insights

Construction

The construction sector continues to favour trade credit, with 55% of B2B sales conducted on deferred payment terms. Stricter payment policies are widespread, average terms set at 44 days from invoicing. Improved B2B customer payment behaviour means only 37% of invoices are currently overdue. Delayed payments typically stretch an extra month beyond agreed terms, with invoice disputes and customer liquidity constraints the most common causes. Bad debts have risen, now averaging 7% of B2B invoices, highlighting increased exposure to losses on credit. In response there is improved collection performance as well as faster inventory turnover, helping to release tied-up capital back into daily operations.

However, rising pressure from suppliers is evident, with many requesting quicker payments to alleviate their own liquidity challenges. Invoice financing is the most widely used trade finance tool, offering immediate cash flow relief. Risk mitigation strategies are predominantly mixed, combining internal provisions with outsourced credit insurance.

76% of construction firms do not anticipate a rise in customer insolvencies, profitability expectations are positive, but uncertainty lingers around future sales. Companies express mounting concern about tightening regulations, environmental responsibilities, global trade disruptions, and market volatility, all factors likely to challenge liquidity planning and demand agile financial strategies.

Singapore - Construction

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Bad debts

41%

Balancing customer term with financial stability

38%

Assessing customer creditworthiness

38%

Maintaining customer relationships

36%

Managing impact of financing costs

31%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore – 2025



Singapore - Construction

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

73%

Invoice financing

66%

Internal funds

31%

Bank loans

25%

Trade credit

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

23%

Increase

76%

Remains as current

1%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

58%

Increasing regulations

46%

Being responsive to market shifts

43%

Ongoing geopolitical developments

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Singapore - 2025





Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer.

Sample overview – Total interviews = 240

Business sector	Interviews	%
Manufacturing	184	78
Wholesale trade	20	8
Retail trade/Distribution	13	5
Services	23	9
TOTAL	240	100
Business size	Interviews	%
SME: Small enterprises	26	11
SME: Medium enterprises	85	35
Medium Large enterprises	80	34
Large enterprises	49	20
TOTAL	240	100
Agri-food	80	33.3
Energy and fuel	80	33.3
Construction	80	33.3
TOTAL	240	100

Survey scope

- Basic population: Companies from Singapore were surveyed and the appropriate contacts for accounts receivable management were interviewed.
- Sample design: The Strategic Sampling Plan enabled us to perform an analysis of country data crossed by sector and company size.
- Selection process: Companies were selected and contacted by use of an international Internet panel. A screening for the appropriate contact, and for quota control, was conducted at the beginning of the interview.
- Sample: N=240 people were interviewed in total. A quota was maintained according to four classes of company size.
- Interview: Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration.
- The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.

This is part of the 2025 edition of the Atradius Payment Practices Barometer available at

<https://group.atradius.com/knowledge-and-research>



Interested in finding out more?

Please visit the [Atradius](#) website where you can find a wide range of up-to-date publications. [Click here](#) to access our analysis of individual industry performance, detailed focus on country-specific and global economic concerns, insights into credit management issues, and information about protecting your receivables against payment default by customers.

To find out more about B2B receivables collection practices in Singapore and worldwide, please visit [atradiuscollections.com](#).

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