

Condensed Interim Financial Statements For the six months ended 30 June 2025

<u>Table of Contents</u>	<u>Page</u>
A Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B Condensed Interim Statements of Financial Position	2
C Condensed Interim Consolidated Statement of Cash Flows	3
D Condensed Interim Statements of Changes in Equity	4
E Notes to the Condensed Interim Consolidated Financial Statements	5
F Other Information Required by Listing Rule Appendix 7.2	12

A-SONIC AEROSPACE LIMITED

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income For the first half year ended 30 June 2025

		Group		
		First half year ended		
		30 Jun 2025 US\$'000	30 Jun 2024 US\$'000	Change %
Note				
Turnover	5	111,339	120,112	(7.3)
Other income		1,047	1,127	(7.1)
Total revenue		112,386	121,239	(7.3)
Expenses				
Freight charges		(98,853)	(108,653)	(9.0)
Staff costs		(8,688)	(8,873)	(2.1)
Depreciation of property, plant and equipment		(1,106)	(996)	11.0
Depreciation of investment property		(9)	(9)	-
Finance costs		(53)	(44)	20.5
Net impairment gain on financial assets		2	40	(95.0)
Other operating expenses		(3,102)	(2,586)	20.0
Total costs and expenses		(111,809)	(121,121)	(7.7)
Share of results of associated companies		(15)	57	N/M
Profit before tax	8	562	175	221.1
Taxation	7	(242)	(159)	52.2
Profit for the financial period		320	16	1,900.0
Profit attributable to:				
Equity holders of the Company		435	650	(33.1)
Non-controlling interests		(115)	(634)	(81.9)
Profit for the financial period		320	16	1,900.0
Other comprehensive income/(loss):				
Item that is or may be reclassified subsequently to profit or loss:				
Currency translation differences arising on consolidation		1,293	(539)	N/M
Item that will not be reclassified subsequently to profit or loss:				
Currency translation differences arising on consolidation		50	9	455.6
Other comprehensive income/(loss) for the financial period, net of tax		1,343	(530)	N/M
Total comprehensive income/(loss) for the financial period		1,663	(514)	N/M
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		1,728	111	1,456.8
Non-controlling interests		(65)	(625)	(89.6)
Total comprehensive income/(loss) for the financial period		1,663	(514)	N/M
Earnings per share for profit attributable to equity holders of the Company during the financial period:				
Basic and diluted (US\$ cents)	14	0.41	0.61	

B. Condensed Interim Statements of Financial Position
As At 30 June 2025

	Note	Group		Company	
		30 Jun	31 Dec	30 Jun	31 Dec
		2025	2024	2025	2024
		US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets					
Property, plant and equipment	11	6,894	5,340	344	365
Investment property		519	528	-	-
Investment in subsidiaries		-	-	13,538	13,538
Investment in associated companies		475	457	-	-
Fair value through other comprehensive income		99	99	-	-
Deferred tax assets		174	164	-	-
		8,161	6,588	13,882	13,903
Current assets					
Trade and other receivables		30,254	34,203	205	179
Contract assets		709	1,518	-	-
Due from subsidiaries		-	-	884	499
Tax recoverable		355	259	-	-
Cash and cash equivalents		46,491	45,430	6,187	7,296
		77,809	81,410	7,276	7,974
Total assets		85,970	87,998	21,158	21,877
Non-current liability					
Lease liabilities	12	846	868	-	-
Current liabilities					
Trade and other payables		33,697	36,739	172	352
Contract liabilities		4	4	-	-
Due to subsidiaries		-	-	262	152
Due to associated companies		478	504	-	-
Lease liabilities	12	1,147	1,060	-	-
Tax payable		491	479	-	-
		35,817	38,786	434	504
Total liabilities		36,663	39,654	434	504
Net assets		49,307	48,344	20,724	21,373
Equity					
Share capital	13	52,507	52,507	52,507	52,507
Accumulated profits/(losses)		2,682	2,897	(31,783)	(31,134)
Foreign currency translation reserve		(6,854)	(8,147)	-	-
Equity attributable to equity holders of the Company		48,335	47,257	20,724	21,373
Non-controlling interests		972	1,087	-	-
Total equity		49,307	48,344	20,724	21,373

C. Condensed Interim Consolidated Statement of Cash Flows
For the first half year ended 30 June 2025

	Note	Group	
		First half year ended	
		30 Jun 2025	30 Jun 2024
		US\$'000	US\$'000
Cash flows from operating activities			
Profit before tax		562	175
Adjustments for:			
Depreciation of property, plant and equipment		1,106	996
Depreciation of investment property		9	9
Impairment allowance written back for trade receivables	8	(20)	(41)
(Impairment allowance written back)/Impairment allowance for amounts due from associated companies	8	(2)	1
Interest income	8	(389)	(351)
Interest expense on lease liabilities		53	44
Dividend income		(492)	-
Loss on disposals of property, plant and equipment	8	-	14
Derecognition of rights-of-use assets	8	-	6
Property, plant and equipment written off	8	3	1
Reversal of provisions for liabilities	8	-	(160)
Share of results of associated companies		15	(57)
Operating cash flow before working capital changes		845	637
Receivables and contract assets		4,585	(4,553)
Payables and contract liabilities		(2,877)	1,348
Currency translation adjustments		764	276
Cash generated from/(used in) operations		3,317	(2,292)
Income tax paid		(358)	(344)
Net cash generated from/(used in) operating activities		2,959	(2,636)
Cash flows from investing activities			
Interest received		389	351
Dividend received		492	-
Proceeds from disposals of property, plant and equipment		5	142
Purchases of property, plant and equipment		(1,726)	(60)
Net cash (used in)/generated from investing activities		(840)	433
Cash flows from financing activities			
Increase in fixed deposits pledged		(311)	(21)
Repayments of lease liabilities		(682)	(676)
Interest paid on lease liabilities		(53)	(44)
Dividend paid to non-controlling interests		(50)	-
Dividend paid to shareholders		(405)	(196)
Shares bought back		(245)	-
Net cash used in financing activities		(1,746)	(937)
Net increase/(decrease) in cash and cash equivalents		373	(3,140)
Cash and cash equivalents at beginning of financial period		43,231	45,149
Effect of foreign exchange rate changes		377	(707)
Cash and cash equivalents at end of financial period		43,981	41,302

For the purpose of presenting the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

Cash and cash equivalents:		
- Bank and cash balances	25,307	22,807
- Fixed deposits	21,184	20,940
	46,491	43,747
Less: Fixed deposits pledged	(2,510)	(2,445)
Cash and cash equivalents per consolidated statement of cash flows	43,981	41,302

D. Condensed Interim Statements of Changes in Equity
For the first half year ended 30 June 2025

THE GROUP

	Share capital US\$'000	Accumulated profits US\$'000	Foreign currency translation reserve US\$'000	Equity attributable to equity holders of the Company US\$'000	Non - controlling interests US\$'000	Total equity US\$'000
At 1 January 2025	52,507	2,897	(8,147)	47,257	1,087	48,344
Profit/(Loss) for the financial period	-	435	-	435	(115)	320
Other comprehensive income/(loss)						
Currency translation differences on consolidation	-	-	1,293	1,293	50	1,343
Total comprehensive income/(loss) for the financial period	-	435	1,293	1,728	(65)	1,663
Transaction with equity holders recorded directly in equity						
Dividend paid on ordinary shares	-	(405)	-	(405)	(50)	(455)
Shares bought back and cancelled	-	(245)	-	(245)	-	(245)
At 30 June 2025	52,507	2,682	(6,854)	48,335	972	49,307
At 1 January 2024	52,507	212	(7,689)	45,030	743	45,773
Profit/(Loss) for the financial period	-	650	-	650	(634)	16
Other comprehensive income/(loss)						
Currency translation differences on consolidation	-	-	(539)	(539)	9	(530)
Total comprehensive income/(loss) for the financial period	-	650	(539)	111	(625)	(514)
Transaction with equity holders recorded directly in equity						
Dividend paid on ordinary shares	-	(196)	-	(196)	-	(196)
At 30 June 2024	52,507	666	(8,228)	44,945	118	45,063

THE COMPANY

	Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
At 1 January 2025	52,507	(31,134)	21,373
Profit and total comprehensive income for the financial period	-	1	1
Dividend paid on ordinary shares	-	(405)	(405)
Shares bought back and cancelled	-	(245)	(245)
At 30 June 2025	52,507	(31,783)	20,724
At 1 January 2024	52,507	(31,338)	21,169
Profit and total comprehensive income for the financial period	-	3	3
Dividend paid on ordinary shares	-	(196)	(196)
At 30 June 2024	52,507	(31,531)	20,976

E Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

A-Sonic Aerospace Limited is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprised the Company and its subsidiary (collectively, the "Group").

The principal activities of the Company are those of investment holding and provision of management services. The existing principal activities of its subsidiaries are:-

- (a) Sale and purchase of aircraft components; and
- (b) Logistics (relating to supply chain management services and logistic solutions, including international and domestic multi-modal transportation, warehousing, distribution, custom clearance, and air cargo handling services).

There have been no significant changes in the nature of these activities during the financial year.

2. Basis of preparation

The condensed interim financial statements are presented in United States dollar ("US\$") which is the Company's functional currency and are rounded to the nearest thousand (US\$'000) except when otherwise indicated.

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

2.1 New and amended standards

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial interim period are disclosed in Note 3.

3. Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period, are discussed below.

Calculation of loss allowance

Management determines the loss allowance on trade receivables and contract assets by categorising them based on shared credit risk characteristics, historical loss patterns and historical payment profiles. The Group also assesses at the end of the reporting period whether there is any objective evidence that the receivables and contract balances from individual customers are credit-impaired based on factors such as insolvency, financial difficulties of the customer or significant delay in repayments.

Based on the simplified approach, there was adequate loss allowance made as at 30 June 2025 for expected credit loss on trade receivables and contract assets.

4. Seasonal operations

Our Group's logistics business may be subject to seasonal cargo traffic volume in our twelve (12) months period financial year ending 31 December. In general, the logistics industry may encounter higher volume of cargo traffic for pre-orders of goods, especially before major festive seasons, for example, Thanksgiving, Christmas, New Year, Chinese Lunar New Year, and other festive seasons.

In addition, our logistics business may be subject to volatile freight rates of airlines and ocean carriers, and other inter-modal transport modes. This could arise due to several unforeseeable factors, for example, port/airport congestions, temporary port/airport closures, shortage of transportation equipment, strikes at ports/airports, weather and climate that might affect the operations of various transportation modes in the global trade.

5. Segment and revenue information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

For management purpose, the Group is organised into two (2) business segments based on their services as follows:

- i) Aviation; and
- ii) Logistics

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment of each segment. Sales between operating segments are at arm's-length basis in a manner similar to transactions with third parties. Reportable segments' turnover, profit before tax, interest income and finance costs are measured in a manner consistent with that in the consolidated statement of profit or loss and statement of comprehensive income. The amounts provided to the management with respect to reportable segments' assets and liabilities are measured in a manner consistent with that of the financial statements.

5. Segment and revenue information (Continued)

5.1 Reportable segments

Reportable segments are as follow:-

	Aviations For first half year ended 30 June 2025 US\$'000		Logistics For first half year ended 30 June 2025 US\$'000		Consolidated For first half year ended 30 June 2025 US\$'000	
	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000
Turnover from reportable segments	1	5	111,338	120,107	111,339	120,112
Interest income	163	179	226	172	389	351
Finance costs	-	-	(53)	(44)	(53)	(44)
Depreciation of property, plant and equipment	(29)	(29)	(1,077)	(967)	(1,106)	(996)
Depreciation of investment property	(9)	(9)	-	-	(9)	(9)
Loss on disposals of property, plant and equipment	-	-	-	(14)	-	(14)
Derecognition of rights-of-use assets	-	-	-	(6)	-	(6)
Property, plant and equipment written off	-	-	-	(1)	-	(1)
Share of results of associated companies	-	-	(15)	57	(15)	57
Taxation expenses	-	-	(242)	(159)	(242)	(159)
Reportable segment (loss)/profit	(214)	(104)	534	120	320	16
Other material non-cash items:						
Impairment allowance written back for trade receivables	-	-	20	41	20	41
Impairment allowance written back/ (Impairment allowance) for amounts due from associated companies	-	-	2	(1)	2	(1)
Reversal of provisions for liabilities	-	-	-	160	-	160

	Aviation 30 June 2025 US\$'000		Logistics 30 June 2025 US\$'000		Consolidated 30 June 2025 US\$'000	
	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000
Segment assets	8,499	8,679	76,942	78,753	85,441	87,432
Segment liabilities	212	333	35,960	42,020	36,172	42,353
Expenditure in non-current assets	-	-	2,496	541	2,496	541

5.2 Disaggregation of Revenue

	Aviation For first half year ended 30 June 2025 US\$'000		Logistics For first half year ended 30 June 2025 US\$'000		Consolidated For first half year ended 30 June 2025 US\$'000	
	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000	30 June 2025 US\$'000	30 June 2024 US\$'000
Types of goods or services						
Sales of goods	1	5	-	-	1	5
Rendering of services	-	-	111,338	120,107	111,338	120,107
Total revenue	1	5	111,338	120,107	111,339	120,112
Timing of revenue recognition:						
Over time	-	-	5,092	4,000	5,092	4,000
At a point in time	1	5	106,246	116,107	106,247	116,112
Total revenue	1	5	111,338	120,107	111,339	120,112

5. Segment and revenue information (Continued)

5.2 Disaggregation of Revenue (Continued)

Geographical information:

	Aviation		Logistics		Consolidated	
	For first half year ended		For first half year ended		For first half year ended	
	30 June	30 June	30 June	30 June	30 June	30 June
	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The People's Republic of China (including Hong Kong S.A.R)	-	-	58,725	69,787	58,725	69,787
Australia	-	-	23,822	27,520	23,822	27,520
Singapore	1	5	10,093	9,544	10,094	9,549
United States of America	-	-	10,240	7,485	10,240	7,485
Other countries	-	-	8,458	5,771	8,458	5,771
	1	5	111,338	120,107	111,339	120,112

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	The Group		The Company	
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Financial Assets				
Fair value through other comprehensive income	99	99	-	-
Financial assets at amortised costs	75,416	77,267	7,272	7,973
Financial Liabilities				
Financial liabilities at amortised costs	35,345	38,378	434	504

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	For the first half year ended	
	30 June	30 June
	2025	2024
	US\$'000	US\$'000
Tax expense attributable to profits is made up of:		
Current financial year		
- Income tax	216	119
- Deferred tax	(2)	-
Prior financial years		
- Under provision of income tax	28	42
- Over recognition of deferred tax	-	(2)
	242	159

8. Profit before tax

8.1 Significant items

Profit before tax is arrived at after crediting/(charging):

	Group	
	For the first half year ended	
	30 June	30 June
	2025	2024
	US\$'000	US\$'000
Interest income	389	351
Sundry income	105	535
Impairment allowance written back for trade receivables	20	41
Impairment allowance written back/(Impairment allowance) for amounts due from associated companies	2	(1)
Foreign currency exchange (loss)/gain	(772)	212
Loss on disposal of property, plant and equipment	-	(14)
Derecognition of rights-of-use assets	-	(6)
Reversal of provisions for liabilities	-	160
Property, plant and equipment written off	(3)	(1)
Rental income	41	49
Rental expenses	(146)	(237)

8.2 Related party transactions

The Group had no significant transactions with related parties during the financial period.

9. Dividends

	Group	
	For the first half year ended	
	30 June	30 June
	2025	2024
	US\$'000	US\$'000
Final exempt dividend of 0.25 Singapore cent per share paid in respect of the previous financial year ended 31 December 2023	-	196
Final exempt dividend of 0.50 Singapore cent per share paid in respect of the previous financial year ended 31 December 2024	405	-
	405	196

As further discussed on page 16 at paragraph 5(a) of section F (entitled "Other Information" required by Listing Rule Appendix 7.2).

10. Net asset value

	Group		Company	
	30 Jun	31 Dec	30 Jun	31 Dec
	2025	2024	2025	2024
Net asset value per share based on existing issued share capital at the end of period/year (US\$ cents)	45.75	44.30	19.62	20.04
Net asset value per share based on existing issued share capital at the end of period/year (S\$ cents)	58.29	60.25	24.99	27.25

11. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets (included right-of-use assets) relating to our business amounted US\$2.496 million (30 June 2024: US\$541,000), and disposed of assets (included derecognition of right-of-use assets) relating to our business amounted to US\$752,000 (30 June 2024: US\$544,000).

12. Lease liabilities

	Group	
	30 Jun 2025 US\$'000	31 Dec 2024 US\$'000
The lease liabilities are analysed as follows:		
Not more than one year	1,147	1,060
Later than one year but not later than five years	846	868
	1,993	1,928

13. Share capital

	The Group and the Company			
	30 June 2025		31 December 2024	
	Number of Shares	US\$'000	Number of Shares	US\$'000
Issued and fully paid capital				
At beginning of interim period	106,670,121	52,507	106,693,721	52,507
Shares bought back and cancelled	(1,030,300)	-	(23,600)	-
At end of interim period	105,639,821	52,507	106,670,121	52,507

The Company did not hold any treasury shares as at 30 June 2025.

During the first six (6) months of 2025, pursuant to the Company's share buyback mandate, the Company bought back and cancelled a total of 1,030,300 shares for a consideration of US\$245,000 made out of profits and the accumulated profits and shares of the Company were reduced correspondingly.

14. Earnings per share

a) Basic earnings per share

The calculation of the basic earnings per share was based on the profit attributable to ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding, calculated as follows:

	Group	
	For the first half year ended	
	30 June 2025	30 June 2024
Profit after tax attributable to equity holders of the Company (US\$'000)	435	650
Weighted-average number of ordinary shares in issue for basic earnings per share ('000)	105,874 ⁽¹⁾	106,694
Basic earnings per share (US cents)	0.41	0.61

b) Diluted earnings per share

The calculation of diluted earnings per share was based on the profit attributable to ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group	
	For the first half year ended	
	30 June	30 June
	2025	2024
Profit after tax attributable to equity holders of the Company (US\$'000)	435	650
Weighted average number of ordinary shares used in calculation of basic earnings per ordinary share ('000)	105,874 ⁽¹⁾	106,694
Diluted earnings per share (US cents)	0.41	0.61

Note:

- ⁽¹⁾ The weighted average number of ordinary shares used in the calculation of 2025 basic earnings per ordinary share was computed after taking into account the shares bought back of 1,030,300 ordinary shares during the first six (6) months of 2025.

15. Subsequent Event after Balance Sheet Date

There are no known subsequent events which led to adjustments to this set of condensed interim financial statements.

F. Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of A-Sonic Aerospace Limited and its subsidiaries as at 30 June 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

A-Sonic Aerospace Limited and its subsidiaries (the “**A-Sonic Group**” or the “**Group**”) are engaged in two (2) businesses, aviation and logistics. We have presence in 28 cities across 15 countries, spanning four (4) continents: Asia, North America, Europe, and Sub-Continent India. Our staff strength was approximately 566 personnel as at 30 June 2025.

We are engaged in the buying and selling of aircraft components.

We also provide supply chain management services. We specialize in various aspect of logistic solutions, including international and domestic multi-modal transportation, warehousing, distribution, customs clearance, and air cargo handling services.

FINANCIAL HIGHLIGHTS

In the first six months of 2025, the global economy faced several challenges, including a disrupted supply chain. Global trade continues to be under pressure due to geopolitical tensions and softening global demand. Despite these challenges, we managed to end the first six (6) months of 2025 (“**1H 2025**”) on a positive note. We recorded higher “Profit before tax” of US\$0.562 million in 1H 2025, compared to US\$0.175 million in the corresponding six (6) months ended 30 June 2024 (“**1H 2024**”).

Of our three (3) business units, only our logistics business operating under the “A-Sonic Logistics” brand name continued to register “Profit before tax” of US\$1.195 million, and “Profit Attributable to Equity Holders of the Company” of US\$0.949 million. Had it not been foreign currency exchange losses of US\$0.716 million in 1H 2025, our logistics business operating under the “A-Sonic Logistics” brand name would have recorded “Profit before tax” of US\$1.911 million.

Our two (2) other business units, aviation business unit and logistics business unit operating under the “UBI Logistics” brand name, registered “Loss Before Tax” of US\$0.214 million and US\$0.419 million, respectively.

INCOME STATEMENT

Revenue

1H 2025 vs 1H 2024

Our “**Total Revenue**” comprised “**Turnover**” and “**Other Income**”.

(i) “Total Revenue”

“Total revenue” declined US\$8.853 million (7.3%) to US\$112.386 million in 1H 2025, compared to US\$121.239 million in 1H 2024. The decline in our “Total revenue” was attributable to both, (i) a decrease of US\$8.773 million in our “Turnover”; and (ii) a contraction of US\$0.080 million in “Other Income”.

(ii) “Turnover”

“Turnover” decreased US\$8.773 million (7.3%) to US\$111.339 million in 1H 2025, compared to US\$120.112 million in 1H 2024, primarily owing to a decrease of US\$8.769 million in our logistics turnover. Our logistics “Turnover” decreased US\$12.123 million due to lower “Turnover” recorded under the “UBI Logistics” brand name, particularly under the region of The People’s Republic of China (“**PRC**”) and Australia. “Turnover” under the “UBI Logistics” brand name decreased mainly due to reduction in ocean freight rates and cargo volumes.

The lower “Turnover” registered by “UBI Logistics” in 1H 2025 was, however, buffered with an increase of US\$3.354 million in “Turnover” generated under the “A-Sonic Logistics” brand name.

(iii) **“Other Income”**

Our “Other income” decreased US\$0.080 million (7.1%) to US\$1.047 million in 1H 2025, compared to US\$1.127 million in 1H 2024. The decline in “Other income” was largely attributable to:

- (i) reduction of sundry income of US\$0.431 million in 1H 2025 owing to lower receipts of government grant in 1H 2025 compared to 1H 2024;
- (ii) the absence of reversal of accrued expenses of US\$0.243 million in 1H 2025, which was present in 1H 2024; and
- (iii) there was no reversal of provisions for liabilities of US\$0.160 million in 1H 2025, whereas this was present in 1H 2024.

The decline in “Other income” was, however, partially buffered as a result of a dividend income of US\$0.492 million received from an affiliated logistics company.

Total Costs and Expenses

1H 2025 vs 1H 2024

Our “Total costs and expenses” comprised broadly of three (3) large items:

- (i) “Freight charges” relating to our logistics business;
- (ii) “Staff costs”; and
- (iii) “Other operating expenses”.

“Total costs and expenses” decreased US\$9.312 million to US\$111.809 million in 1H 2025, compared to US\$121.121 million in 1H 2024. This decline was attributable to:

- (i) US\$9.800 million (9.0%) lower “Freight charges” in 1H 2025, owing to lower logistics “Turnover” for the same period as elaborated in the section entitled **“Turnover”** at page 12; and
- (ii) US\$0.1850 million (2.1%) lower “Staff costs” to US\$8.688 million in 1H 2025, compared to US\$8.873 million in 1H 2024. The reduction in “Staff costs” was largely attributable to lower staff headcount and continuous manpower optimization initiatives in our logistics business operating under the “UBI Logistics” brand name.

The declines in “Freight charges” and “Staff costs” elaborated at the preceding paragraphs (i) and (ii) above, were however offset by an increase in the expenses elaborated below:

- (i) higher (US\$0.516 million) “Other operating expenses” of US\$3.102 million in 1H 2025, compared to US\$2.586 million in 1H 2024. We incurred foreign currency exchange loss of US\$0.772 million in 1H 2025, compared to foreign currency exchange gain of US\$0.212 million in 1H 2024. The swing of US\$0.984 million was primarily due to the depreciation in the United States dollar in 1H 2025 against the various currencies of the countries we operated in. The foreign exchange loss of US\$0.772 million in 1H 2025, was however buffered by lower rental expenses (US\$0.092 million), entertainment (US\$0.255 million) and travelling expenses (US\$0.123 million); and
- (ii) higher (US\$0.110 million) in “Depreciation of property, plant and equipment” owing to new assets acquired (included right-of-use assets) relating to our business in 1H 2025.

Profit Before Tax and Net Profit Attributable to Equity Holders of the Company

1H 2025 vs 1H 2024

We registered higher (US\$0.387 million) “Profit before tax” of US\$0.562 million in 1H 2025, compared to US\$0.175 million in 1H 2024. The increase in “Profit before tax” was two-fold:

- (i) higher “Turnover” generated from our better yielding logistics business operating under the brand name of “A-Sonic Logistics”; and
- (ii) cost savings achieved by our logistics business operating under the brand name of “UBI Logistics”. The cost savings were mainly from the reduction of staff headcount in the PRC.

Had it not been for the foreign exchange loss of US\$0.772 million in 1H 2025, our Group's "Profit before tax" would have been US\$1.334 million, instead of US\$0.562 million.

Despite an increase of US\$0.387 million (221.1%) in our Group's "Profit before tax" in 1H 2025, our "Profit attributable to equity holders of the Company" declined US\$0.215 million to US\$0.435 million, compared to US\$0.650 million in 1H 2024. This was primarily owing to lower losses incurred by our partially owned subsidiaries operating under the brand name of "UBI Logistics".

Our "Total comprehensive income attributable to equity of the Company" increased to US\$1.728 million in 1H 2025, compared to US\$0.111 million in 1H 2024. This was primarily due to the appreciation of various currencies of the countries we operated in, against the US Dollar. The translations of our subsidiaries' local financial statements into the Group's US Dollar presentation currency recorded a positive currency translation difference of US\$1.293 million arising on consolidation.

BALANCE SHEET

Non-current assets

The Group's "Non-current assets" increased 23.9% (US\$1.573 million) to US\$8.161 million as at 30 June 2025, compared to US\$6.588 million as at 31 December 2024 ("FY 2024"). The increase was largely due to an increase of US\$1.554 million in "Property, plant and equipment" to US\$6.894 million as at 30 June 2025 ("1H 2025"). "Property, plant and equipment" increased largely owing to the acquisition of motor vehicles, relating to our logistics business.

As at 30 June 2025, approximately 84.5% of our "Non-current assets" comprised "Property, plant and equipment". The breakdown of the latter was as follows:

<u>Item</u>	<u>US\$'000</u>
1 Leasehold office; Building on freehold land; and freehold land	1,890
2 Motor vehicles (deployed for our logistics business)	2,849
3 Other assets	319
4 Right-of-use	1,836
	<u>6,894</u>

Current assets

"Current assets" decreased US\$3.601 million (4.4%) to US\$77.809 million as at 30 June 2025, from US\$81.410 million as at the end of FY 2024 largely owing to:

- (i) a decline of US\$3.949 million (11.5%) in "Trade and other receivables" to US\$30.254 million as at 30 June 2025, from US\$34.203 million as at end FY 2024. The decrease in "Trade and other receivables" in 1H 2025 was broadly in line with our lower "Turnover" in 1H 2025, compared to 1H 2024, as elaborated in the section entitled "Turnover" at page 12; and
- (ii) a decrease of US\$0.809 million in "Contract assets" resulting from our rights in consideration for services rendered, but yet to be billed as at 30 June 2025.

The above declines were, however, partially offset by an increase of US\$1.061 million in our "Cash and cash equivalent" to US\$46.491 million as at 30 June 2025, compared to US\$45.430 million as at 31 December 2024. The increase in "Cash and cash equivalent" was attributable to the business generated from our logistics business unit.

Non-current liabilities

"Non-current liabilities" decreased US\$0.022 million to US\$0.846 million as at 30 June 2025. This was largely due to partial repayment of "Lease liabilities" relating to leases for offices and motor vehicles deployed in our logistics business.

Current liabilities

“Current liabilities” decreased US\$2.969 million to US\$35.817 million as at 30 June 2025, from US\$38.786 million as at the end of FY 2024. The decrease in “Current liabilities” was primarily due to lower (US\$3.042 million) “Trade and other payables” of US\$33.697 million as at 30 June 2025, in part due to prompt payments made to ocean carriers, airlines, and other service providers to secure cargo space.

Equity attributable to equity holders of the Company

“Equity attributable to equity holders of the Company” stood at US\$48.335 million as at end of 30 June 2025, compared to US\$47.257 million as at end of FY 2024. This represented an increase of US\$1.078 million (2.3%), largely owing to two (2) partially off-setting factors:

- (i) The accretive factor was due to a gain of US\$1.293 million, thereby reducing “Foreign currency translation reserve” losses to US\$6.854 million as at 30 June 2025, compared to a larger “Foreign currency translation reserve” losses of US\$8.147 million as at end FY 2024. This resulted from the depreciation in the United States dollar in 1H 2025 against the various currencies of the countries we operated in; and
- (ii) The negating factor was lower (US\$0.215 million) “Accumulated profits” as at 30 June 2025. “Accumulated profits” declined owing to US\$0.405 million dividend paid out; and US\$0.245 million cash utilised for our shares repurchase programme.

As a result, the net impact on our consolidated net asset value per share increased 1.45 US\$ cents to 45.75 US\$ cents per share in 1H 2025, compared to 44.30 US\$ cents per share in FY 2024.

CASH FLOWS

1H 2025 vs 1H 2024

“Net cash generated from operating activities” was US\$2.959 million in 1H 2025, compared to US\$2.636 million net cash used in operating activities in 1H 2024 largely due to:

- (i) The “Operating cash flow before working capital changes” generated cash amounted to US\$0.845 million in 1H 2025, compared to US\$0.637 million in 1H 2024;
- (ii) Cash generated from “Receivables and contract assets” in 1H 2025 was US\$4.585 million, compared to US\$4.553 million used in “Receivables and contract assets” in 1H 2024;
- (iii) Cash used in “Payables and contract liabilities” in 1H 2025 was US\$2.877 million, compared to cash generated from “Payables and contract liabilities” in 1H 2024 of US\$1.348 million; and
- (iv) “Income tax paid” in 1H 2025 was US\$0.358 million while US\$0.344 million was paid in 1H 2024.

“Net cash used in investing activities” amounted to US\$0.840 million in 1H 2025, compared to US\$0.433 million generated from investing activities in 1H 2024. In 1H 2025, “Net cash generated from investing activities” was mainly due to US\$0.389 million of “Interest received” and US\$0.492 million of “Dividend received”. It was partially offset by the “Purchases of property, plant and equipment” of US\$1.726 million. In contrast, in 1H 2024, “Net cash generated from investing activities” was mainly due to US\$0.351 million of “Interest received” and US\$0.142 million of “Proceeds from disposals of property, plant and equipment”.

“Net cash used in financing activities” amounted to US\$1.746 million in 1H 2025, compared to US\$0.937 million in 1H 2024. In 1H 2025, the “Net cash used in financing activities” was largely attributed to “Increase in fixed deposits pledged” of US\$0.311 million, “Repayments of lease liabilities” of US\$0.682 million, “Dividend paid to shareholders” of US\$0.405 million, “Shares bought back and cancelled” of US\$0.245 million and “Interest paid on lease liabilities” of US\$0.053 million. In contrast, in 1H 2024, “Net cash used in financing activities” was largely attributed to “Repayments of lease liabilities” of US\$0.676 million, “Dividend paid to shareholders” of US\$0.196 million and “Interest paid on lease liabilities” of US\$0.044 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement had been disclosed to the shareholders in the first six (6) months of 2025 year.

4. **A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may effect the group in the next reporting period and the next 12 months.**

The world economy remains uncertain and volatile, driven by geopolitical tensions. The global supply chain continues to face disruption from trade traffic and other headwinds. We remain vigilant and cautious as we move into the second half of 2025.

5. **Dividend**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended) in the current financial period reported on:**

No dividend has been declared in the current financial period for the first six (6) months of 2025.

- (b) (i) **Amount per share (in cents)**

Nil

- (ii) **Previous corresponding period (in cents)**

Nil

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable

- (d) **The date the dividend is payable.**

Not applicable

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable

6. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

As at the date of this Announcement, the Group has not obtained a general mandate from shareholders for IPTs.

7. **Negative confirmation pursuant to Rule 705(5).**

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results of the Group and the Company for the first half year ended 30 June 2025 to be false or misleading in any material aspect.

8. **Confirmation by Board pursuant to rule 720(1) of the Listing Manual**

The Board had received undertakings from all its directors in the format as set out in Appendix 7.7 in pursuant to Rule 720(1) of the listing manual of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD

Hew Shiao Pooi
Joint Company Secretary

13 August 2025