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 first quarter ended 31 March 2018.

Update on Financial

In the first quarter of 2018 ("1Q 2018"), all three (3) business units recorded profit:

Business Units		**Profit Attributable to Equity Holders for 3 months ended 31 March 2018 ("1Q 2018")**
(i) Aviation	:	US$0.526 million
(ii) Logistics sub-unit operating under "A-Sonic Logistics" brand	:	US$0.146 million(1)
(iii) Logistics sub-unit operating under "UBI Logistics" brand	:	US$0.003 million(2)
Consolidated A-Sonic Group	:	US$0.675 million

Notes:

(1) Includes "Foreign exchange loss" of US$0.091 million in 1Q 2018
(2) Includes "Foreign exchange gain" of US$0.148 million in 1Q 2018

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

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 shall relentlessly:

(i) Continue to 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) We aim to 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

13 May 2018