



A-SONIC AEROSPACE LIMITED  
Regn. No. 200301838G

## QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

In accordance with Rule 1313(2) of the SGX Listing Manual, the Board of Directors of A-Sonic Aerospace Limited (the "Company") wishes to provide the following update for the second quarter (2Q) ended 30 June 2018, and first half (1H) 2018:

### **Update on Financial**

#### **(a) 2Q 2018**

For the 3 months ended 30 June 2018 ("2Q"), we registered "Profit attributable to equity holders of the Company" of US\$0.017 million in 2Q 2018, compared to "Loss attributable to equity holders of the Company" of US\$0.394 million in 2Q 2017, largely due to:

- (a) The turnaround of the aviation business to a "Profit attributable to equity holders of the Company" of US\$0.125 million in 2Q 2018, compared to a "Loss attributable to equity holders of the Company" of US\$0.224 million in 2Q 2017; and
- (b) The turnaround of the logistics business unit operating under the "A-Sonic Logistics" branding to a "Profit attributable to equity holders of the Company" of US\$0.414 million in 2Q 2018, compared to a "Loss attributable to equity holders of the Company" of US\$0.029 million in 2Q 2017.

The improvements of the above two businesses were, however, pared by the losses of "UBI Logistics" sub-group.

#### **(b) 1H 2018**

For the 6 months ended 30 June 2018 ("1H"), we registered "Profit attributable to equity holders of the Company" of US\$0.692 million in 1H 2018, compared to "Loss attributable to equity holders of the Company" of US\$1.104 million in 1H 2017. The improvement was largely due to:

- (a) The turnaround of the aviation business to a "Profit attributable to equity holders of the Company" of US\$0.651 million in 1H 2018, compared to a "Loss attributable to equity holders of the Company" of US\$0.710 million in 1H 2017; and
- (b) The turnaround of the logistics business unit operating under the "A-Sonic Logistics" branding to a "Profit attributable to equity holders of the Company" of US\$0.560 million in 1H 2018, compared to a "Loss attributable to equity holders of the Company" of US\$0.188 million in 1H 2017.

The improvements of the above two businesses were, however, pared by the losses of "UBI Logistics" sub-group.

## **Business Unit Performance**

In the 2Q and 1H 2018, our Group registered “Profit attributable to equity holders of the Company” of US\$0.017 million and US\$0.692 million respectively. The breakdown by business unit are as below:

<b>Business Unit Performance</b>	<b>Profit attributable to equity holders of the Company for 3 months ended (2Q 2018)</b>	<b>Profit attributable to equity holders of the Company for 6 months ended (1H 2018)</b>
(i) Aviation :	US\$0.125 million	US\$0.651 million
(ii) Logistics sub-unit operating under “A-Sonic Logistics” brand :	US\$0.414 million	US\$0.560 million
(iii) Logistics sub-unit operating under “UBI Logistics” group :	(US\$0.522 million)	(US\$0.519 million)
Consolidated A-Sonic Group :	<u>US\$0.017 million</u>	<u>US\$0.692 million</u>

The Company was placed on the watch-list on 5 June 2017 as the Company recorded:

- (i) pre-tax losses for the three most recently completed consecutive financial years (based on audited full year consolidated accounts and an average daily market capitalization of less than S\$40 million over the last 6 months (“**Financial Entry Criteria**”); and
- (ii) a volume weighted average price of less than S\$0.20 and an average daily market capitalization of less than S\$40 million over the last 6 months (“**MTP Entry Criteria**”).

## **Action Taken**

Despite recording “Profit attributable to equity holders of the Company” for the last three consecutive quarters, there is still a lot of work to be done to achieve longer-term sustainability for each of the business unit. “A-Sonic Logistics” brand will remain focus to streamline our logistics business to solidify our foundation. We will continue to:

- (i) Build strength-on-strength to execute our enterprise initiative. Each “A-Sonic Logistics” office must operate efficiently, effectively and productively, or otherwise risk of being restructured; and
- (ii) Reduce our operating costs and increase productivity, leveraging on the qualitative sources of growth with investment in technology.

## **Further Material Development**

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

ISSUED BY ORDER OF THE BOARD

Loo Keat Choon  
Joint Company Secretary

8 August 2018