

## **Condensed Interim Financial Statements For the six months ended 30 June 2024**

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**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 2024**

|  | Note | Group                      |                            | Change<br>%   |
|--|------|----------------------------|----------------------------|---------------|
|  |      | First half year ended      |                            |               |
|  |      | 30 Jun<br>2024<br>US\$'000 | 30 Jun<br>2023<br>US\$'000 |               |
| Turnover   | 5    | 120,112                    | 110,842                    | 8.4           |
| Other income   |      | 1,127                      | 1,446                      | (22.1)        |
| <b>Total revenue</b>   |      | <b>121,239</b>             | <b>112,288</b>             | <b>8.0</b>    |
| <b>Expenses</b>  |      |                            |                            |               |
| Freight charges  |      | (108,653)                  | (98,041)                   | 10.8          |
| Staff costs  |      | (8,873)                    | (9,903)                    | (10.4)        |
| Depreciation of property, plant and equipment  |      | (996)                      | (1,032)                    | (3.5)         |
| Depreciation of investment property  |      | (9)                        | (9)                        | -             |
| Finance costs  |      | (44)                       | (61)                       | (27.9)        |
| Net impairment gain on financial assets  |      | 41                         | 15                         | 173.3         |
| Other operating expenses   |      | (2,587)                    | (2,645)                    | (2.2)         |
| <b>Total costs and expenses</b>  |      | <b>(121,121)</b>           | <b>(111,676)</b>           | <b>8.5</b>    |
| Share of results of associated companies   |      | 57                         | 49                         | 16.3          |
| <b>Profit before tax</b>   | 8    | <b>175</b>                 | <b>661</b>                 | <b>(73.5)</b> |
| Taxation   | 7    | (159)                      | (113)                      | 40.7          |
| <b>Profit for the financial period</b>   |      | <b>16</b>                  | <b>548</b>                 | <b>(97.1)</b> |
| <b>Profit attributable to:</b>   |      |                            |                            |               |
| Equity holders of the Company  |      | 699                        | 808                        | (13.5)        |
| Non-controlling interests  |      | (683)                      | (260)                      | 162.7         |
| <b>Profit for the financial period</b>   |      | <b>16</b>                  | <b>548</b>                 | <b>(97.1)</b> |
| <b>Other comprehensive income:</b>   |      |                            |                            |               |
| <i>Items that are or may be reclassified subsequently to profit or loss:</i>                           |      |                            |                            |               |
| Currency translation differences arising on consolidation  |      | (496)                      | (440)                      | 12.7          |
| <i>Items that will not be reclassified subsequently to profit or loss:</i>                             |      |                            |                            |               |
| Currency translation differences arising on consolidation  |      | 9                          | (13)                       | N/M           |
| Other comprehensive loss for the financial period, net of tax  |      | (487)                      | (453)                      | 7.5           |
| <b>Total comprehensive (loss)/income for the financial period</b>                                      |      | <b>(471)</b>               | <b>95</b>                  | <b>N/M</b>    |
| <b>Total comprehensive income attributable to:</b>   |      |                            |                            |               |
| Equity holders of the Company  |      | 203                        | 368                        | (44.8)        |
| Non-controlling interests  |      | (674)                      | (273)                      | 146.9         |
| <b>Total comprehensive (loss)/income for the financial period</b>                                      |      | <b>(471)</b>               | <b>95</b>                  | <b>N/M</b>    |
| Earning per share for profit attributable to the owners<br>of the Company during the financial period: |      |                            |                            |               |
| Basic and diluted (US cents)   |      | 0.66                       | 0.76                       |               |

**B. Condensed Interim Statement of Financial Position  
As At 30 June 2024**

|  | Note | Group         |               | Company       |               |
|--|------|---------------|---------------|---------------|---------------|
|  |      | 30 Jun        | 31 Dec        | 30 Jun        | 31 Dec        |
|  |      | 2024          | 2023          | 2024          | 2023          |
|  |      | US\$'000      | US\$'000      | US\$'000      | US\$'000      |
| <b>Non-current assets</b>                            |      |               |               |               |               |
| Property, plant and equipment                        | 11   | 4,899         | 5,569         | 386           | 407           |
| Investment property                                  |      | 538           | 546           | -             | -             |
| Investment in subsidiaries                           |      | -             | -             | 13,538        | 13,538        |
| Investment in associated companies                   |      | 394           | 351           | -             | -             |
| Fair value through other comprehensive income        |      | 99            | 99            | -             | -             |
| Goodwill on restructuring                            |      | 24            | -             | -             | -             |
|  |      | <b>5,954</b>  | <b>6,565</b>  | <b>13,924</b> | <b>13,945</b> |
| <b>Current assets</b>                                |      |               |               |               |               |
| Trade and other receivables                          |      | 36,633        | 32,480        | 178           | 56            |
| Contract assets                                      |      | 1,098         | 812           | -             | -             |
| Due from subsidiaries                                |      | -             | -             | 877           | 847           |
| Tax recoverable                                      |      | 4             | 1             | -             | -             |
| Cash and cash equivalents                            |      | 43,747        | 47,573        | 6,995         | 7,331         |
|  |      | <b>81,482</b> | <b>80,866</b> | <b>8,050</b>  | <b>8,234</b>  |
| <b>Total assets</b>                                  |      | <b>87,436</b> | <b>87,431</b> | <b>21,974</b> | <b>22,179</b> |
| <b>Non-current liabilities</b>                       |      |               |               |               |               |
| Lease liabilities                                    | 12   | 637           | 894           | -             | -             |
| Deferred tax liabilities                             |      | -             | 11            | -             | -             |
|  |      | <b>637</b>    | <b>905</b>    | <b>-</b>      | <b>-</b>      |
| <b>Current liabilities</b>                           |      |               |               |               |               |
| Trade and other payables                             |      | 40,375        | 39,179        | 177           | 254           |
| Contract liabilities                                 |      | 28            | 33            | -             | -             |
| Due to subsidiaries                                  |      | -             | -             | 821           | 756           |
| Due to associated companies                          |      | 440           | 408           | -             | -             |
| Provision for liabilities                            |      | -             | 160           | -             | -             |
| Lease liabilities                                    | 12   | 873           | 813           | -             | -             |
| Tax payable  |      | 20            | 160           | -             | -             |
|  |      | <b>41,736</b> | <b>40,753</b> | <b>998</b>    | <b>1,010</b>  |
| <b>Total liabilities</b>                             |      | <b>42,373</b> | <b>41,658</b> | <b>998</b>    | <b>1,010</b>  |
| <b>Net assets</b>                                    |      | <b>45,063</b> | <b>45,773</b> | <b>20,976</b> | <b>21,169</b> |
| <b>Equity</b>  |      |               |               |               |               |
| Share capital  | 13   | 52,507        | 52,507        | 52,507        | 52,507        |
| Accumulated profits/(losses)                         |      | 672           | 212           | (31,531)      | (31,338)      |
| Foreign currency translation reserve                 |      | (8,185)       | (7,689)       | -             | -             |
| Equity attributable to equity holders of the Company |      | <b>44,994</b> | <b>45,030</b> | <b>20,976</b> | <b>21,169</b> |
| Non-controlling interests                            |      | 69            | 743           | -             | -             |
| <b>Total equity</b>                                  |      | <b>45,063</b> | <b>45,773</b> | <b>20,976</b> | <b>21,169</b> |

**C. Condensed Interim Consolidated Statement of Cash Flows  
For the first half year ended 30 June 2024**

|   | Note | Group                 |                |
|---|------|-----------------------|----------------|
|   |      | First half year ended |                |
|   |      | 30 Jun 2024           | 30 Jun 2023    |
|   |      | US\$'000              | US\$'000       |
| <b>Cash flows from operating activities</b>                   |      |                       |                |
| Profit before tax   |      | 175                   | 661            |
| <b>Adjustments for:</b>                                       |      |                       |                |
| Interest income   | 8    | (351)                 | (337)          |
| Depreciation of property, plant and equipment                 |      | 996                   | 1,032          |
| Depreciation of investment property                           |      | 9                     | 9              |
| Impairment allowance for trade receivables written back       | 8    | (41)                  | (15)           |
| Impairment allowance for amount due from associated companies | 8    | 1                     | -              |
| Interest expenses   |      | 44                    | 61             |
| Goodwill from restructuring                                   |      | (24)                  | -              |
| Dividend income   |      | -                     | (446)          |
| Loss/(Gain) on disposal of property, plant and equipment      | 8    | 14                    | (31)           |
| Derecognition of rights-of-use assets                         | 8    | 6                     | 27             |
| Property, plant and equipment written off                     | 8    | 1                     | 1              |
| Reversal of provision for restructuring costs                 | 8    | (160)                 | -              |
| Share of results of associated companies                      |      | (57)                  | (49)           |
|   |      | <b>613</b>            | <b>913</b>     |
| Operating cash flow before working capital changes            |      | <b>613</b>            | <b>913</b>     |
| Receivables   |      | (4,529)               | (580)          |
| Payables  |      | 1,348                 | (5,971)        |
| Effect of foreign exchange rate changes                       |      | 276                   | 191            |
| Cash used in operations                                       |      | (2,292)               | (5,447)        |
| Income tax paid   |      | (344)                 | (364)          |
| <b>Net cash used in operating activities</b>                  |      | <b>(2,636)</b>        | <b>(5,811)</b> |
| <b>Cash flows from investing activities</b>                   |      |                       |                |
| Dividend received from associate                              |      | -                     | 446            |
| Interest received   |      | 351                   | 337            |
| Proceeds from disposal of property, plant and equipment       |      | 142                   | 33             |
| Purchase of property, plant and equipment                     |      | (60)                  | (140)          |
| <b>Net cash generated from investing activities</b>           |      | <b>433</b>            | <b>676</b>     |
| <b>Cash flows from financing activities</b>                   |      |                       |                |
| (Increase)/Decrease in fixed deposits pledged                 |      | (21)                  | 94             |
| Repayment of lease liabilities                                |      | (676)                 | (703)          |
| Dividend paid to minority shareholder                         |      | -                     | (94)           |
| Dividend paid to shareholders of the Company                  |      | (196)                 | (600)          |
| Interest paid   |      | (44)                  | (61)           |
| <b>Net cash used in financing activities</b>                  |      | <b>(937)</b>          | <b>(1,364)</b> |
| <b>Net decrease in cash and cash equivalents</b>              |      | <b>(3,140)</b>        | <b>(6,499)</b> |
| Cash and cash equivalents at beginning of period              |      | 45,149                | 47,298         |
| Effect of foreign exchange rate changes                       |      | (707)                 | (635)          |
| <b>Cash and cash equivalents at end of period</b>             |      | <b>41,302</b>         | <b>40,164</b>  |

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   |  | 22,807        | 25,911        |
| - Fixed deposits   |  | 20,940        | 16,683        |
|  |  | <b>43,747</b> | <b>42,594</b> |
| Less: Fixed deposits pledged                                       |  | (2,445)       | (2,430)       |
| Cash and cash equivalents per consolidated statement of cash flows |  | <b>41,302</b> | <b>40,164</b> |

**D. Condensed Interim Statement of Changes in Equity**  
For the first half year ended 30 June 2024

**THE GROUP**

|   | Share capital<br>US\$'000 | Accumulated profits/<br>(losses)<br>US\$'000 | Foreign currency translation reserve<br>US\$'000 | Equity attributable to equity holders of the Company<br>US\$'000 | Non - controlling interests<br>US\$'000 | Total equity<br>US\$'000 |
|---|---------------------------|--|--|--|---|--------------------------|
| At 1 January 2024   | 52,507                    | 212  | (7,689)  | 45,030   | 743                                     | 45,773                   |
| Profit for the financial period                             | -                         | 699  | -  | 699  | (683)                                   | 16                       |
| <b>Other comprehensive income/(loss)</b>                    |                           |  |  |  |   |                          |
| Currency translation differences on consolidation           | -                         | -  | (496)  | (496)  | 9                                       | (487)                    |
| Total comprehensive income/(loss) for the financial period  | -                         | 699  | (496)  | 203  | (674)                                   | (471)                    |
| <b>Transaction with owners recorded directly in equity</b>  |                           |  |  |  |   |                          |
| Disposal of interest in subsidiary                          | -                         | (43)   | -  | (43)   | -                                       | (43)                     |
| Dividend paid on ordinary shares                            | -                         | (196)  | -  | (196)  | -                                       | (196)                    |
| Total others  | -                         | (239)  | -  | (239)  | -                                       | (239)                    |
| <b>At 30 June 2024</b>                                      | <b>52,507</b>             | <b>672</b>                                   | <b>(8,185)</b>                                   | <b>44,994</b>  | <b>69</b>                               | <b>45,063</b>            |
| At 1 January 2023   | 52,507                    | (171)  | (7,726)  | 44,610   | 1,383                                   | 45,993                   |
| Profit for the financial period                             | -                         | 808  | -  | 808  | (260)                                   | 548                      |
| <b>Other comprehensive income/(loss)</b>                    |                           |  |  |  |   |                          |
| Dividend paid to non-controlling shareholders by subsidiary | -                         | -  | -  | -  | (94)                                    | (94)                     |
| Currency translation differences on consolidation           | -                         | -  | (440)  | (440)  | (13)                                    | (453)                    |
| Total comprehensive income/(loss) for the financial period  | -                         | 808  | (440)  | 368  | (367)                                   | 1                        |
| <b>Transaction with owners recorded directly in equity</b>  |                           |  |  |  |   |                          |
| Dividend payable on ordinary shares                         | -                         | (600)  | -  | (600)  | -                                       | (600)                    |
| <b>At 30 June 2023</b>                                      | <b>52,507</b>             | <b>37</b>                                    | <b>(8,166)</b>                                   | <b>44,378</b>  | <b>1,016</b>                            | <b>45,394</b>            |

**THE COMPANY**

|  | Share capital<br>US\$'000 | Accumulated losses<br>US\$'000 | Total equity<br>US\$'000 |
|--|---------------------------|--------------------------------|--------------------------|
| 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)                    |
| <b>At 30 June 2024</b>   | <b>52,507</b>             | <b>(31,531)</b>                | <b>20,976</b>            |
| At 1 January 2023  | 52,507                    | (31,297)                       | 21,210                   |
| Profit and total comprehensive income for the financial period | -                         | 2                              | 2                        |
| Dividend paid on ordinary shares                               | -                         | (600)                          | (600)                    |
| <b>At 30 June 2023</b>   | <b>52,507</b>             | <b>(31,895)</b>                | <b>20,612</b>            |

## **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 2024 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 2024 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 2023.

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 2023.

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 2024 for expected credit loss on trade receivables.

### **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                   |                             | Logistics                   |                             | Consolidated                |                             |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | For first half year ended   |                             | For first half year ended   |                             | For first half year ended   |                             |
|   | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 |
| Turnover from reportable segments                       | 5                           | 10                          | 120,107                     | 110,832                     | 120,112                     | 110,842                     |
| Interest income   | 179                         | 170                         | 172                         | 167                         | 351                         | 337                         |
| Finance costs   | -                           | -                           | (44)                        | (61)                        | (44)                        | (61)                        |
| Depreciation of property, plant and equipment           | (29)                        | (8)                         | (967)                       | (1,024)                     | (996)                       | (1,032)                     |
| Depreciation of investment property                     | (9)                         | (9)                         | -                           | -                           | (9)                         | (9)                         |
| (Loss)/Gain on disposal of property plant and equipment | -                           | -                           | (14)                        | 31                          | (14)                        | 31                          |
| Derecognition of rights-of-use assets                   | -                           | -                           | (6)                         | (27)                        | (6)                         | (27)                        |
| Property, plant and equipment written off               | -                           | -                           | (1)                         | (1)                         | (1)                         | (1)                         |
| Share of results of associated companies                | -                           | -                           | 57                          | 49                          | 57                          | 49                          |
| Taxation expenses                                       | -                           | -                           | (159)                       | (113)                       | (159)                       | (113)                       |
| Reportable segment (loss)/profit                        | (104)                       | (186)                       | 120                         | 734                         | 16                          | 548                         |
| <b>Other material non-cash items:</b>                   |                             |                             |                             |                             |                             |                             |
| Impairment allowance for trade receivables written back | -                           | -                           | 41                          | 15                          | 41                          | 15                          |
| Reversal of provision for restructuring costs           | -                           | -                           | 160                         | -                           | 160                         | -                           |

|                                   | Aviation         |                  | Logistics        |                  | Consolidated     |                  |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                   | 30 June          |                  | 30 June          |                  | 30 June          |                  |
|                                   | 2024<br>US\$'000 | 2023<br>US\$'000 | 2024<br>US\$'000 | 2023<br>US\$'000 | 2024<br>US\$'000 | 2023<br>US\$'000 |
| Segment assets                    | 8,679            | 8,215            | 78,753           | 80,679           | 87,432           | 88,894           |
| Segment liabilities               | 333              | 312              | 42,020           | 42,927           | 42,353           | 43,239           |
| Expenditure in non-current assets | -                | -                | 541              | 901              | 541              | 901              |

### 5.2 Disaggregation of Revenue

|                                | Aviation                    |                             | Logistics                   |                             | Consolidated                |                             |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                | For first half year ended   |                             | For first half year ended   |                             | For first half year ended   |                             |
|                                | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 |
| Types of goods or services     |                             |                             |                             |                             |                             |                             |
| Sales of goods                 | 5                           | 10                          | -                           | -                           | 5                           | 10                          |
| Rendering of services          | -                           | -                           | 120,107                     | 110,832                     | 120,107                     | 110,832                     |
| Total revenue                  | 5                           | 10                          | 120,107                     | 110,832                     | 120,112                     | 110,842                     |
| Timing of revenue recognition: |                             |                             |                             |                             |                             |                             |
| Over time                      | -                           | -                           | 4,000                       | 3,824                       | 4,000                       | 3,824                       |
| At a point in time             | 5                           | 10                          | 116,107                     | 107,008                     | 116,112                     | 107,018                     |
| Total revenue                  | 5                           | 10                          | 120,107                     | 110,832                     | 120,112                     | 110,842                     |



## 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<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 |
| The People's Republic of China<br>(including Hong Kong S.A.R) | -                           | -                           | 69,787                      | 58,287                      | 69,787                      | 58,287                      |
| Australia   | -                           | -                           | 27,520                      | 26,447                      | 27,520                      | 26,447                      |
| Singapore   | 5                           | 10                          | 9,544                       | 11,941                      | 9,549                       | 11,951                      |
| North America (USA and Canada)                                | -                           | -                           | 7,485                       | 8,863                       | 7,485                       | 8,863                       |
| Other countries   | -                           | -                           | 5,771                       | 5,294                       | 5,771                       | 5,294                       |
|   | 5                           | 10                          | 120,107                     | 110,832                     | 120,112                     | 110,842                     |

## 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 2024 and 31 December 2023:

|   | The Group                   |                                 | The Company                 |                                 |
|---|-----------------------------|---------------------------------|-----------------------------|---------------------------------|
|   | 30 June<br>2024<br>US\$'000 | 31 December<br>2023<br>US\$'000 | 30 June<br>2024<br>US\$'000 | 31 December<br>2023<br>US\$'000 |
| <b>Financial Assets</b>                       |                             |                                 |                             |                                 |
| Fair value through other comprehensive income | 99                          | 99                              | -                           | -                               |
| Financial assets at amortised costs           | 78,989                      | 77,903                          | 8,048                       | 8,230                           |
| <b>Financial Liabilities</b>                  |                             |                                 |                             |                                 |
| Financial liabilities at amortised costs      | 41,531                      | 40,369                          | 998                         | 1,010                           |

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<br>30 June<br>2024<br>US\$'000 | 30 June<br>2023<br>US\$'000 |
| Tax expense attributable to profits is made up of: |  |                             |
| Current income tax                                 | 119  | 96                          |
| Under provision in prior financial years:          |  |                             |
| - Income tax expense                               | 42   | 17                          |
| - Deferred tax                                     | (2)  | -                           |
|  | 159  | 113                         |

## 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  |
|   | 2024                          | 2023     |
|   | US\$'000                      | US\$'000 |
| Interest income   | 351                           | 337      |
| Sundry income   | 535                           | 597      |
| Impairment allowance for trade receivables written back       | 41                            | 15       |
| Impairment allowance for amount due from associated companies | (1)                           | -        |
| Foreign currency exchange gain                                | 212                           | 15       |
| (Loss)/Gain on disposal of property, plant and equipment      | (20)                          | 4        |
| Reversal of provision for restructuring costs                 | 160                           | -        |
| Property, plant and equipment written off                     | (1)                           | (1)      |
| Rental income   | 49                            | 49       |
| Rental expenses   | (237)                         | (239)    |

### 8.2 Related parties transaction

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

## 9. Dividend

|  | Group                         |          |
|--|-------------------------------|----------|
|  | For the first half year ended |          |
|  | 30 June                       | 30 June  |
|  | 2024                          | 2023     |
|  | US\$'000                      | US\$'000 |

### Ordinary dividends paid/payable:

Final exempt dividend of 0.25 Singapore cent per share paid  
(30 June 2023: 0.75 Singapore cent per share) in respect  
of previous financial year

|  |     |     |
|--|-----|-----|
|  | 196 | 600 |
|--|-----|-----|

As further discussed on page 15 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 |
|  | 2024   | 2023   | 2024    | 2023   |
| Net asset value per share based on existing issued<br>share capital at the end of period/year (US cents) | 42.17  | 42.20  | 19.66   | 19.84  |

## 11. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets (included right-of-use assets) relating to our business amounted US\$541,000 (30 June 2023: US\$901,000), and disposed of assets (included derecognition of right-of-use assets) relating to our business amounted to US\$544,000 (30 June 2023: US\$744,000).

## 12. Lease liabilities

|   | Group                      |                            |
|---|----------------------------|----------------------------|
|   | 30 Jun<br>2024<br>US\$'000 | 31 Dec<br>2023<br>US\$'000 |
| <b>The lease liabilities are analysed as follows:</b> |                            |                            |
| Not more than one year                                | 873                        | 813                        |
| Later than one year but not later than five years     | 637                        | 894                        |
|   | <u>1,510</u>               | <u>1,707</u>               |

## 13. Share capital

|                                      | The Group and the Company |               |                     |               |
|--------------------------------------|---------------------------|---------------|---------------------|---------------|
|                                      | 30 June 2024              |               | 31 December 2023    |               |
|                                      | Number of<br>Shares       | US\$'000      | Number of<br>Shares | US\$'000      |
| <b>Issued and fully paid capital</b> |                           |               |                     |               |
| At beginning of interim period       | 106,693,721               | 52,507        | 88,912,626          | 52,507        |
| Bonus issue                          | -                         | -             | 17,781,095          | -             |
| At end of interim period             | <u>106,693,721</u>        | <u>52,507</u> | <u>106,693,721</u>  | <u>52,507</u> |

The Company did not hold any treasury shares as at 30 June 2024.

There were no sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at 30 June 2024.

## 14. 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 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed 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 2024.

We are engaged in the sale and purchase 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 2024, the global economy faced several challenges, including low growth, persistent inflation, high interest rates, and a disrupted supply chain. Global trade was also under pressure due to geopolitical tensions and weakening global demand. Despite these challenges, we managed to end the first six (6) months of 2024 (“**1H 2024**”) on a positive note. We recorded “Profit Attributable to Equity Holders of the Company” of US\$0.699 million.

Of our three (3) business units, only our logistics business operating under the “A-Sonic Logistics” brand name registered “Profit Before Tax” of US\$1.734 million and “Profit Attributable to Equity Holders of the Company” of US\$1.851 million. Our two (2) other business units, aviation business unit and logistics business unit operating under the “UBI Logistics” brand name, registered losses before tax of US\$0.104 million and US\$1.455 million, respectively.

## INCOME STATEMENT

### Revenue

#### 1H 2024 vs 1H 2023

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

(i) “Total Revenue”

“Total revenue” increased US\$8.951 million (8.0%) to US\$121.239 million in 1H 2024, compared to US\$112.288 million in the corresponding six (6) months ended 30 June 2023 (“**1H 2023**”). The increase in our “Total revenue” was primarily attributable to an increase of US\$9.270 million in our “Turnover”. This increase in “Turnover” was partially pared by a decline of US\$0.319 million in our “Other Income”.

(ii) “Turnover”

“Turnover” increased US\$9.270 million (8.4%) to US\$120.112 million in 1H 2024, compared to US\$110.842 million in 1H 2023, primarily owing to an increase of US\$9.275 million in our logistics turnover. Our logistics “Turnover” increased owing largely to higher “Turnover” recorded in The People’s Republic of China (“**PRC**”). “Turnover” in the PRC increased mainly due to higher ocean cargo volume coupled with higher ocean and air freight rates.

(iii) **“Other Income”**

Our “Other Income” decreased US\$0.319 (22.1%) million to US\$1.127 million in 1H 2024, compared to US\$1.446 million in 1H 2023. The decline in “Other Income” was largely attributable to the absence of dividend income in 1H 2024, but was present in 1H 2023. In 1H 2023, we received dividend income of US\$0.446 million from an affiliated logistics company, engaged in e-commerce fulfilment related activity.

**Total Costs and Expenses**

**1H 2024 vs 1H 2023**

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) “Depreciation”; “Finance costs”; “Net impairment gain on financial assets”; and “Other operating expenses”.

Our “Total costs and expenses” increased US\$9.445 million to US\$121.121 million in 1H 2024, compared to US\$111.676 million in 1H 2023. This increase was solely attributable to an increase of US\$10.612 million in “Freight charges” to US\$108.653 million in 1H 2024, owing to the higher logistics “Turnover” for the same period as elaborated in the section entitled “Turnover” at page 11.

The other two large cost components declined as elaborated below:

- (i) “Staff costs” decreased US\$1.030 million (10.4%) to US\$8.873 million in 1H 2024, compared to US\$9.903 million in 1H 2023. The “Staff costs” reduction was entirely from our logistics business. As at end 1H 2024, we had approximately 566 personnel, compared to 626 as at end 1H 2023. The decrease was in part due to reduction of head count in the PRC, including the closure of certain business unit in Guangzhou, and lower staff-related costs; and
- (ii) “Depreciation”; “Finance costs”; “Net impairment gain on financial assets”; and “Other operating expenses” in aggregate declined US\$0.137 million (3.7%) to US\$3.595 million in 1H 2024, compared to US\$3.732 million in 1H 2023. The decline of these cost items, were entirely from our logistics business, which registered an aggregated decrease of US\$0.151 million in 1H 2023. Of the US\$0.151 million decline in these cost items, “Other operating expenses” decreased the most at 3.1% (US\$0.077 million) to US\$2.425 million in 1H 2024, compared to US\$2.502 million in 1H 2023.

**Net Profit Attributable to Equity Holders of the Company**

**1H 2024 vs 1H 2023**

We recorded “Profit Attributable to Equity Holders of the Company” of US\$0.699 million in 1H 2024, down US\$0.109 million (13.5%), compared to US\$0.808 million in 1H 2023. Despite an increase of US\$9.270 million (8.4%) in “Turnover”, we posted lower “Profit Attributable to Equity Holders of the Company” largely owing to lower gross profit resulting from exogenous factors, including the Red Sea disruption, that led to tight capacity situation. This resulted in gross margin compression.

Another contributing factor for the lower “Profit Attributable to Equity Holder of the Company” was the reduction of US\$0.319 million in “Other income” to US\$1.127 million in 1H 2024, compared to US\$1.446 million in 1H 2023. The reduction in “Other income” in 1H 2024, was primarily due to the absence of dividend income. In contrast, in 1H 2023, we recorded a dividend income of US\$0.446 million from an affiliated logistics company, engaged in e-commerce fulfilment related activity.

Whilst our “Profit Attributable to Equity Holders of the Company” declined US\$0.109 million (13.5%), our “Profit Before Tax” decreased more sharply at 73.5% to US\$0.175 million in 1H 2024, compared to US\$0.661 million in 1H 2023. This was solely due to our Group having to account for 100% of the US\$1.455 million losses of our partially owned subsidiary which operates under the branding of “UBI Logistics”. The losses of “UBI Logistics” substantially offset the “Profit Before Tax” of US\$1.734 million of “A-Sonic Logistics”.

The poorer performance of UBI Logistics due to:

- (i) Firstly, it recorded lower gross profit despite higher “Turnover”. This was due to gross margin compression as elaborated above, and losses incurred by its air freight business due to a block space agreement in the weak cargo market condition, particularly in January and February.
- (ii) Secondly, the “Other income” of “UBI Logistics” nose-dived to US\$0.046 million in 1H 2024, compared to US\$0.794 million in 1H 2023. This was due to:
  - (a) the absence of dividend income (US\$0.446 million) as mentioned above; and
  - (b) lower (US\$0.297 million) in sundry income resulting from absence of US\$0.312 million write back of a payable.

As a result, our Group’s “Profit After Tax” declined to US\$0.016 million in 1H 2024, compared to US\$0.548 million in 1H 2023. While “A-Sonic Logistics” business unit contributed US\$1.576 million “Profit After Tax” in 1H 2024, an improvement of US\$0.159 million (11.2%), compared to US\$1.417 million in 1H 2023, this increase was however pared by the losses of the aviation business unit and the “UBI Logistics” business unit.

Despite a lower percentage of decline of 13.5% in “Net Profit Attributable to Equity Holders of the Company”, we encountered a sharper decline of 44.8% in our “Total Comprehensive Income Attributable to Equity Holders of the Company” to US\$0.203 million in 1H 2024, compared to US\$0.368 million in 1H 2023. This was primarily due to the depreciation 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 negative currency translation difference of US\$0.496 million arising on consolidation.

## BALANCE SHEET

### Non-current assets

The Group’s “Non-current assets” decreased 9.3% (US\$0.611 million) to US\$5.954 million as at 30 June 2024, compared to US\$6.565 million as at 31 December 2023 (“FY 2023”). The decrease was largely due to a decline of US\$0.670 million in “Property, plant and equipment” to US\$4.899 million as at 30 June 2024 (“1H 2024”). “Property, plant and equipment” decreased largely owing to depreciation cost of US\$1.005 million in our “Property, plant and equipment”.

As at 30 June 2024, approximately 82.3% 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 | 1,945           |
| 2 Motor vehicles (deployed for our logistics business)           | 1,120           |
| 3 Other assets   | 408             |
| 4 Right-of-use   | 1,426           |
|  | <u>4,899</u>    |

### Current assets

“Current assets” increased US\$0.616 million to US\$81.482 million as at 30 June 2024, from US\$80.866 million as at the end of FY 2023 largely owing to:

- (a) an increase of US\$4.153 million (12.8%) in “Trade and other receivables” to US\$36.633 million as at 30 June 2024, from US\$32.480 million as at end FY 2023. The increase in “Trade and other receivables” in 1H 2024, was mainly owing to higher (US\$4.064 million) “Turnover” achieved in the last three (3) months of 1H 2024 (i.e: April, May, and June 2024), compared to the “Turnover” recorded in the last three (3) months of the second half of 2023 (i.e: October, November, and December 2023); and
- (b) an increase of US\$0.286 million in “Contract assets” arising from our rights in consideration for services rendered, but yet to be billed as at 30 June 2024.

The above increases were, however, pared by a decrease of US\$3.826 million in our “Cash and cash equivalent” to US\$43.747 million as at 30 June 2024, compared to US\$47.573 million as at 31 December 2023. Our “Cash and cash equivalent” was primarily utilised to: (i) fund the surge in our “Turnover” in the last three months of 1H 2024 as elaborated in paragraph (a) above; and (ii) pay our service providers as elaborated in the section below entitled “Current liabilities” at page 14.

### **Non-current liabilities**

“Non-current liabilities” decreased US\$0.268 million to US\$0.637 million as at 30 June 2024. 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” increased US\$0.983 million to US\$41.736 million as at 30 June 2024, from US\$40.753 million as at the end of FY 2023. The increase in “Current liabilities” was primarily due to higher (US\$1.196 million) “Trade and other payables” of US\$40.375 million as at 30 June 2024. Our “Trade and other payables” related to “Freight charges” was US\$2.560 million higher in the last month of 1H 2024 (i.e: June 2024) compared to the last month (i.e: December) of 2023. We usually pay ocean carriers, airlines, and other service providers ahead, even before we collect our account receivables.

### **Equity attributable to equity holders of the Company**

“Equity attributable to equity holders of the Company” stood at US\$44.994 million as at end of 30 June 2024, compared to US\$45.030 million as at end of FY 2023, representing a decrease of US\$0.036 million. The reduction of US\$0.036 million in “Equity attributable to equity holders of the Company” resulted from two (2) compensating factors. The negative factor resulted from a larger US\$0.496 million loss in “Foreign currency translation reserve” losses of US\$8.185 million as at 30 June 2024, compared to the “Foreign currency translation reserve” losses of US\$7.689 million as at end FY 2023. This downside factor was compensated by the upside of US\$0.460 million increase in “Accumulated profits” as at 30 June 2024.

## **CASH FLOW**

### **1H 2024 vs 1H 2023**

“Net cash used in operating activities” was US\$2.636 million in 1H 2024, compared to US\$5.811 million in 1H 2023 largely due to:

- (i) The “Operating cash flow before working capital changes” generated cash amounted to US\$0.613 million in 1H 2024, compared to US\$0.913 million in 1H 2023;
- (ii) Cash used in “Receivables” in 1H 2024 was US\$4.529 million, compared to US\$0.580 million used in “Receivables” in 1H 2023;
- (iii) Cash generated from “Payables” in 1H 2024 was US\$1.348 million, compared to cash used in “Payables” in 1H 2023 of US\$5.971 million; and
- (iv) “Income tax paid” in 1H 2024 was US\$0.344 million while US\$0.364 million was paid in 1H 2023.

“Net cash generated from investing activities” amounted to US\$0.433 million in 1H 2024, compared to US\$0.676 million generated from 1H 2023. In 1H 2024, “Net cash generated from investing activities” was mainly due to US\$0.351 million interest received and US\$0.142 million “Proceeds from disposal of property, plant and equipment”. It was partially offset by the “Purchase of property, plant and equipment” of US\$0.060 million.

“Net cash used in financing activities” amounted to US\$0.937 million in 1H 2024, compared to US\$1.364 million in 1H 2023. In 1H 2024, the “Net cash used in financing activities” was largely attributed to “Increase in fixed deposits pledged” of US\$0.021 million, “Repayment of lease liabilities” of US\$0.676 million, “Dividend paid to shareholders of the Company” of US\$0.196 million and “Interest paid” 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 2024 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.**

We take cognizance of continued headwinds, including the increased policy uncertainty, escalating trade tensions, sanctions, on-going war, and global supply chain disruptions. These factors tend to point to a waning economic outlook. We, therefore, remain alert and vigilant for the second half of 2024.

**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 2024.

- (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 2024 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**

Hue Su Li  
Joint Company Secretary

13 August 2024