A-SONIC AEROSPACE LIMITED
Regn. No. 200301838G

(I) PROFITABLE: LAST THREE (3) FINANCIAL YEARS ("FYs")
(II) NET BOOK VALUE: S$47.914 MILLION @ END FY 2020
(III) PAID / DECLARED DIVIDEND LAST THREE (3) FYs,
YET STILL ON SGX WATCH LIST

A-Sonic Aerospace Limited (the "**Company**") and its subsidiaries (the "**Group**") had, achieved:

(i) "Net Assets (Attributable to Equity holders of the Company)" ("**NA**" or "**Net Book Value**") of S$47.914 million (or US$36.241 million) as at 31 December 2020; and

(ii) Profitable and paid / declared dividends for the last three (3) FYs, since FY 2018, FY 2019, and FY 2020.

Despite the above, we remain on the SGX watch list, solely because we have not achieved an average daily market capitalization of S$40 million. In this regard, potential share investors may still stay on the sideline due to concerns with the watch-list status and potential delisting, despite improved financial performance and position. Fund managers and investors are either unable, unwilling, or unlikely, to invest in a Company with the "watch list" stigma.

Management can only strive for our economic sustainability and financial strength – taking all steps and measures to navigate and manage through the turbulent economic conditions. We attempt to: (i) restructure our business and operations in relation to any entity operating under "A-Sonic Logistics" brand name which incurs losses; and (ii) increase productivity.

In contrast, our market capitalization is highly correlated to the liquidity of our share trading price and the market's perception of our value of S$20.468 million as at 1 March 2021, despite our net book value of S$47.914 million as at 31 December 2020.

Update on Financial Results

Despite having to navigate through the perfect storm in financial year ("FY") 2020, our business performance ended on a positive note. Our Group recorded a consolidated "Profit Before Tax" of US$7.920 million, or 127.5% higher, compared to US$3.481 million in FY 2019. "Net Profit Attributable to Equity Holders of the Company" was US$6.327 million in FY 2020, up US$3.794 million, or an increase of 149.8% from US$2.533 million in FY 2019.

Our financial position, measured by our consolidated "Net Assets (Excluding Non-Controlling Interest)" or "Net Book Value", strengthened 21.5% to US$36.241 million (or equivalent to S$47.914 million) as at 31 December 2020.

We brought down our Group's bank gearing to a prudent level during this turbulent times to 4.8%, at US$1.755 million, as at 31 December 2020.

Our Group's financial highlights for the last three (3) FYs since FY 2018, FY 2019, FY 2020 are summarised below:

		FY 2018	FY 2019	FY 2020
(i) Profit Before Tax (**US$'000**)	:	812	3,481	7,920
(**Equivalent S$'000)**	:	1,095[(1)]	4,744[(2)]	10,907[(3)]
(ii) Profit After Tax (**US$'000**)	:	630	3,107	7,638
(**Equivalent S$'000)**	:	850[(1)]	4,235[(2)]	10,518[(3)]
(iii) Net Profit Attributable to Equity Holders of the Company (**US$'000**)	:	1,481	2,533	6,327
(**Equivalent S$'000**)	:	1,997[(1)]	3,452[(2)]	8,713[(3)]
(iv) Earnings Per Share ("EPS") (**Equivalent S$ cents**)[(4)]	:	3.4	5.9	14.9
(v) Net Assets (Attributable to Equity Holders of the Company) ("NA") (**US$'000**)	:	27,676	29,821	36,241
(**Equivalent S$'000**)	:	37,758[(1)]	40,160[(2)]	47,914[(3)]
(vi) NA/share (**S$ cents**)	:	64.6[(1)]	68.7[(2)]	81.9[(3)]
(vii) Historical Price Earnings Ratio (Historical)[(5)]	:	10.3	5.9	2.3
(viii) Share Price at Discount to NA [(6)]	:	45.8%	49.1%	57.3%
(ix) Bank Gearing Ratio (Bank borrowing)	:	15.1%	14.4%	4.8%

Notes:

(1) Based on foreign currency exchange rate on 31 December 2018 (End rate at US$1=S$1.3643 & Ave rate at US$1= S$1.3486).
(2) Based on foreign currency exchange rate on 31 December 2019 (End rate at US$1=S$1.3467 & Ave rate at US$1= S$1.3629).
(3) Based on foreign currency exchange rate on 30 December 2020 (End rate at US$1=S$1.3221 & Ave rate at US$1= S$1.3771).
(4) Based on "Net Profit After Tax Attributable to Equity Holders of the Company" FY 2018, FY 2019 and FY 2020.
(5) Share price was based on the closing market price of S$0.350 on 1 March 2021, and earning was based on "Net Profit After Tax Attributable to the Equity Holders of the Company".
(6) Share price was based on closing market price of S$0.350 on 1 March 2021.

A summary of the performance of each business unit is tabulated below:

Business Unit Performance		**"Profit Attributable to Equity Holders of the Company" for FY 2018**	**"Profit Attributable to Equity Holders of the Company" for FY 2019**	**"Profit Attributable to Equity Holders of the Company" for FY 2020**
(i) Aviation business unit	:	US$1.268 million	US$0.097 million	(US$1.872 million)
(ii) "A-Sonic Logistics" business unit	:	US$1.082 million	US$1.971million	US$7.154 million
(iii) "UBI Logistics" business unit	:	(US$0.869 million)	US$0.465million	US$1.045 million
Consolidated A-Sonic Group	:	US$1.481million	US$2.533million	US$6.327 million

Extension of Cure Time Grant

The Company was placed on the watch-list on 5 June 2017. The Company recorded pre-tax losses for financial year ("FY") 2015, FY 2016 and FY 2017 (based on audited full year consolidated accounts) and an average daily market capitalization of less than S$40 million over the last 6 months.

On 30 June 2020, we had announced that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") had approved the extension application of the cure period to 4 June 2021. The SGX-ST's approval is subject to the following:

a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of announcement, the Company must make an update announcement when the conditions have all been met; and

b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

Action Taken

We will continue to manage our business prudently, despite the challenging COVID-19 pandemic environment. As for increasing market liquidity, this is to a large extent beyond the Company's control as earlier elaborated on page 1.

Further Material Development

The Company will make immediate announcement in the event there is any material development.

About Us

A-Sonic Aerospace Limited and its subsidiaries (the "**A-Sonic Group**" or the "**Group**") are engaged in two areas of businesses, aviation and logistics. We operate in 29 cities in 16 countries, spanning four (4) continents in Asia, North America, Sub-Continent India and Europe. Our staff strength was approximately 670 personnel as at 31 December 2020.

Our aviation business relates to the sale and purchase of aircraft and aircraft engines.

Our logistics business relates to supply chain management services and logistic solutions, including international and domestic multi-modal transportation, warehousing, distribution, customs clearance, and airport ground services.

ISSUED BY ORDER OF THE BOARD

Loo Keat Choon
Joint Company Secretary

1 March 2021